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DEBATES

OF THE

HOUSE OF COMMONS

OF THE

DOMINION OF CANADA.

PUBLISHED BY AUTHORITY OF THE HOUSE OF COMMONS.

G. B. BRADLEY, CHIEF REPORTER.

THIRD SESSION—FOURTH PARLIAMENT.

44° VICTORIÆ, 1881.

VOL. X

COMPRISING THE PERIOD FROM THE NINTH DAY OF DECEMBER, 1880, TO THE FIRST DAY OF FEBRUARY, 1881.

FIRST VOLUME OF THE SESSION.

OTTAWA:

PRINTED BY MACLEAN, ROGER & CO., WELLINGTON STREET.

1881.

MEMBERS OF THE GOVERNMENT

OF THE

RIGHT HON. SIR JOHN A. MACDONALD,

AT THE OPENING OF THE SESSION OF 1880-81.

Minister of Interior (Premier)	Right Honorable Sir JOHN A. MACDONALD, K.C.B., P.C.
Minister of Finance	Sir S. L. TILLEY, K.C.M.G., C.B.
Minister of Railways and Canals	Sir CHARLES TUPPER, K.C.M.G., C.B.
Postmaster-General	Sir ALEX. CAMPBELL, K.C.M.G.
Minister of Justice	Hon. JAMES MCDONALD.
Minister of Public Works	Hon. H. L. LANGEVIN, C.B.
President of the Council	Hon. J. A. MOUSSEAU.
Minister of Agriculture	Hon. JOHN HENRY POPE.
Minister of Customs	Hon. MACKENZIE BOWELL.
Minister of Militia and Defence	Hon. R. A. CARON.
Secretary of State	Hon. JOHN O'CONNOR.
Minister of Marine and Fisheries	Hon. JAS. C. POPE.
Minister of Inland Revenue	Hon. J. C. AIKINS.
Speaker of the Senate	Hon. D. L. MACPHERSON.

Hon. JOSEPH GODÉRIC BLANCHET	Speaker of the House of Commons.
J. G. BOURINOT	Clerk of the House.
D. W. MACDONNELL	Sergeant-at-Arms.
J. P. LEPROHON	Clerk Assistant.
H. R. SMITH	Deputy Sergeant-at-Arms.

OFFICIAL REPORTERS OF THE HOUSE.

G. B. BRADLEY	Chief Reporter.
S. A. ABBOTT	Assistant Reporters.
J. C. DUGGAN	
G. EYVEL	
A. HORTON	
F. A. MARCEAU	
I. WATSON	
J. C. BOYCE	Office Assistant.

ERRATUM.

In amendment of Mr. Burpee (Sunbury) on Canadian Pacific Railway Contract, read "Railway Construction in British Columbia."

LIST OF MEMBERS

OF THE

HOUSE OF COMMONS

IN THE

THIRD SESSION OF THE FOURTH PARLIAMENT OF THE DOMINION OF CANADA.

ADDINGTON—John McRory.
ALBERT—Alexander Rogers.
ALGOMA—Simon J. Dawson.
ANNAPOLIS—Avard Longley.
ANTIGONISH—Angus McIsaac.
ARGENTEUIL—Hon. J. J. C. Abbott.

BAGOT—Hon. Joseph Alfred Mousseau.
BEAUCE—Joseph Bolduc.
BEAUHARNOIS—Joseph Gédéon Horace Bergeron.
BELLECHASSE—Achille LaRue.
BERTHIER—E. Octavian Cuthbert.
BONAVENTURE—P. C. Beauchesne.
BOTHWELL—Hon. David Mills.
BRANT, N. Riding—Gavin Fleming.
BRANT, S. Riding—William Paterson.
BROCKVILLE—William Fitzsimmons.
BROME—David Ames Manson.
BRUCE, N. Riding—John Gillies.
BRUCE, S. Riding—Alexander Shaw.

CAPE BRETON—{ William McDonald. / William Mackenzie McLeod.
CARDWELL—Thomas White.
CARLETON (N.B.)—George Heber Connell.
CARLETON (O.)—John Rochester.
CARIBOO—Joshua Spencer Thompson.
CHAMBLY—Pierre Basile Benoit.
CHAMPLAIN—Hippolyte Montplaisir.
CHARLEVOIX—Joseph S. Perrault.
CHARLOTTE—Arthur Hill Gillmor.
CHATEAUGUAY—Edward Holton.
CHICOUTIMI AND SAGUENAY—Ernest Cimon.
COLCHESTER—Thomas McKay.
COMPTON—Hon. John Henry Pope.
CORNWALL—Darby Bergin.
CUMBERLAND—Hon. Sir Charles Tupper, K.C.M.G.

DIGBY—John C. Wade.
DORCHESTER—François Fortunat Rouleau.
DRUMMOND AND ARTHABASKA—Désiré Olivier Bourbeau.
DUNDAS—John Sylvester Ross.
DURHAM, E. Riding—Arthur T. H. Williams.
DURHAM, W. Riding—Hon. Edward Blake.

ELGIN, E. Riding—Thomas Arkell.
ELGIN, W. Riding—George Elliott Casey.
ESSEX—James Colebrooke Patterson.

FRONTENAC—George Airey Kirkpatrick.

GASPÉ—Pierre Fortin.
GLENGARRY—John McLennan.
GLOUCESTER—Hon. Timothy Warren Anglin.
GRENVILLE, S. Riding—John Philip Wiser.
GREY, E. Riding—Thomas S. Sproule.
GREY, N. Riding—Samuel J. Lane.
GREY, S. Riding—George Jackson.
GUYSBOROUGH—Alfred Ogden.

HALDIMAND—David Thompson.
HALIFAX—{ Matthew H. Richey. / Malachy Bowes Daly.
HALTON—Hon. William MacDougall, C.B.
HAMILTON—{ Francis Edwin Kilvert. / Thomas Robertson.
HANTS—W. Henry Allison.
HASTINGS, E. Riding—John White.
HASTINGS, N. Riding—Hon. Mackenzie Bowell.
HASTINGS, W. Riding—James Brown.
HOCHELAGA—Alphonse Desjardins.
HUNTINGDON—Julius Scriver.
HURON, C. Riding—Hon. Sir Richard J. Cartwright, K.C.M.G.
HURON, N. Riding—Thomas Farrow.
HURON, S. Riding—Malcolm Colin Cameron.

IBERVILLE—François Béchard.
INVERNESS—Samuel MacDonnell.

JACQUES CARTIER—Désiré Girouard.
JOLIETTE—Arthur McConville.

KAMOURASKA—Joseph Dumont.
KENT (N.B.)—Gilbert Anselme Girouard.
KENT (O.)—Rufus Stephenson.
KING'S (N.B.)—James Domville.
KING'S (N.S.)—Frederick W. Borden.
KING'S (P.E.I.)—{ Augustine Colin Macdonald. / Ephraim Bell Muttart.
KINGSTON—Alexander Gunn.

LAMBTON—Hon. Alexander Mackenzie.
LANARK, N. Riding—Donald G. Macdonell.
LANARK, S Riding—John Graham Haggart.
LAPRAIRIE—Alfred Pinsonneault.
L'ASSOMPTION—Hilaire Hurteau.
LAVAL—Joseph Aldéric Ouimet.
LEEDS AND GRENVILLE, N. Riding—Charles Frederick Ferguson.
LEEDS, S. Riding—David Ford Jones.
LENNOX—Edmund Hooper.
LÉVIS—Hon. Joseph Godéric Blanchet.
LINCOLN—John Charles Rykert.
LISGAR—John Christian Schultz.
L'ISLET—Philippe Baby Casgrain.
LONDON—Hon. John Carling.
LOTBINIÈRE—Côme Isaïe Rinfret.
LUNENBURG—Charles Edwin Kaulbach.

MARQUETTE—Joseph Ryan.
MASKINONGÉ—Frédéric Houde.
MEGANTIC—Louis Ephrem Olivier.
MIDDLESEX, E. Riding—Duncan Macmillan.
MIDDLESEX, N. Riding—Timothy Coughlin.
MIDDLESEX, W. Riding—George William Ross.
MISSISQUOI—George Barnard Baker.
MONCK—Lachlin McCallum.
MONTCALM—Firmin Dugas.
MONTMAGNY—Auguste C. P. R. Landry.
MONTMORENCY—P. V. Valin.
MONTREAL, Centre—Michael Patrick Ryan.
MONTREAL, East—Charles Joseph Coursol.
MONTREAL, West—Matthew Hamilton Gault.
MUSKOKA—Alexander Peter Cockburn.

NAPIERVILLE—Sixte Coupal *dit* La Reine.
NEW WESTMINSTER—Thomas Robert McInnes.
NIAGARA—Josiah Burr Plumb.
NICOLET—François Xavier Ovide Méthot.
NORFOLK, N. Riding—John Charlton.
NORFOLK, S. Riding—William Wallace.
NORTHUMBERLAND (N.B.)—Jabez Bunting Snowball.
NORTHUMBERLAND (O.), E. Riding—Joseph Keeler.
NORTHUMBERLAND (O.), W. Riding—Hon. James Cockburn.

ONTARIO, N. Riding—George Wheler.
ONTARIO, S. Riding—Francis Wayland Glen.
OTTAWA (City)—{ Joseph Merrill Currier. / Joseph Tassé.
OTTAWA (County)—Alonzo Wright.
OXFORD, N. Riding—John Sutherland.
OXFORD, S. Riding—James A. Skinner.

PEEL—William Elliott.
PERTH, N. Riding—Samuel Rollin Hesson.
PERTH, S. Riding—James Trow.
PETERBOROUGH, E. Riding—John Burnham.
PETERBOROUGH, W. Riding—George Hilliard.
PICTOU—{ Hon. James McDonald. / Robert Doull.
PONTIAC—John Poupore.
PORTNEUF—Roche Pamphile Vallée.
PRESCOTT—Félix Routhier.
PRINCE (P.E.I.)—{ Edward Hackett. / James Yeo.
PRINCE EDWARD—James Simeon McCuaig.
PROVENCHER—Joseph Royal.

QUEBEC, Centre—Jacques Malouin.
QUEBEC, East—Hon. Wilfred Laurier.
QUEBEC, West—Hon. Thos. McGreevy.
QUEBEC (County)—Hon. Jos. Philippe René Adolphe Caron.
QUEEN'S (N.B.)—George Gerald King.
QUEEN'S (N.S.)—Silas T. R. Bill.
QUEEN'S (P.E.I.)—{ Hon. James Colledge Pope. / Frederick de Saint Croix Brecken.

RENFREW, N. Riding—Peter White.
RENFREW, S. Riding—William Bannerman.
RESTIGOUCHE—George Haddow.
RICHELIEU—Louis Huet Massue.
RICHMOND (N.S.)—Edmund P. Flynn.
RICHMOND AND WOLFE (Q.)—William Bullock Ives.
RIMOUSKI—J. B. Romuald Fiset.
ROUVILLE—George Auguste Gigault.
RUSSELL—Hon. John O'Connor.

ST. HYACINTHE—Louis Tellier.
ST. JOHN (N.B.), City and County—{ Hon. Isaac Burpee. / Charles Wesley Weldon.
ST. JOHN (N.B.), City—Hon. Sir Leonard Tilley, K.C.M.G
ST. JOHN (Q.)—François Bourassa.
ST. MAURICE—Louis Léon L. Desaulniers.
SELKIRK—Thomas Scott.
SHEFFORD—Hon. Lucius Seth Huntington.
SHELBURNE—Thomas Robertson.
SHERBROOKE—Edward Towle Brooks.
SIMCOE, N. Riding—Dalton McCarthy.
SIMCOE, S. Riding—William Carruthers Little.
SOULANGES—Jacques P. Lantier.
STANSTEAD—Charles C. Colby.
STORMONT—Oscar Fulton.
SUNBURY—Charles Burpee.

TÉMISCOUATA—Paul Etienne Grandbois.
TERREBONNE—Hon. Louis François Rodrigue Masson.
THREE RIVERS—Hon. Hector Louis Langevin, C.B.
TORONTO, Centre—Robert Hay.
TORONTO, East—Samuel Platt, Senr.
TORONTO, West—James Beaty, Jr.
TWO MOUNTAINS—Jean Baptiste Daoust.

VANCOUVER ISLAND—Arthur Bunster.
VAUDREUIL—Jean Baptiste Mongenais.
VERCHÈRES—Hon. Felix Geoffrion.
VICTORIA (B.C.)—Right Hon. Sir J. A. Macdonald, K.C.B.
VICTORIA (B.C.)—Amor DeCosmos.
VICTORIA (N.B.)—John Costigan.
VICTORIA (N.S.)—Duncan McDonald.
VICTORIA (O.), N. Riding—Hector Cameron.
VICTORIA (O.), S. Riding—Arthur McQuade.

WATERLOO, N. Riding—Hugo Kranz.
WATERLOO, S. Riding—Samuel Merner.
WELLAND—Christopher William Bunting.
WELLINGTON, C. Riding—George Turner Orton.
WELLINGTON, N. Riding—George Alexander Drew.
WELLINGTON, S. Riding—Donald Guthrie.
WENTWORTH, N. Riding—Thomas Bain.
WENTWORTH, S. Riding—Joseph Rymal.
WESTMORELAND—Hon. Sir Albert James Smith, K.C M.G.

YALE—Francis Jones Barnard.
YAMASKA—Fabien Vanasse.
YARMOUTH—Frank Killam.
YORK (N.B.)—John Pickard.
YORK (O.), E. Riding—Alfred Boultbee.
YORK (O.), N. Riding—Frederick William Strange.
YORK (O.), W. Riding—Nathaniel C. Wallace.

House of Commons Debates

THIRD SESSION, FOURTH PARLIAMENT.

HOUSE OF COMMONS,

THURSDAY, 9th December, 1880.

THE PARLIAMEET, which had been prorogued from time to time, was now commanded to assemble on the 9th day of December, 1880, for the despatch of business.

The SPEAKER took the Chair at a quarter before Three o'clock.

PRAYERS.

A Message was delivered by René Édouard Kimber, Esquire, Gentleman Usher of the Black Rod:

"Mr. SPEAKER,—

"His Excellency the Governor General desires the immediate attendance of this Honorable House in the Senate Chamber."

Accordingly the House went up to the Senate Chamber.

And the House being returned,

CONTROVERTED ELECTIONS.

APPEALS.

Mr. SPEAKER informed the House that he had received from the Registrar of the Supreme Court of Canada, certified copies of the judgments and decisions of the Supreme Court in the following election causes:—

In the appeal of George Wheler *vs.* William Henry Gibbs, in the matter of the North Ontario Election, by which the said appeal was allowed, and the finding of the Hon. Mr. Justice Armour in so far as it declares the said George Wheler guilty of bribery within Sub-section 3 of Section 92 of the Dominion Elections Act, 1874, was reversed; no question being raised to that part of the judgment of Hon. Mr. Justice Armour voiding the said election.

And in the appeal of David Young and Archibald Wright, appellants, and Donald Alexander Smith, respondent, in the matter of the Selkirk election, by which the said appeal was allowed, and the judgment of the Hon. Mr. Justice Betourney, that the said election was valid, was reversed, and the election declared void.

Mr. SPEAKER also informed the House that, in conformity with the Act 37 Victoria, Cap. 10, Sec. 36, he had issued his warrants to the Clerk of the Crown in Chancery to make out new writs of election for the said Electoral Districts.

VACANCIES.

Mr. SPEAKER also informed the House that he had received the following notifications of vacancies which had occurred in the representation:—

Of the Hon. JOHN BEVERLY ROBINSON, Member for the Electoral District of West Toronto, by acceptance of the office of Lieutenant-Governor of Ontario.

Of EDMUND LEAVENS CHANDLER, Esquire, Member for the Electoral District of Brome, by decease.

Of ADOLPHE P. CARON, Esquire, Member for the Electoral District of the County of Quebec, by acceptance of an office of emolument under the Crown.

Of JOSEPH A. MOUSSEAU, Esquire, Member for the Electoral District of Bagot, by acceptance of an office of emolument under the Crown.

Of THOMAS OLIVER, Esquire, Member for the Electoral District of the North Riding of the County of Oxford, by decease.

Of the HON. A. R. ANGERS, Member for the Electoral District of Montmorency, by acceptance of an office of emolument under the Crown; and

Of the HON. LOUIS F. G. BABY, Member for the Electoral District of Joliette, by acceptance of an office of emolument under the Crown.

Mr. SPEAKER also informed the House that he had issued his several warrants to the Clerk of the Crown in Chancery, to make out new writs of election for the said Electoral Districts respectively.

NEW MEMBERS.

Mr. SPEAKER also informed the House that the Clerk had received from the Clerk of the Crown in Chancery, certificates of the election and return of the following Members:—

Of JAS. BEATY, Esquire, jun., for the Electoral District of West Toronto.

Of GEORGE WHELER, Esquire, for the Electoral District of the North Riding of the County of Ontario.

Of THOMAS SCOTT, Esquire, for the Electoral District of Selkirk.

Of DAVID AMES-MANSON, Esquire, for the Electoral District of Brome.

Of the Hon. JOSEPH PHILIPPE RENÉ ADOLPHE CARON, for the Electoral District of the County of Quebec; and

Of the Hon. JOSEPH ALFRED MOUSSEAU, for the Electoral District of Bagot.

MEMBERS INTRODUCED.

The following Members, having previously taken the Oath according to law, and subscribed the roll containing the same, took their seats in the House:—

The Hon. ADOLPHE P. CARON, Member for the Electoral District of the County of Quebec, introduced by Sir John A. Macdonald and Mr. Langevin.

The Hon. JOSEPH A. MOUSSEAU, Member for the Electoral District of Bagot, introduced by Sir John A. Macdonald and Mr. Langevin.

JAMES BEATY, Esq., jun., Member for the Electoral District of West Toronto, introduced by Sir John A. Macdonald and Sir Leonard Tilley.

DAVID A. MANSON, Esq., Member for the Electoral District of Brome, introduced by Mr. Pope (Compton) and Mr. White (Cardwell).

GEORGE WHELER, Esq., Member for the Electoral District of the North Riding of the County of Ontario, introduced by Mr. Blake and Mr. Mackenzie.

ADMINISTRATION OF OATHS OF OFFICE.

SIR JOHN A. MACDONALD introduced a Bill (No. 1) respecting the Administration of Oaths of Office.

Bill read the first time.

SPEECH FROM THE THRONE.

Mr. SPEAKER. I have the honor to inform this House that when the House attended His Excellency the Governor General this day in the Senate Chamber, His Excellency was pleased to make a Speech to both Houses of Parliament, and, to prevent mistakes, I have obtained a copy of the Speech, which is as follows:—

Honorable Gentlemen of the Senate:

Gentlemen of the House of Commons:

In opening this, the Third Session of the present Parliament, I have to offer you my sincere congratulations on the bountiful harvest with which Canada has been blessed, as well as on the undoubted return of her Commercial prosperity, and the substantial development of her various industries.

During the recess my advisers thought the time opportune for making another attempt to carry out the declared preference of Parliament for the construction and operation of the Canadian Pacific Railway by means of an Incorporated Company, aided by grants of money and land, rather than by the direct action of the Government.

Three of my Ministers therefore proceeded to England for the purpose of carrying on negotiations to that end.

I am pleased to be able to inform you that their efforts were so far successful that a contract has been entered into, subject to the approval of Parliament, with men of high financial standing in Europe, the United States and Canada, for the speedy construction and permanent working of this great national enterprise.

The Contract and the papers connected therewith, will be submitted to you without delay, and I invoke for them your early and earnest consideration.

With this view I have summoned you before the usual period, as no action can be taken by the Contractors to prosecute the work, and no permanent arrangement for the organization of a systematic Emigration from Europe to the North West Territories, can be satisfactorily made until the policy of Parliament with respect to the Railway has been decided.

Steady progress has been made in the construction of those portions of the Railway now under contract. Two additional sections have been recently opened for traffic, one from Winnipeg to Portage la Prairie, the other from Cross Lake to Keewatin; so that there are now in all 264 miles in operation.

You will be glad to learn that the measures adopted to promote economy in the working of the Intercolonial and Prince Edward Island Railways have resulted in a large reduction of the difference between Revenue and Expenditure; and that the steadily increasing traffic warrants the expectation that during the current year these railways will be self-sustaining.

I have the gratification of informing you that Her Majesty's Government has generously presented to Canada, for training school purposes, the steam corvette *Charybdis* lately returned from service in the Chinese Seas. The correspondence on this subject will be laid before you.

I have thought it well, in consideration of the increasing duties thrown by the development of the Country upon the Civil Service, and for the more efficient organization of such service, to issue a Royal Commission to examine and report on the whole question.

The Report of the Commissioners will, I believe, be ready to lay before you at an early day; and I ask for your consideration of such Report and of the whole subject of Civil Service Reform.

A measure for the enlargement of the boundaries of the Province of Manitoba will be submitted to you.

I greatly regret being obliged to state that the entire failure of the usual food supply of the Indians in the North-West, to which I called your attention last Session, has continued during the present season, and has involved the necessity of a large expenditure in order to save them from absolute starvation. Several of the Bands have, however, already applied themselves to the cultivation of their reserves and the care of their cattle. No effort will be spared to induce the whole of the aboriginal population to betake themselves to agricultural pursuits.

Gentlemen of the House of Commons:

The Accounts of the last, and the Estimates for the ensuing year, will be laid before you. The Estimates will, I trust, be found to have been prepared with due regard to economy and the efficiency of the Public Service.

It will be satisfactory to you to know that the existing Tariff has not only promoted the Manufactures and other products of the Country, but has so far increased the Revenues of the Dominion as to place it beyond doubt that the receipts of the current fiscal year will be in excess of the expenditures chargeable to Consolidated Revenue.

Honorable Gentlemen of the Senate:

Gentlemen of the House of Commons:

Several measures of importance will be submitted to you, among them will be Bills for the winding up of Insolvent Banks and Incorporated Companies; for the amendment of the Railway Act of 1879; for the revision and consolidation of the Laws relating to Government Railways; and for the improvement, in several respects, of the Criminal Law.

I am pleased to be able to inform you that there are now good hopes of our being able to place the naturalization of German Settlers on a more satisfactory footing. A measure will be submitted, with all the papers connected with the matter, for your consideration.

Your best attention will, I am sure, be given to the subjects I have mentioned, as well as to everything that affects the well-being and good government of the Dominion.

REPORT.

Mr. SPEAKER laid before the House the report of the Librarian, on the state of the Library of Parliament.

HIS EXCELLENCY'S SPEECH.

Sir JOHN A. MACDONALD moved that the speech of His Excellency the Governor-General be taken into consideration to-morrow.

Motion agreed to.

SELECT STANDING COMMITTEES.

Sir JOHN A. MACDONALD moved:

"That Select Standing Committees of this House for the present Session, be appointed for the following purposes:—1. On Privileges and Elections; 2. On Expiring Laws; 3. On Railways, Canals and Telegraph Lines; 4. On Miscellaneous Private Bills; 5. On Standing Orders; 6. On Printing; 7. On Public Accounts; 8. On Banking and Commerce; 9. On Immigration and Colonization; which said Committees shall severally be empowered to examine and enquire into all such matters and things as may be referred to them by the House; and to report from time to time their observations and opinions thereon; with power to send for persons, papers and records."

Motion agreed to.

ADJOURNMENT.

Sir JOHN A. MACDONALD moved the adjournment of the House.

Mr. BLAKE. Perhaps the hon. gentleman would make it convenient now to state when he proposes to lay before us the papers mentioned in the Address—the papers relating to the Pacific Railway agreement.

Sir JOHN A. MACDONALD. Immediately after the Answer to the Address has been carried.

Mr. BLAKE. And perhaps the hon. gentleman would say whether these papers will include any other offers and correspondence connected with any other offers than the contract which has been made.

Sir JOHN A. MACDONALD. I am not yet prepared to say.

Mr. MACKENZIE. Will you be good enough, Mr. Speaker, to state for what reason Mr. Patrick was superannuated. Was it recommended by you on account of his inefficiency?—has he resigned? or what has become of him?

Mr. SPEAKER. The Commission on Internal Economy made a recommendation for the superannuation of Mr. Patrick, because it was considered that his health was not such as to enable him to perform his duties this Session.

Mr. MACKENZIE. I am informed that Mr. Patrick is unconscious of that feeling himself. I would like to know how the members of the Commission found it out.

Mr. SPEAKER. It appears that the patient himself does not know his own state, and the statement made by the hon. member that Mr. Patrick does not think himself unable to perform his duties is, perhaps, the best evidence that he would not have been able to perform them this Session.

Mr. ANGLIN. I have had the pleasure of seeing Mr. Patrick to-day, and, so far as I can judge, I never saw him in better health, physically or intellectually.

Motion agreed to; and (at 3:40 o'clock, p.m.) the House adjourned.

HOUSE OF COMMONS,

OTTAWA, 10th December, 1880.

The SPEAKER took the Chair at Three o'clock.

PRAYERS.

ADDRESS IN ANSWER TO HIS EXCELLENCY'S SPEECH.

The House proceeded to the consideration of His Excellency's Speech at the opening of the Session.

Mr. BEATY. Mr. Speaker, I crave your indulgence and the indulgence of the House, in the novel situation in which I am placed, with regard to the observations which I propose to make in moving the Address in answer to His Excellency's Speech from the Throne. The calling of Parliament at this unusually early day will, no doubt, find its justification in the important subjects which are committed, in the Speech from the Throne, to the House and country, and especially that overwhelmningly important subject—the question of the Pacific Railway. Whatever differences of opinion may exist regarding a question of such magnitude to the country, there is one point on which we can all agree, and concerning which we can rejoice together, and that is in reference to the abundant harvest which a bountiful Providence has bestowed on this country. And the improved condition of affairs which has been manifested over the whole Dominion warrants us in being grateful for the abundant harvest which has blessed this Dominion during the past year. The prosperity of the country, it is quite true, is sometimes attributed to various causes. It is sometimes, notably by extremists, claimed to be attributable to the harvest; at other times largely if, not chiefly, to the National Policy. I think that the prosperity of the country may reasonably be attributed to both causes, as well as to others. Without discrediting the National Policy in any respect whatever, it may reasonably be claimed that the harvest has had a great deal to do with the promotion of the present prosperity of the country, and, without detracting from the great advantages which such a splendid harvest has brought to the country, we may reasonably claim, and it may be readily conceded, that the National Policy has been productive of much good. We would, I think, be very badly off without this policy, and it may be truly said that we would be worse off without the harvest; with regard to both causes, I think that we can very properly rejoice with one another, and congratulate the whole country, upon the fair share of commercial and general prosperity which at the present time is spreading over the land. It indicates that we can attribute to this Policy, as well as to the products of the soil, these benefits. It indicates also to us that a people can help themselves to some extent, and that a Government may do something for the benefit of the country. A policy of inaction, or of doing nothing, is not commendable in a Government any more than it is in the case of the individual or family. Every individual and every family may improve its condition by intelligent industry, and I am of opinion that a Government, by adopting a proper policy, may also benefit the country which it governs. The increase in the exports and imports, which is manifested in the trade returns of this country, shows that there is a vast activity, and a greater activity in all branches of trade and commerce than has hitherto existed; and one important feature in connection with this matter, is the fact that the exports of Canada this year, I believe, exceed the imports by at least a million and one-half of dollars. The imports also exceed somewhat the imports of last year, and this fact shows to us, that, notwithstanding what we may reasonably claim, that a large amount of home industry has been promoted by the National Policy, nevertheless, owing to the increased wealth of the country, the imports of the country have not been decreased. I do not suppose that the maddest Tory—if ever Tories do become mad—would claim taxation to be an unmixed blessing; but if, in connection with the degree of taxation necessary to meet the needs of the country, and the demands of the expenditure, a policy can be adopted and so adjusted as to continue these conditions and promote the welfare of the country as well, I think that this is a policy which should receive, and which in fact has received the sanction of the whole country. We must have money to meet the wants of the Government and the needs of expenditure in connection with the administration of public affairs. To obtain this, taxation necessarily follows, and if, at the same time, we can so arrange the system of taxation as to produce good results to the community in encouraging industries and manufactures, and in promoting trade and commerce, then I maintain that a policy, so simple, so reasonable and so just, is one, regarding the adoption of which the country can be congratulated. If, while there must be taxation, there obtains a proportionate increase in the capacity of the taxpayer, so that the burden of taxation can be borne by him as easily when increased as when the smaller rate existed, then I say that a policy which has produced results of this description is a policy that can be approved of. There is evidence on all sides, I take it, that there is increased activity in trade, in commerce, in manufactures, and in all the elements which go to make up the wealth and prosperity of the country. There is no doubt whatever that this is evidenced by the increased exports and increased imports, and by the contented disposition of the people in all parts of this Dominion. There are not, to-day, that I know of or have observed, any disturbing elements in the whole community. There is no provincial disturbance, no sectional disturbance of any kind whatever, and when we find the people contented and happy, we may readily assume that they are prosperous and gaining in wealth. The large increase in trade, evidenced in connection with the lumber interest, itself shows that a great advantage has been produced in the country through the introduction of such large sums of money as the export of lumber induces, and a very large increase in the exports of agricultural products is also a matter of congratulation. It is sometimes claimed that the National Policy crushes out the farmer; but when one observes the condition of things all over the country, and the large quantity of cheese and butter and the great number of fine cattle exported, it is readily understood that a large amount of capital and labor is invested in the farming interests of the country. Prices have also increased. Cereals, especially the coarse grains, and products of that description, have increased in price. In consequence of these facts, we may, with reason, claim that the tariff does not injure the farmer, while, at the same time, it certainly benefits the residents of our cities and towns. The large amount of revenue which has been produced under the National Policy is, to my mind, one of the strongest indications of the success of that measure. The revenue, this fiscal year, if it comes in at the same rate that it has during the first six months, will produce a surplus of possibly a million and a-half of dollars: in view of which we can well say that the Policy, so far as the question of taxation is concerned, has been all its promoters expected it to be—a measure for the advancement of the financial and general interests of the country. But, in addition to this, what have we? We have cheap money. Our factories are running. Stocks are booming. The business of the country is prospering. I think, therefore, Parliament, and the whole country, may be congratulated upon the success of the Policy. The National Policy, I may say, can now be regarded as the country's policy. The whole country endorsed it in September, 1878; and since that time, at elections east and west, in city and county—even, as I am just informed, in North Oxford, it has been sustained. At almost every opportunity since last Session of Parliament the

country has endorsed it in the elections which have transpired.

Mr. MACKENZIE. It did not in West Toronto.

Mr. BEATY. It did not in West Toronto? It certainly did not endorse the policy of the Opposition. The policy, I repeat, is, therefore, established not merely as the policy of the party, but as the policy of the country. Now the question of the Pacific Railway contract, reference to which is made in the Speech from the Throne, is, I presume, the most important question of the Session. The policy on the subject of that great undertaking, the colossal conception of which will produce a trans-continental railway across Canada, is one which cannot be called a new or novel one. The compact entered into by the Provinces when Confederation was formed looks to this policy, and, I think, I may safely declare, as is intimated in the Speech from the Throne, that Parliament is committed to the construction of the line. I may add, that both Governments, the late Government and the present Government, have acted on the principle that the road must be built, the only difference between the two Administrations being as to when it shall be built, and what means are to be adopted for the purposes of its construction. The country at all events by the action of its public men, is committed to the building of the road, and certainly, if it can be constructed at a reasonable, a comparatively moderate expense to the country, the promise that it shall be built—if Confederation is to be maintained—should be faithfully and honestly carried out. There should be no room for disputation between the Provinces interested in this great work, and the Dominion Government; and all the people should join with heart and hand in the prosecution of the enterprise, which will not only promote harmony and good will in all sections of the Dominion, but will enable us to develope these vast resources, that great wealth, which we know our country possesses, and will form a tangible, a material bond, uniting the old Provinces with the new, and strengthening our loyalty to the Crown, and our love for Canada, its constitution and institutions. In reference to this question of the Pacific Railway, the Government can, as I understand it, in the prosecution of the work, act in one of three ways. They can build the road themselves with their own officers, and the direct expenditure of public money; they can let it out in sections to contractors, by tender, or they can adopt the mode presented in the Speech from the Throne, under which the construction of the road *en bloc*, can be given to a company, the company to receive grants in land, in money, or in both. The question arises, now, by what means shall the building of this great road be accomplished? How can it be best constructed, with a view to promoting the general welfare of the country? I think the Government has tried the first and second plans. It is about time to try the giving over of the road to a company with a grant of money for its construction. We are told that the contract, involved in the carrying out of this last plan, has been entered into, and that Parliament is to be asked to approve of that contract. All we are asked to do just now, however, is, not to endorse the details which may be presented to the House, but to express our approval of the policy that that this work should be constructed by a company, and that that company should have the power, first, to build the road within a limited period, and then to work it for a limited period afterwards. Now, it may be asked, what are the advantages of this general policy of constructing the road by a company? One advantage, and I think a very great one, is this: that the country will know, under the terms of the contract, what the extent of our liabilities, in the granting of lands and in the expenditure of money upon the undertaking will be. The giving of lands for the purpose of constructing this road cannot be a burden to this country, or a matter at which any one can complain, because these lands, as far as we are concerned, are comparatively worthless now, and can only be made of value by the opening up of the North-West by the railway. There is another advantage arising out of the adoption of this plan. It is this: We will not only have the expenditure of the Dominion upon the undertaking limited, but we will have, in consequence of the contract entered into, large sums of money brought into the country from independent sources and spent upon the road. We will therefore have, besides the advantages which are accruing to the country by reason of the causes I have already mentioned, the additional force in increasing the wealth of the country—a large amount of money brought in from outside aud independent sources. A great deal of money must be brought in, because the company can scarcely be expected to realize from the land, if we may judge from Ministerial statements as to the period at which this road is to be completed, a sufficient sum with which to carry on operations. There is another feature of a very important character, in connection with this matter, and that is the one of immigration. I would not rely wholly on European emigration for the peopling of the North-West Territory. The immigration question is not so important to my mind as the fact of our ability to send the youth of the several provinces to that country, where they may enjoy, under our own flag and our own institutions, the advantages which they enjoyed in the Eastern Provinces, while having, at the same time, abundant scope for their energies, industry and intelligence. I think it is of the first importance that the youth of this country, instead of going to the United States—they have, no doubt, gone to that country, but to nothing like the extent sometimes claimed—should have a field in which their best energies can be employed and where they can secure homesteads, which they cannot so easily obtain in the Eastern Provinces, in consequence of the increasing value of land and pressure of population in them. But there is still left the great fact that this Policy will do most to make those lands valuable and productive—will do most for the development of our resources—that the hope of gain from them, in connection with the Railway, will induce the company to bring in settlers who will people our great North-West Territory. If that is done, the Government will relieve themselves and the country from a very important task, which hitherto has been only moderately successful, that of bringing into this country emigrants from the older countries of Europe. While we, in this country, enjoy the blessings of prosperity to a large extent to-day. every person knows that the bringing in from older countries of the bone and sinew of their population, and of a certain portion of their wealth, which the emigrants possess, is a great benefit to our country; and whilst the immigration was not so large last year, a better, a wealthier class came in than that hitherto observed. This country only wants women and men.

Sir JOHN A. MACDONALD. And children.

Mr. BEATY. Get the men and women, and I am not afraid of the children following. The emigrants and money, coming into the North-West, will promote the welfare of the whole community; and, I am quite sure, that anything that accomplishes that result will be beneficial to the older Provinces, the Eastern provinces of the Dominion. I do not propose to detain you, nor need I, by dealing with details in reference to this great undertaking, but I would simply say, the Government, it seems to me, have done wisely in this matter, and I think the country will endorse the policy which has committed this undertaking to a company for the construction and working of the road for the period usually understood as designed by the contract. It may be said, coming to another point, that if the Government should construct and work the road in as economical a manner as they have shown their capacity to do in regard to the Intercolonial, it might have been left in their hands. But the experience of former years and former Governments

does not justify such expectations. True, the working of the Intercolonial during the last year or two, has shown that a very large decrease in the working expenses may be secured by economical or efficient management. In 1878 and 1879 the working expenses of that road were about $2,010,000; in 1879 and 1880, $1,600,000; while there had been an expenditure in 1878 and 1879, in steel rails, of $186,000; at all events there has been a large saving effected, comparing those two years. Then, if you take 1878-'79 and 1879-80 with a view to ascertain the country's loss in working the road, there is a marked contrast between the results for last year and those of the present year. The loss last year was $716,000; this year it was only $97,000. I think, therefore, the country ought to be congratulated on the fact that the road is approaching a self-sustaining position, in which it will be no longer a burden upon the finances of the Dominion. Then, making another comparison, as to the working expenses during the three months of last year, from 1st July to 1st October, the loss on the road was $46,000; the profit during the corresponding months of this year has been $1,400, showing it has reached the point where it ceases to be a loss to the country. Then the P. E. I. Railway, also worked by the Government, shows a decrease in working expenses, as compared with last year, of about $50,000. But there is one feature in connection with this Intercolonial road which, probably, is of more importance than items of this character, and that is, the increasing traffic shows a marked difference from the 1st July to 30th September, 1880, between the receipts for the corresponding period of 1879, there being an increase for 1880 of about $100,000. True, in making the comparison it must be taken into account that the River du Loup section did not belong to the road in 1879, before 13th August, and that it has had the advantage of that branch during the whole of this year. Another very important item in the Speech from the Throne is that relating to the Civil Service, an examination into and report on which will, we are promised, be made by a Royal Commission. It is, I think, a very important matter in the present state of transition in this country that the Civil Service should be placed on a footing that will equalise labor with salaries and reform those inequalities which may exist in the Service. There is one thing to regret in connection with the present condition of the country, and that is, as stated in the Speech, the condition of starvation to which the North-West Indians have been reduced this year as well as last year, necessitating a large expenditure to meet their necessities. This deplorable state of affairs cannot fail to enlist the sympathies of the House, because the sympathies of all civilized communities must be drawn to the suffering red men when, through lack of provisions, they are obliged to appeal to the Government for the means of sustaining life; and, if by promoting agricultural pursuits amongst the Indians, results of this kind may be prevented in the future, all the encouragement and aid which the Government can give towards such an end will certainly not meet with objection. The presentation to Canada for training school purposes of the steam corvette *Charybdis*, lately returned from service in the Chinese seas, by the Imperial Government, forms a pleasing feature in the Speech from the Throne. This generous act proves that the Imperial Government still retains its sympathies for us, as I am quite persuaded we do toward the Mother Country. The loyalty of Canadians is a subject that need not be dwelt upon, for we know that in every manner, and on every possible occasion, our people have been able and willing to show their devotion to the British Crown, and are prepared to give their sons such training as is needed for the protection of the country, either in the army or navy. We need not seek, as it is sometimes suggested, any new political alliance for the development of this country and the promotion of its welfare. We need not seek annexation. We are able, under the old flag, the old constitution, and those institutions which we have, in principle, at all events, adopted, to work out the welfare of the whole community as well as we could possibly do under other circumstances. This country, in view of all the advantages it possesses in its illimitable territory in the North-West, comprising hundreds of millions of acres—with these large tracts awaiting cultivation, with our wealth in forests, fisheries, minerals and other natural resources, there is no reason whatever why we should not have in this country, if we only take proper advantage of our natural resources, millions of people to enjoy the benefits of its great territory and fertile soil. We also possess what emigrants from European countries often think they can only find in the United States. Oppressed, in some instances, by monarchical governments, they imagine that a Republican form of government is the only one which can give them that wide liberty they desire to enjoy; but I believe we can say to them that here they will possess the widest, largest, truest liberty which it is possible for any people to enjoy. We can also assure to them the enjoyment of all the privileges which flow from just laws justly administered by a Bench unsullied in honor, whose integrity and ability are, if not unequalled, certainly unsurpassed, in many respects, by any in the world;—we can assure to all classes of persons the most complete enjoyment of civil and religious liberty. I say, then, with such inheritance in our possession to bequeath to our children, we can look forward to the future with hope, with the prospect that our country will certainly become developed and enlarged in all the elements that make up a great nation; that through the present policy of the Government the improved condition of affairs and the increased confidence of the people in all that pertains to our country's advancement;—the best energies of the people, inspired by new hope, will be devoted to the promotion of the common welfare, of which every person in this Dominion, and every one who will come into it, will reap the benefit. I think, then, that I need not appeal to the patriotism of this House, to the patriotism of every Canadian, that we should all devote our best energies to building up on this continent a nation which may be second to none in all the elements of progress and happiness. What we have to do is to build up this country under a national, compact government, which will give every Province its fair consideration, and thereby prevent the creation of disturbing elements arising out of provincialisms or sectionalisms, and moulding the whole Dominion into one harmonious whole, confident in its national administration and its ability to build the great national highway, which is to be the mainstay of our progress and prosperity, which will unite still more closely in bonds of sentiments and interests the Provinces of our Confederation, extending from ocean to ocean, from the temperate to the frigid zone, and which will afford to the nations of the two continents of Europe and Asia, as well as those of this continent, a new avenue for trade and commerce. In doing this, the Government will accomplish a work that will make this country the home of an industrious, a happy and contented people. I thank you, Mr. Speaker, and the House, for the patience and indulgence accorded me, and have the honor to move the adoption of the following Address to His Excellency the Governor General, in answer to his Speech from the Throne:—

1. That an humble Address be presented to His Excellency the Governor General to thank His Excellency for his gracious Speech at the opening of the present Session, and further to assure His Excellency,—that we receive with great pleasure His Excellency's congratulations on the bountiful harvest with which Canada has been blessed, as well as on the undoubted return of her commercial prosperity, and the substantial development of her various industries.

2. That we learn with much interest that during the recess His Excellency's advisers thought the time opportune for making another attempt to carry out the declared preference of Parliament for the construction and operation of the Canadian Pacific Railway by means of an Incorporated Company, aided by grants of money and land, rather than by the direct action of the Government; and three of His Excellency's Ministers therefore proceeded to England for the purpose of carrying on negotiations to that end.

3. That we are well pleased that His Excellency is able to inform us that their efforts were so far successful that a contract has been entered into, subject to the approval of Parliament, with men of high financial standing in Europe, the United States and Canada, for the speedy construction and permanent working of this great national enterprise; that we thank His Excellency for informing us that the Contract and papers connected therewith, will be submitted to us without delay, and that they shall receive our early and earnest consideration.

4. That we are grateful to His Excellency for the information that he has summoned us before the usual period, in view of the fact that no action can be taken by the contractors to prosecute the work, and no permanent arrangement for the organization of a systematic emigration from Europe to the North West Territories, can be satisfactorily made until the policy of Parliament with respect to the railway has been decided.

5. That we are pleased to know that steady progress has been made in the construction of those portions of the railway now under contract, and that two additional sections have been recently opened for traffic, one from Winnipeg to Portage la Prairie, the other from Cross Lake to Keewatin; so that there are now in all 264 miles in operation.

6. That we are glad to learn that the measures adopted to promote economy in the working of the Intercolonial and Prince Edward Island Railways have resulted in a large reduction of the difference between revenue and expenditure; and that the steadily increasing traffic warrants the expectation that during the current year these railways will be self-sustaining.

7. That we are gratified to be informed by His Excellency that Her Majesty's Government has generously presented to Canada, for training school purpose, the steam corvette *Charybdis* lately returned from service in the Chinese Seas, and that the correspondence on this subject will be laid before us.

8. That we receive with much interest the intimation that His Excellency has thought it well, in consideration of the increasing duties thrown by the development of the country upon the Civil Service, and for the more efficient organisation of such Service, and for the more efficient organization of such service, to issue a Royal Commission to examine and report on the whole question, and that His Excellency believes that the Report of the Commissioners will be ready to be laid before us at an early day; and that our earnest consideration shall be given to such Report and to the whole subject of Civil Service Reform.

9. That we shall give our best attention to the measure for the enlargment of the boundaries of the Province of Manitoba, which His Excellency is pleased to say, will be submitted to us.

10. That we share His Excellency's regret that the entire failure of the usual food supply of the Indians in the North-West, to which he called our attention last Session, has continued during the present season, and has involved the necessity of a large expenditure in order to save them from absolute starvation. That we are glad to learn that several of the Bands have, however, already applied themselves to the cultivation of their Reserves and the care of their cattle, and that no effort will be spared to induce the whole aboriginal population to betake themselves to agricultural pursuits.

11. That we thank His Excellency for the assurance that the Accounts of the last, and the Estimates for the ensuing year, will be laid before us; and that we trust that the Estimates will be found to have been prepared with due regard to economy and the efficiency of the Public Service.

12. That it will be satisfactory to us to find that the existing tariff has not only promoted the manufactures and other products of the country, but has so far increased the Revenues of the Dominion as to place it beyond doubt that the receipt of the current fiscal year will be in excess of the expenditures chargeable to Consolidated Revenue.

13. That we shall respectfully receive and consider such measures of importance as His Excellency may cause to be submitted to us, including any Bills for the winding up of Insolvent Banks and Incorporated Companies, for the amendment of the Railway Act of 1879, for the revision and consolidation of the Laws relating to Government Railways, and for the improvement, in several respects, of the Criminal Law.

14. That we are pleased to be informed that there are now good hopes of our being able to place the naturalization of German Settlers on a more satisfactory footing; and that any measure on the subject which may be submitted to us, with all the papers connected with the matter, shall receive our willing consideration.

15. That His Excellency may rest assured that our best attention will be given to the subjects he has mentioned, as well as to everything that affects the well-being and good government of the Dominion.

Mr. VANASSE. In rising to second the motion that an humble Address be presented to His Excellency in answer to the Speech from the Throne, I at once experience the necessity of begging this honorable House to vouchsafe all the patience and indulgence at its command to one of its youngest members. It is according to the usages and traditions of this House that the work of each session should be initiated by two of its members the most recently elected by popular suffrage, and it is this custom—whether it be good or bad it is not for me to say—that gives me the opportunity of addressing the House at this moment as seconder of the Address in answer to His Excellency's gracious speech. I am particularly happy, Mr. Speaker, that my youth, a fault with which I am so often reproached, but which I am mending a little every day, can for once at least redound to the honor of the fine county that I have the advantage of representing here; for it was in the name of the County of Yamaska that I was offered, and that I accepted, the honorable duty of seconding the motion that the honorable member has just placed in your hands. I am well aware, Mr. Speaker, that after the speech, as eloquent as it was practical, delivered by the honorable member for West Toronto, all that remains for me to do is to applaud his words, full of confidence in the wisdom of the policy set forth in the Speech from the Throne, and to share in the brilliant hopes that this policy inspires for the future of our country. Indeed, when the head of the Government, supported by official and sure data, comes and declares before the country, upon the authority and dignity of the Crown, that peace, prosperity and happiness reign in the Dominion confided to his care, every friend of his country should be able to find in his heart, enough energy, enough strength and enough patriotism to lay aside, at least for a moment, the unjust prejudices of party spirit, and receive these official statements with the most enthusiastic applause. It is from this wholly national point of view that I wish to judge of the importance of the statements contained in the Speech from the Throne. After having referred to the return of general prosperity in our country, His Excellency draws the attention of the House to the question of the building of the Pacific Railway. This question, Mr. Speaker, is not a new one. It has occupied public attention in England long before it became a part of Canadian politics. More than 30 years ago the Imperial Government even ordered surveys to be made in the North-West in order to ascertain if it were possible to unite the Atlantic and Pacific Oceans by means of a gigantic railway on British territory. This question has been before the Canadian public for more than 15 years. Since 1867, it has been, so to speak, the banner of all our federal elections, and to-day, no political demonstration takes place in any part of the country, from the shores of Prince Edward Island to those of Vancouver, without the importance of this great national enterprise being discussed from a political as well as a commercial stand point. In a word, both the political parties that now contend for the honor of conducting the affairs of the country, have admitted, on many and many occasions, the necessity of constructing this railway. In 1871 and 1872, the Government had a law passed favorable to the construction, by a private company, of a railway from the shores of Lake Nipissing to the sea-board in British Columbia. In 1873, the honorable member for Lambton, on accepting the duty and honor of conducting the business of the country, stated that:

"He had always thought a speedy means of communication across the continent necessary for the good of settlement and for the purpose of opening up districts where we have great riches undeveloped in the bosom of the earth. Without that communication their development cannot take place and immigration cannot be affected."

And the hon. member went on to say:

"It will be the duty of the Administration, in the first place, to secure a means of communication to our navigable waters from Lake Superior to Fort Garry and the Rocky Mountains, at the same time commencing at the Pacific Ocean and constructing communication by the western slope."

The Speech from the Throne in 1874 announced that a Bill would be brought down providing "for easy communication with British Columbia as rapidly as possible." On the opening of the Federal Session of 1875, the country was informed, in the Speech from the Throne, that the surveys for the location of the Pacific Railway were being vigorously pushed forward, and that the Government had concluded an arrangement with British Columbia. In 1876, the House was put in possession of all the documents, reports, correspondence, &c., &c., concerning the Pacific Railway. In 1877, the Speech from the Throne expressed regret that uncontrollable circumstances had

delayed the progress of surveys along the line; and in 1878, the official speech of His Excellency hailed with satisfaction the completion of the surveys, and stated that the Government had chosen the route, and that the work would be carried on with the utmost vigor. Indeed, Mr. Speaker, the Confederation would be an incomplete work without this railway. It is not merely the requirements of a policy of expedients that gave birth to this plan of uniting under one flag all the provinces of British North America, but rather the noble and patriotic ambition of laying, on the American continent, the foundations of an Empire under the protection and with the friendship of the great and powerful British Empire. Such, Mr. Speaker, is the object of our Confederation. It can have no other; otherwise this Confederation would be the betrayal of the most legitimate aspirations of the diverse provinces of the Canadian Union. In the minds of the fathers of Confederation, the Canadian Pacific Railway was to be the most powerful material tie of the Federal Union. It is destined, in the first place, to put the Dominion of Canada in easy communication with each of the confederated provinces, and, in the second place, with the entire world. With the Intercolonial in the Eastern Provinces and the Pacific in the Western, it can be said that distances have disappeared, and that there are no more Rocky Mountains. Halifax and Quebec, Montreal and Toronto, Winnipeg and Victoria have become neighboring cities, and Canada is at the gates of Europe and Asia. Such are, in my opinion, Mr. Speaker, some of the political necessities which should induce us to construct, with all the speed and all the economy possible, this great Railway. Moreover, Mr. Speaker, it is easy to foresee the vast material advantages that will accrue to the country if this enterprise is successfully completed. That is the practical aspect of the question, for if we were asked to build this Railway for the mere pleasure of being able to say some day that we have direct communications between the Atlantic and the Pacific, and if this costly route was to be of great use to us in times of war, then, Mr. Speaker, considering the many improvements that our young country yet requires, and taking into account the peaceful character of our powerful but generous neighbors, I would venture to advise His Excellency's Government to postpone the enterprise *sine die*. But, Mr. Speaker, we are entitled to expect advantages more real, more practical, more immediate, from the construction of this railway which is, in all likelihood, destined to become the greatest artery of Canadian commerce, and the most powerful instrument for the development of all the industrial, manufacturing, agricultural, mining, and other resources of Canada. According to experts and to strangers, who have no interest in over-praising our country, we possess in the west rich and varied mines and the most fertile plains of the world. But through want of communications all this immense natural wealth is unproductive for the country. I might almost say that this great wealth threatens to become a real burden, for the public treasury has had to pay considerable sums for the administration of this vast portion of the national domain. We must, therefore, seek all possible means of colonizing these lands as quickly as possible. Now the history of American colonization shows us, beyond all doubt, that, in new countries, railways are the most powerful means for colonization. And it was only by building railways in all parts of their territory that the neighboring States have been able to stimulate that wonderful progressive movement which has secured for the American Union the place of honor she now occupies among the nations of the world. But it is particularly in the Western States that the operation of this powerful factor in colonization is to be studied. Let us take the example of Kansas. In 1865 there were but 130 miles of railway in this territory, to-day the length of communication by rail in this State is over 3,000 miles; the population of Kansas in 1865 hardly reached 150,000 souls, and to-day it reaches 1,500,000 souls; the value of real estate in Kansas amounted in 1865 to only $36,120,000, to-day it amounts to $150,000,000; in 1865 there were but 273,000 acres of land in a state of culture, in 1879 there were 7,900,000 acres. I could quote similar figures for nearly all the other western territories of the American Union. Mr. Speaker, the settlement of a country is not an affair of sentiment or of taste, and we should not hesitate to adopt a system that has procured so much prosperity and wealth to all other nations that have applied it. Now, Mr. Speaker, the material and political interests of the country are not alone to induce us to build this road; there is, moreover, our national honor at stake. In virtue of the Carnarvon Treaty, Canada is obliged to complete the enterprise between 1876 and 1890. By signing this Treaty, the former Administration engaged the honor of the country. Can Canada, to-day, fail to keep her word solemnly given under the faith of a treaty? We would be unworthy of a seat in this House, should we not redeem, by all the means in our power, the obligations of the nation. There is too much glory on the brow of our young country for us to sully it with the shame of dishonor. But the Speech from the Throne fortunately dispels all these fears, and reassures the public conscience on this subject. Arrangements, that render certain the building of the road, according to the stipulations of the Treaty, have been entered into. The whole road, from east to west, is to be constructed, equipped and worked by a private company, and at comparatively little cost to the Dominion of Canada. Such is the glad tidings that His Excellency has just given to the country, and which we should welcome with the most joyful unanimity. Henceforth, Mr. Speaker, we can say that the great question of the Pacific Railway is settled. Canada has fulfilled her engagements. Her national honor is safe. I would be very selfish, Mr. Speaker, were I only to see, in the settlement of this question, a success for my party. But I see therein a great national success. It is not a triumph of the Conservative party, but a triumph of the whole country. It is not the right hon. leader of the Government and his colleagues who will profit by this contract, but the people, the country laborer, and the city mechanic. The Government will undoubtedly have the glory and honor of having carried on the negotiations. None can deprive the Ministry of these, but the country will have the benefit, and all the material advantages accruing from this great national success. From the question of the Pacific Railway, I pass to that of the Intercolonial and Prince Edward Island Railways, which occupy the third paragraph of the Speech from the Throne. Our extensive public works have heretofore been a source of expense rather than of profit to the country, and the House learns with satisfaction that the economy practiced by the Government in the administration of these two great commercial highways, has, on the one hand, considerably reduced the working expenses, while, on the other hand, the return of prosperity, the improvement in business have largely contributed to increase the receipts. I beg leave to submit to the consideration of this House a few official statistics as a proof of what I have just stated. Here is a comparative statement of the receipts and expenditure of these two roads from 1876 to 1880:

1. Intercolonial Railway.

——	1876-77	1877-78	1878-79	1879-80
Receipts	$1,154,445	$1,378,946	$1,294,099	$1,506,298
Expenditure	1,661,673	1,811,273	2,010,183	1,603,429
Profit				
Loss	$507,228	$432,327	$716,084	$97,131

2. PRINCE EDWARD ISLAND RAILWAY.

—	1875-76	1876-77	1877-78	1878-79	1879-80
Receipts	$118,060	$130,661	$135,899	$125,855	$113,851
Expenditure	214,930	228,595	221,507	223,313	164,640
Profit					
Loss	$96,870	$97,931	$85,608	$97,458	$50,789

Here is another comparative statement of the revenue and working expenses on these same two roads during the three months from the 1st of July to the 30th of September, from 1876 to 1880:

1. ON THE INTERCOLONIAL RAILWAY.

—	1876-77 — 3 months.	1877-78 — 3 months.	1878-79 — 3 months.	1879-80 — 3 months.	1880-81 — 3 months.
Receipts	$306,234	$360,702	$371,339	$345,001	$445,440
Expenditure	325,368	458,715	490,275	391,587	444,007
Profit					$1,433
Loss	$19,134	$98,013	$118,936	$46,586	

2. ON THE PRINCE EDWARD ISLAND RAILWAY.

—	1875-76 — 3 months.	1876-77 — 3 months.	1877-78 — 3 months.	1878-79 — 3 months.	1879-80 — 3 months	1880-81 — 3 months.
Receipts	$38,728	$34,820	$36,765	$34,622	$30,441	$35,934
Expenditure	43,576	62,169	64,123	70,078	33,368	45,024
Profit						
Loss	$4,848	$27,349	$27,358	$35,456	$7,927	$9,900

According to these figures it is evident that these public works will 'ere long be an abundant source of revenue for the country. The fourth paragraph of the Speech from the Throne refers to the generous gift that Her Majesty's Government has just made to Canada by sending us the splendid steam corvette *Charybdis*. This gift, that the country accepts with the greatest gratitude, is destined to supply a want long felt in the organization of the forces of the country. We are a maritime people. Perhaps no country in the world possesses a more extensive sea-board than ours, and the interior is covered with lakes and rivers that constitute, as it were, vast inland seas. Nevertheless, we are wanting in marines. The training ship is calculated to create this new calling, and our young men will be able to defend the country on the high seas with as much skill and valor as on land. The next paragraph relates to the enlargement of the boundaries of Manitoba. From a geographical point of view this question offers no difficulty. It is evident that the boundaries of Manitoba are too narrow. The young giant requires a wider field of operation. The

development of our vast western territories, the importance that they have acquired, render necessary the enlargement of this province to the east, north and west. A few thousand square miles cannot constitute a province which seems to have such a grand future before it; but I trust that the new scheme will be devised so as to protect and maintain the civil, political and religious institutions, as established by the Manitoba Act, or any subsequent legislation. As His Excellency says, it is much to be regretted that we are obliged to come to the aid of the Indians, who have had to suffer from the want of food. But let us hope that it is but an accident. We learn, by the latest news received from these territories, that the Indians have been, or are now, hunting the buffalo which, with fishing, has been their sole means of support as well as their chief occupation On the other hand, we must congratulate the Government on the efforts they have made to introduce civilization among the nomadic tribes by inducing them to cultivate the soil, of which they are the original masters. And the House will learn, no doubt, with satisfaction, that the model farms established by Government have already produced satisfactory results. It is with satisfaction, Mr. Speaker, that we have learned, through the Speech from the Throne, that the existing Tariff has not only promoted the manufactures and other products of the country, but has also so far increased the revenues of the Dominion as to place beyond doubt that the receipts of the current fiscal year will be in excess of the expenditure chargeable to consolidated revenue. We have a surplus. It is a long time, Mr. Speaker, since the country was last favored with a similar statement; this is, in my opinion, the most tangible proof of the efficiency of the National Policy. I will not quote any statistics on the subject. The honorable mover of the resolution has said all that there was to say on this question. The figures that the honorable member has laid before the House are unanswerable. They may say all they please against the present Tariff, they will never be able to drown the mighty voice of these figures and of these facts, which alone will be heard and understood by the country. But they think to have overthrown the arguments and facts in favor of this policy by saying that this return of prosperity is not due to the National Policy, but to the action of Providence. I do not deny, Mr. Speaker, but that Providence has greatly protected us. It is doubtless Divine Providence that caused the rich harvests of late years to grow; but it is the present policy that protected these first fruits of the national wealth. What would have been the lot of these abundant harvests if the former fiscal legislation had still been the law of the land? They would have been submerged by the importation of foreign grain, and the farmers of this country would have been obliged to sell their products at half price, or else to put them in sheds to become the prey of vermin, as it happened not more than three years ago in several parts of Canada. If the National Policy does not make our harvests grow in the fields, it at least protects them on our markets, together with the other products of the national industry. The effects of this policy, Mr. Speaker, will not be limited to promoting our manufactures, but the effective application of the protective principle, by creating the capital of labor, and by retaining it in the country, will contribute necessarily towards the development of our industrial centres. The number of consumers will increase, our market will become more and more remunerative for the agricultural classes of the country; and it is through the protection thus afforded it that agriculture will become, what it should never have ceased to be, the first and the purest of our national resources. If the work so well begun is carried out, we may hope soon to see for our country magnificent prospects. Already, through the Federal system, we have taken a distinguished rank among nations. We are no longer a mere colony, but an Empire, allied by the ties of blood and friendship to the

great and powerful British Empire; and our loyalty towards England is only equalled by the hearty sympathy of the Mother Country for us. As a mark of esteem and friendship, unprecedented in the history of her colonies, England has associated us with her glory and her power by giving us a noble member of the Royal family to represent in Canada the well beloved authority and the majesty of Our Most Gracious Sovereign. The obtaining of the right to settle our own affairs, and to adopt a National Policy in accordance with our wants, and the aspirations of the country was, no doubt, a splendid victory, and the accrediting of a Canadian Minister with the foreign powers in Europe was another not less brilliant. Thus we effect the conquest of our rights, one after the other, peacefully, thanks to the friendly relations that exist between Canada and the Mother Country; thanks also to the skill, the broad views, the patriotism of the distinguished men who preside over the destinies of these two Empires. And it is thus, Mr. Speaker, that we will obtain the full possession of our rights and acquire, at the same time, national wealth and prosperity. It is with pleasure that I second the motion of the hon. member for Toronto.

Mr. BLAKE. I think everyone will be thankful to the Mover and Seconder of the reply to the Speech from the Throne, for being disposed to attribute some share of that measure of returning prosperity, which we all know exists, to causes on which we can agree with them; but we consider that the returning prosperity is in spite of legislative obstruction. It is pleasant to know that the harvest is an element, at any rate, however slight and modest it may be, and that the increased demand for our exports in foreign countries, and the larger prices those exports have realized, are elements, however modest and slight they may be, as described by the hon. gentleman, that have contributed to the prosperity upon which he desires us to congratulate ourselves. Allow me, before I go further, to correct the hon. member for West Toronto, upon a subject on which he is a little misinformed. He was not content with that just measure of congratulation which he might fairly take to himself, as to the results of the late elections, but he also claimed North Oxford. I may inform him that there was a pleasant little family contention in that constituency, where there is a very numerous family of Reformers, but that the candidates were all out-and-out Reformers. If he is not disposed to accept what I say in preference to the gentleman who may have given him the information, let me read an extract from the statement of Mr. Sutherland, the present member for North Oxford. He says: "Upon the great questions of the day, he, as well as myself, is an out-and-out Reformer." The circumstances of North Oxford are these: That while there were two out-and-out Reformers contesting the seat, each of whom had a very large measure of support among the Reformers of that constituency, no Tory was found bold enough to go to the polls. With reference to the hon. member's own victory, let me tell him, as that has been alluded to, that it was of the Pyrrhic order. Although the West Division of Toronto had returned by an overwhelming majority its old member, yet the hon. gentleman (Mr. Beaty) was returned by only a greatly reduced majority. If the condition of affairs in West Toronto continues to spread, the same proportionate change in the relative strength of parties which was exhibited at that election, as compared with the preceding one, would at the next election give us as the result of that change 64 seats which were taken by the Conservatives in the elections of 1878, thus giving a majority to the Reformers. Now, Sir, the great subject which has been brought before us, and the necessities of which are the justification of this unusually early Session of Parliament, is of course, that which will be most largely discussed upon this occasion. The policy of this Administration since its return to power upon that question, has been, from time to time, very seriously modified. In the first Session of this Parliament the Government proposed to the House a grand scheme involving substantial Imperial aid and countenance in the construction of the Pacific Railway. They included, in effect, the giving of an Imperial character to that work, it being held that as the road was in the interests of the Empire it should give substantial assistance in its prosecution. In the second Session of this Parliament we heard no more of that glorious scheme, but we were brought face to face with a programme for the construction of portions of the road upon another basis from that which in former times had been suggested. The line was to be degraded into a cheap colonization line, built with sharp curves and steep gradients, and in the cheapest manner consistent with the safety of passengers travelling over it. In that shape it was to be built in detached portions, and a section in British Columbia, and 200 miles on the prairies, were at once to be laid. Now, we find another very serious change in the policy. Instead of that mode of prosecuting the work, the proposal is made that our liabilities—which, so long as the work was to be constructed by the Government, were limited by the different engagements which each Session we might authorize to be made—shall be once and for ever defined so far as a contract can define them, and that, through the medium of a company, the road shall be constructed from end to end, and that we shall be placed in a position which, whatever this obligation may involve, will be beyond recall. With reference to the eastern connection there is also a very serious change in the policy involved in the propositions of to-day. It is well known that, if not from the beginning, yet at an early date, that line on the north shore of Lake Superior was placed in abeyance, and was indefinitely postponed. At different times different suggestions have been made for obtaining a more or less satisfactory connection with the east. Last Session that subject underwent some ventilation here, and some more in the other Chamber. It was admitted by the hon. Minister, who has special charge of the subject of railways, that a good line valuable for Canadian purposes, and extremely important in point, not only of national but international commerce, could be found by Sault Ste. Marie, and that it would be for the interest of this country that that line should be built at the speediest moment. The question of what the Administration were doing was alluded to by me in this House, and it was adverted to in the other Chamber, and the Government were asked as to their intentions. The answer at that time was that the subject was under consideration. Later on, after they had had that period for anxious consideration, the question was renewed in the third week of the month of April, and the answer then was on the part of the Administration, that it was their intention to take steps to procure surveys for the line to Sault Ste. Marie, and to aid, this Session, in its construction. Now, we hear that this line on the north shore of Lake Superior is to be built, and therefore that part of the policy of the Administration is seriously changed. Now, Sir, for these changes, simply as changes, I have no word of complaint or rebuke to utter. In carrying out the arrangements for a great enterprise of this kind, it is not merely right, but it is the bounden duty of the Administration, observing changed conditions, to mould their policy with a view of providing what the best interests of the country may require, and the time for action necessitates. Therefore, I say, I am not complaining of these changes simply as changes, but solely for a purpose that I will point out in a moment, a purpose which requires that we should observe that there are serious changes, for we find that though as the Speech tells us there is a recurrence to an old policy yet there are serious changes from the policy defined and announced and assented to by Parliament in the two first Sessions of this Administration. It is, of course, impossible for us to express an opinion upon the terms or upon the propriety of a bargain which is

not yet before us. The hon. member for West Toronto said that he placed himself in that position. I place myself in that position; but it seems impossible to do more than allude to the weighty problems which are involved in the discussion of this policy, which is to be brought before us this Session. There are very important questions upon which we are to be informed, before it would be possible for us to express an intelligent opinion as to the propriety of the course of the Administration. We know not, for example, what the price is, in works or in cash, for I know no difference except a difference of disadvantage between giving a price in works and giving it in cash; there is a difference of disadvantage, because the cost of completing the work may very largely exceed the estimate of the cost, but there can certainly be no very great advantage, unless we shall find some considerable diminution of the cost as compared with the estimate, a thing which very rarely happens. Nor do we know what is to be done by the country, what is to be paid for out of the Treasury, what are to be the payments in cash to the company as they construct the road. We know not the cash price, in works or money; we know not the amount of subsidy in land; we know not how the terms of payment of cash or of work are arranged, or what they are to be in relation to the progress of the works themselves, or in relation to the probable strain these payments will make upon the resources of the country. Those questions are not solved by anything that is before us; we require information upon them before we can intelligently discuss the subject in its clearest and most obvious financial aspect. We know not what are the terms for the selection and the sale of the lands. The arrangement for the alternate blocks is a question of the utmost importance in dealing with this branch of the payment to the company; we know not whether the company is, after being handsomely paid to build the road and run it, to own it too; we know not what the subsequent arrangements are, or whether they are to be subject to the consent of Parliament. We know not, as to the eastern link to which I have referred, whether the policy of the Government last Session is wholly abandoned, whether it is intended to substitute for the announced policy of the Government, the road by the north shore of Lake Superior, whether while we gain that 660 miles of railway, we are to lose the Sault Ste. Marie line. There are here very important questions, questions of momentous importance, with reference to the eastern link and the policy to be adopted in connection therewith. I repeat that though the question of an eastern link has been before the country ever since the arrangement was made with British Columbia, it is a practical question now first presented to our minds for immediate action, and it is the first time that Parliament has been called upon to undertakede finitely to make provision for the construction of that eastern link. We know not what the rate of progress on the work is to be, how far it is to be in advance of the supposed wants of settlement; and if, as is rumored, it is to be very far in advance of these wants, how far the increased rapidity of construction is to involve an enhanced cost of construction in the first place, and an enhanced reward for working the line before the population is in the country in the second place. We know not the character of the road, whether it is to be of the character described by Ministers last Session, when they represented that the work which they put under contract on the prairies and in British Columbia, was for an inferior colonization road, or whether all these contracts, as well as the portion to be constructed by the Company, are to be returned to the old notion of a first-class trans-continental road. We know nothing of these points, nor as to the arrangements for equipment; we know nothing of other main points; we know nothing as to whether it is proposed to enter into any obligation, express or implied, or to declare any course of policy which shall be taken as an enactment with reference to other roads through the North-West territory, constructed or to be constructed, and their relations to the road that is to be constructed at this present time—the Canadian Pacific Railway. We know not what provisions are to be made for securing the means of getting into that vast territory. Short lines are of very little value to a country, and it matters little how they are constructed if they are the property of a monopoly; they are merely the means of increasing the profit of that monopoly. That is a subject upon which we ought to reflect. We have the knowledge that has been acquired as to the gigantic powers which have been obtained by railway corporations in the neighboring republic, and the difficulties which have been found in the great West by reason of the existence, in some parts of that country, of practical monopolies. The whole conditions of railway transportation have changed most remarkably in the course of the last ten years, since this scheme was first projected, and there are indications of still further change in the same direction. Great as have been the results in cheapening the price of transportation by rail, I believe that process to have been by no means fully accomplished. You find that the estimated cost—not including profit—for hauling, under the average conditions of freight, is but one-third of what it was ten years ago. The steel rail, the enlarged car, the composite engine, and, in some cases, the multiplication of tracks have produced this result. But there is still an enormous field for the ingenuity of the inventor—in saving in the consumption of fuel, the motive power, and in other ways, so that the hopes of cheap transportation by rail are by no means yet exhausted. But, Sir, while that is so, cheap transportation by rail does not obtain under all circumstances. It does not obtain at all under those circumstances which have given to particular corporations the whole profit which is derivable from these improved facilities, and given the country none of them. Let me enforce these views with an illustration which will, perhaps, bring the subject more clearly before the House, and is not wholly alien to the subject in hand. The December rate per car from Montreal to Winnipeg is $293, and from Montreal to St. Paul $120, which is at the rate of 9½ cents per mile by the car. If you assume that the Government Railway is charging the full average rate charged from Montreal to St. Paul, on each 67 miles, you make the charge $6.37, which leaves for the purposes of the road between St. Paul and Winnipeg—190 miles—$166.64, or 42⅔ cents per mile, instead of 9½ cents per mile, the rate over the rest of the journey—a rate more than four times as great as the rate charged in getting to St. Paul. The rate at the general rate would be $37.05, making a total of $153.41—a saving of $129.59, out of $293, or nearly half the freight over the whole distance from Montreal to Winnipeg. If you apply the monopoly rates all over, you get $721 as the freight, instead of $293, and the result of the extra charge on the 390 miles, alone, is this: that it practically, for all purposes of communication involving cost, throws Winnipeg—where? Not seventeen hundred and thirteen or fourteen miles from Montreal, but it throws it to the Rocky Mountains—across the Rocky Mountains to the Pacific shore, without the advantage of the Pacific trade, or adds 1,360 miles, estimating by cost, to the distance from Winnipeg to Montreal. Now, let us consider the rates in the summer time. Last summer the rate from Collingwood to Duluth was $70 a car, but to Winnipeg $243, the rate being $173 from Duluth to Winnipeg, showing that, although some saving is effected by the route by water, yet if you have a link of iron controlled by two corporations, you will not effect much saving in the summer time, after all. I am told that the rate quoted for wheat from Emerson to Chicago by the car was 45 cents a bushel, while I believe it to have been carried by the big car load for 8 cents a bushel from St. Paul to Toronto—a difference that amounted, not to a compensation for carriage, but to a proportionate interest in the profits of every farm in the North-West. Now, Sir, that is the state of things in a great

many places in the West, and we find ourselves in that position from the want of some provision—whether freedom of competition or other regulation—which shall prevent these facilities from being converted into a machinery whereby the railway company inflicts, in effect, a tax on the farmers of the North-West, instead of a reasonable compensation for the work it does. Under these circumstances I cannot doubt that whatever the Administration have done, they have taken care to provide for the most strenuous competition between the new company and the St. Paul and Manitoba Railway Company, so that the moment we have the gateways of the North-West placed in the hands of a private corporation, we shall have the benefit of that friendly competition and rivalry which will result in the immediate cessation of these extortionate rates and this proportionate interest in the farms of the North-West, and in a reduction to reasonable and normal rates of profit. There are, Sir, several possible solutions of this problem which is now presented to our consideration. You have that of free competition, that of Governmental power of regulation, that of parliamentary power of regulation, that of arbitration, that of a reserved interest in thecountry itself, that of giving running powers to other companies so as to preserve moderation in freights, and there may be others. We know not what the particular solution of this great problem is; but that it is a great and difficult problem, now for the first time presented to our consideration by our being practically brought face to face with the proposal that the road shall be owned and run by a private railway company, I suppose no hon. gentleman will deny. We know not what the mode of settlement of possible disputes between the Government and the Company as to the contract may be. We know not what the traffic facilities for the connections with other Provinces may be. There will be one great corporation stretching practically to the ocean steamships; it is right and proper that every facility should be given for trade to go through; it is equally right and proper that every facility should be given to such trade as may be seeking the North-West through other channels, and on fair, equal and advantageous terms to make use of the national highway to which all the Provinces of this Dominion are bound to contribute. We know not what security may be given for the performance of the contract in case a security is required. A security is not required unless the enterprise turns out disastrous; but what the nature or the extent of the security which in that event it has been arranged to give us, so as to secure that limitation of the liability on which the hon. member for West Toronto descanted so eloquently, we do not know, and therefore of its value cannot judge. All these things press on us now for consideration—all these things, and many more. I do not wish to prolong the discussion of this question by a reference to matters which, though they may be termed matters of detail, are still of importance; but all these things, and other matters are involved in the great question to which our attention is to be addressed. So long as the country was doing the work, so long as from session to session we could practically control it, things were different, but now they are to be altogether changed. Now the matter is to be regulated and arranged once for all, and regulated and arranged by the intervention of a corporate interest, introducing these new elements of difficulty, these new conditions to which, practically, we have never as yet addressed our minds. The aspect of finality and the creation of a company and its rights, therefore, impart elements of the utmost importance and of practical novelty into the discussion of this subject. The hon. the First Minister is reported to have said in a speech which he made shortly after his landing in this country, on his return from the English mission, that the contract had been made "firm;" that the contractors would go on at once, whether Parliament met in November or in February; that the meeting of Parliament would make no difference, and that they would trust to the ratification of the act. This statement hardly coincides with the statement which the First Minister has put into the lips of His Excellency, and which we heard in the other Chamber the other day. It is, of course, for the hon. gentleman to reconcile these statements and to explain how it is that his first, and I believe his only, public announcement as to the character of this contract and the nature of the arrangement with these contractors, should vary in a degree so material as I have pointed out from that which is now given to us; and whereas it was then a matter of no consequence at what time Parliament was summoned and the work was to progress, it is now said that the public interest requires that we shall not wait to February, but shall proceed immediately with the discussion and come immediately to a conclusion upon this question. In my opinion, Sir, the public interest requires, above all things, that this tremendous business should not be too hurriedly disposed of. The public interest requires, above all things,—and it is the right of the public to demand,—that there shall be some time allowed to obtain that information which has not yet been brought before the country; that the country shall have breathing time for consideration and reflection, for communication amongst the people themselves, as well as amongst the people's representatives assembled in Parliament, before we shall be called upon to give our verdict upon a question so momentous as this. We have been told, not authoritatively, indeed, but it has been suggested in Ministerial organs, that the dignity of Parliament required that no communication should be made upon this question, until the people's representatives were assembled here in Parliament. I am not quite certain, Sir, that there is not more than one hon. member of this House who would have been quite disposed to put his dignity in his pocket for the purpose of allowing himself in common with his constitutents, opportunity of becoming acquainted with the contents of this paper, and of having a sufficient apprehension of the subject before the meeting of Parliament, particularly if such a result would have also produced the result of a meeting a little later than the present meeting. If an unusual course was to have been adopted, I, for one, should have preferred—in a business like this,—as being more in accordance with the development of popular government which has obtained in this country, that the people should have had the opportunity of expressing their opinion upon this subject at the polls. More than this, we are told that the people shall not even know the details until after it is disposed of. They are not even to become acquainted with the terms of this bargain until after their representatives shall have passed upon them. Time is essential in my judgment; time is due to the people for that consideration which they require and which they are entitled to. I have no doubt that those of us who feel we have responsibilities to discharge on this occasion, have considered this question conjecturally so far as we could. I have no doubt we have thought it over with such dim and uncertain lights as Ministerial bounty has vouchsafed us in the matter. For myself I confess I have thought over a great deal such scattered statements as have, from time to time, been made to us. But I say that this sort of discussion is eminently unsatisfactory. One likes to know, before coming to a conclusion on a subject, what the subject is on which we are asked to come to a conclusion; and I say, as to the mass of the people, that they can have formed no conception of this matter, and that they might properly and reasonably have expected that the papers should have been laid on the Table, and that ample time should have then elapsed before we were called upon to consider them and deliberate upon them. But, on the contrary, according to a rumor which has spread about these benches—I do not say it is correct—if we are good boys and say our lessons well, according

to the instructions of our masters opposite, we may get home on the twenty-third, but if we are not good boys we shall be kept here at school until we say our lessons properly. I suppose we are all willing to work; we are willing to meet at any season, however inconvenient, if the public interest requires it. We are willing to dispense with our Christmas holidays and remain at work, if the public interest demands it; but what is wanted is deliberation and consultation—and then work after there has been opportunity for consideration by the country, but not before. I maintain that if it is considered necessary to force this measure through the House before Christmas, the vast proportion of the electorate will not have even read the terms of the bargain before we shall have made them the law of the land. It was amusing to observe how thoroughly the test of experience verified the position we took with reference to the appointment of a High Commissioner at the last meeting of Parliament. You will remember that the memorandum on which that appointment was made pointed out that—

"It is now being found in practice that there are constantly questions arising connected with the administration of affairs in Canada, requiring discussions in a mode and to an extent wholly impracticable by the ordinary channel of correspondence through the Governor General, and periodical visits have to be made to London for this purpose by the important members of the Canadian Government, entailing serious inconvenience. At this moment the following subjects are thus under consideration: the Pacific Railway, and important collateral subjects; treaties of commerce with France and Spain; Esquimalt graving dock; military defence of Canada generally, and of British Columbia more especially; while the fishery and commercial clauses of the Washington Treaty may, at any moment, be re-opened by the United States; with many other matters of importance connected with the better organization of the military force of the Dominion.

"It is manifestly impossible that the views of the Canadian Government on such subjects can be submitted for the intelligent consideration of Her Majesty's Government in any other mode than that of personal communication; and as the subjects themselves relate to different departments of administration, the necessity arises for the absence from their posts at this moment of not less than three Ministers."

And to obviate all this we were to have a High Commissioner, and yet we find that this language might have been repeated this year in London, by the hon. gentlemen themselves, although their High Commissioner was along with them; indeed, I believe there was an extra Minister along, probably to remedy some of the evils created by the appointment of a High Commissioner. I do not complain that a Minister, or more than one Minister, went over to England to negotiate, but I do complain that the hon. gentlemen made it a ground for the appointment of a Commissioner, that no such results as these would follow. Some information has been given to us from time to time, some small scraps of information as to these negotiations. The hon. Minister of Railways, during the last Session of Parliament, stated that an offer had been received for the construction and working of a large portion of the Canadian Pacific Railway, at that time, by arrangements which were within his grasp, if the Government, chose to accept them. On the 29th of June last, the First Minister was reported to have taken occasion, at a pic-nic, to state that there were two distinct offers at that moment under the consideration of the Government, and that they were deliberating which they would accept, or if they would accept either. After that period they went to England, and the announcement was made, on their return, that a contract had been made; but it did not appear to have been made so firm as to prevent a considerable amount of consideration after their return. We are promised, in the Speech, the papers connected with the contract, but I think we are entitled to have, if called upon to judge the course of the Administration, and to ratify it, the other offers also, and all the papers connected with them. Reason points to that, and precedent sanctions the demand. On the occasion of the last Pacific Railway contract, of unhappy memory, the honorable Minister himself brought down various papers connected with other offers and proposals,

as to the construction of the railway. It is reasonable, if you demand from us our approval of the course you are taking, in having concluded a particular bargain, that we should know what bargains were open to you, what offers were made, so that we should judge whether you wisely chose, in that ample choice, that embarrassment of riches which presented itself to you when considering to whom you should let the work, and at how small a price, for the building of the Canada Pacific Railway. Now, vast as the subject of this railway is, it by no means exhausts the share which the North-West has in the discussion of this question. There are large questions connected with the land policy of the North-West, apart from the questions connected with the railway grant. Other questions have been raised, also, by Ministerial utterances, as to the grant of very large areas of that territory. The honorable Minister, on the occasion to which I referred a little while ago, declared exultingly, that Mr. Brassey was good enough to tell us he was willing to purchase 100 square miles of our lands, and settle how many persons? His son. So we were to get rid of 100 square miles of land, and receive young Brassey. The hon. Minister announced he was the bearer of that proposal, which he was about to lay before the Council for the acceptance of that confiding, if not obsequious, body. I suppose it has been accepted, and that we shall have the good fortune some day or other, when the country becomes habitable, and those 100 miles are surrounded with smiling farms, to see young Brassey along there. That proposed grant is, in my opinion, not only contrary to sound policy but to the spirit of the understanding on which Parliament has been acting and allowing the Government to act in this matter. The statement with reference to the general administration of these lands was wholly different, and whether this particular grant is beyond the area of the lands included within the regulations or not, I maintain it would have been more in accordance with the dignity of Parliament and the duty of the Executive not to have proposed or acted upon any other policy with reference to the outlying territories than that which they had called upon Parliament to sustain with regard to the others. The regulations of the Government were brought before us when there was an object in so doing, whenever, as to the lands as well as the railway, there had been changes. But those regulations indicated the impossibility of the acquisition by purchase, and without settlement, of any very large areas of territory together. I do not say there are not two sides to this question; there are difficultics on both sides, but what I do maintain is, that the policy of granting to individuals enormous tracts of land in the North-West, is not a policy which the Government ought to adopt, except subject to the prior sanction of this House. We have had experience of large land grants in almost all the Provinces: we have had bitter experience of them in Ontario, and severe experience of them in Prince Edward Island, and also an experience in the townships of the Province of Quebec, but I do not know that we need go beyond the limits of the North-West of to-day to judge of the important consequences of the land policy. We find in the Province of Manitoba, with reference to the difficulties of settlement there, that a large area of territory has, from one cause or another, got into the hands of speculators, and is not subject to conditions of settlement, a circumstance which does, at this moment, and is likely also in the future, to diminish and retard the prosperity of that Province. Our short experience with reference to these consequences in the North-West does not sanction the policy which is now being adopted. There was last Session, a resolution passed to modify the land resolutions, which was avowedly a proposal to make them harmonize with the existing regulations, and it has been used in my judgment for other and alien purposes. That resolution authorised the Administration to alienate 100,000,000 acres of land at a price of not less than $2 per acre. The Government deter-

mined upon a policy of graduating the prices—a higher price near the railway and a lower price where land was remote. They took the responsibility of making regulations of that description; but inasmuch as that policy involved the selling of large tracts of land at much less than $2 per acre, it was therefore in conflict with the letter, though not perhaps with the spirit, seeing the average price exceeded $2 per acre. It being wholly in conflict with the letter of the resolution, they brought down, last session, a resolution amending the prior one, and placing the minimum rate at $1 instead of $2. But it was declared that this was in order to make the resolution harmonize with the land policy formulated by the Order-in-Council and laid on the Table. The purpose for which those sales were to be made, was to aid in the construction of the Canadian Pacific Railway. It is said in so many quarters that I must consider it to be true that that authority has been used for the granting of a very large tract, some hundreds of thousands of acres of land, at the minimum price, and with the real design not of aiding in the construction of the Pacific Railway, but that the price had been lessened with the design of giving a bonus towards the construction of another railway; that the purpose is to alienate those lands at $1, they being well known to be worth far more, in order that the extra profit may inure to assisting in the construction of another railway. Now, I am not saying one word in condemnation of the policy of aiding railways in the North-West where necessary by land grants. Far from it. I am in favor of such a policy; but I am saying that a policy of that description is a policy to be decided, not by the Executive, but by Parliament; that it is for Parliament to decide whether large areas of these lands shall be alienated as a bonus to such companies. It is for Parliament to decide what railways shall be so aided. It was never contemplated by any member of this House, No suggestion was ever made that such a use should be made of the power then given as to enable large land grants practically to be given for any particular railway. I think it should be the the duty of Parliament to lay down the proposition that the alienation of these lands, whether as the quantity or as to the object of the alienations, is a matter of policy, that the alienation which aids other roads, which would not have been accomplished in that particular way, except for that purpose, are things beyond the power of the Executive, and fall within our domain, at their instance, at their guidance, it may be, but still to be decided upon by us before they are acted upon by them. There is no doubt whatever, Mr. Speaker, many railways will be wanted in the North West, if the area, or anything like the area, of fertile land which is said to exist there, does exist. No doubt you might as well talk of settling up that vast area with one cart road as with one railway, although one may be sufficient for the demands of colonization at present. Therefore, I would be sorry for an instant to be supposed to be throwing out any proposal at all hostile to the building of other railways in proper directions, upon proper terms, and giving them proper grants of land in aid; but what I do maintain is, that these are questions of high policy for the decision of Parliament, and that we have not yet entrusted the Executive with the power of disposing of them. We had a nice little paragraph in the Speech last year informing us that a very large immigration was expected during the approaching session, as follows :—

> The visit of two Members of the Royal Commission on the agricultural distress in the Mother Country and the favorable report of the tenant farmers * * * will, it is believed, largely increase the number of immigrants during the present year. Preparations must be made for their reception, and your attention will be speedily called to this subject.

The hon. Minister told us, not merely in general terms, but he gave the figures, and told us that 25,000 was the most moderate estimate of the number of immigrants who would be settled in the North-West during the year now closed. There is a reference to immigration this year, too, but I do not observe that congratulatory information which we might naturally have expected, in view of the remarkable verification of these prophecies made in the Speech last year, and, during the debates in this House, as to the settlement of the North-West. There is a reference to further efforts to be made to promote, to create, that immigration which, we were told, had been already arranged for last year, and which was almost to embarrass us with the number of immigrants that were to come amongst us. The information I have received is, of course, not from official sources, and I should be very glad to be corrected at the earliest moment if it is erroneous; but I am told that if the hon. gentleman had divided his figures by three, he would have been found to be an extravagant prophet. I am told that a very small number have settled in the North-West, and that a considerable number that went in have gone out again; and I am told that the departure of several of these is due to the consummation of this same policy of utilizing the powers which we gave for the sale of lands for the construction of the Pacific Railway to the other and incidental purpose of aiding another railway. If my information is correct, at an early period of the year, shortly after the Session, settlers intending to go to one of the best sections of the North-West, the Turtle Mountain district, were warned that they could not be at all assured of the prices which would be charged for the lands. Well, that was not a very encouraging intimation. I remember some ardent speeches upon the subject of a similar intimation made last Session. I remember some hon. gentlemen denouncing an intimation of that description as calculated wholly to destroy immigration to the particular section to which it applied; but so great were the supposed advantages of this particular promised land, that, although that notice was partly effective, although it did a good deal of the good work which it was destined to do, although it did turn away a good many men from the Turtle Mountain, yet some went on despite it and took their chance of getting lands. I am told that that notice, being found not to be sufficiently effective, was followed up by another which declared, as before, that the immigrants could not be assured what prices they would have to pay, but that they could have no security, that they would be allowed to remain on the lands on any terms; and that that last notice had the desired effect, that it turned off the most of those few who had gone on in spite of the first order. I am told that, of these, considerable numbers went straight across the line, Turtle Mountain being not far from the boundary, and adjoining the State of Dakotah; that they found there circumstances which enabled them to settle in that State, and that thus we lost a very considerable number of persons who might otherwise have been added to the population of the North West. It is also alleged that these notices and arrangements designed to prevent, and which resulted in preventing, the settlement of a large extent of Turtle Mountain territory, were made in order that the policy which the Executive intended to pursue, if letting these lands be sold at a large profit by some railway company or other—I do not know the name of the company—might be carried out. I think that very circumstance is a sufficient proof to us that it will be well we should thoroughly here consider what should be the principle of our land regulations, what powers we will accord to the Executive upon these subjects. We learn, from the Speech, that one Royal Commission has issued, a Commission on the subject of the Civil Service. I am afraid we are not to see this Session the Bill which was ready last Session, according to the hon. gentleman who told us towards the close of that Session, that his Civil Service Bill was ready and in print, but it being impossible to get through with it, then had reserved it with a view to its introduction this Session. The language of the Speech is no doubt slightly mixed, but mixed as it is I am afraid it means there will be no Civil Service Bill this Session. However, it is satisfactory so far, that we should be informed from the Throne of the issuance

of this Royal Commission. There is, however, another Royal Commission of which we do not hear anything in this document, although I venture to say that it has attracted a larger share of attention, and its operations have been watched with very much greater interest than even the Royal Commission on the subject of the Civil Service of which we know little, and, I suspect, a larger part of the population care less. Now, as to this Commission of which we do not hear anything, it is said that it was issued; and it contains upon the face of it, the averment that it was issued to enquire into allegations or charges made on the floor of Parliament, in reference to certain matters connected with the Pacific Railway. It is said, indeed, that it is not confined to such allegations, but that it expressly embraces in its terms, as one of the material grounds for the issue of an enquiry and for the subject matter of an enquiry, allegations made in this House. I take the earliest opportunity of, for my part, protesting, as I have before protested, upon the occasion of the issue of a Royal Commission of enquiry, into other transactions connected with the Pacific Railway, against any such action on the part of the advisers of the Crown. I believe that to be in fact, and in substance, a serious attack, not upon the dignity, for which I do not care much, but upon the independence of Parliament. I believe that charges which are made here are not to be taken up by the Crown unless communicated by the Crown to this House. I believe that what passes here is to be known there only when we choose it shall be known, and I believe that charges we make here are to be enquired into either by us or by machinery by us constituted, not by machinery constituted independent of Parliament by the advisers of the Crown. And, so far as we may judge from the course pursued in this investigation it seems to me to go far beyond the legitimate objects of such a Commission. Such a Commission may properly be issued in order to inform the minds of the advisers of the Crown, and through them the Crown, of facts of which they are ignorant, or in order to investigate the causes, not, in my opinion, when they go so far as crime, but causes, at any rate, short of crime—of the management or mismanagement by subordinate officers of the departments—in order, in a word, to inform the minds of Ministers of things of which they ought to be informed with a view to the proper conduct of the business of the country; but I believe it to be wholly beyond the scope of such a Commission to entertain questions of public policy, political questions, still less do I believe it to be within the proper scope of such a Commission to enter into the question of the particular connection of Ministers of the present or past Government with such questions. These are beyond the domain of such Commissions; they are high and important matters of State to be disposed of by Parliament, or by machinery which Parliament shall devise. They are not departmental matters; they are not oftentimes on questions of fact, they are matters of policy or political questions, with reference to which the confidence of the people of this country may be given or withheld. There is yet another objection, from my point of view, to such questions being entertained by such a Commission. It is contrary to the very first principles of reason and justice that men should appoint their own judges. It is contrary to the very first principles of reason and justice that men should appoint judges for their own adversaries. Both these principles are violated by the appointment of a Commission which we see summons before it Ministers and Ex-Ministers, and calls upon them to purge themselves upon oath as to whether they have been guilty of acts of corruption, or of being personally interested in contracts. I believe that these accusations, if they are to be made here, are to be made on the responsibility of the member, and should be prosecuted according to the machinery which Parliament shall devise, and that there is no justice, no precedent, no reason or fair dealing in the arrangements which, in this case, have been made. Who are these appointed to enquire into these subjects, and what are their instructions? We know that Royal Commissioners are bound to act according to the instructions they may receive from time to time; we know that the Crown is entitled to give them instructions, which means the Ministers. Whether the Ministers gave instructions or not, I do not know; but there is no positive rule as to the manner in which these instructions are to be received, or the manner in which they may be communicated. We do not know whether the hon. the Minister of Railways may not, by Order in Council, have up his chief Commissioner every morning in the Department to point out what line of enquiry he should take or what questions he should ask; but, at any rate, when he made a Junior County Court Judge one, an Assistant-Commissioner of Revenue, another, an occasional employee of the Government, a third, and a defeated candidate for a constituency in his interest, the secretary, he has a tribunal very apt to do the work he wants it to do, and which may be doing it, not exactly according to his taste, but still fairly well. Hon. members on this side have no reason to complain about any Commission under any circumstances, but it is our bounden duty to protest against proceedings which might, under other circumstances, be productive of wrong and injustice, and which are based on a violation of the rules of equity. What is wanted in this case is a full enquiry. How is that to be secured? It is to be secured, as we know in all cases involving political considerations, by having both sides represented. That is what is done on the other side of the water when commissions are issued, even though they do not involve questions of political enquiry. These commissioners are not one sided. They are, as a rule, composed of prominent men from the ranks of both parties. Still more, if you are going to have a political enquiry, which is to end in the whitewashing or condemnation of one side or the other, if it is to be an enquiry of this transcendent importance, should not both sides be represented in order that all questions may be asked, all evidence elicited in full, and that the great tribunal of public opinion, and this House, may have the largest amount of material from which to draw its own conclusions? I have never cared much for the findings of such tribunals. What I have been always anxious for is, that they should be so constituted that the facts should be got out, and the facts being got out, let us form our own judgments. Without entering at all upon a discussion of the proceedings of that Commission, or its revelations, and confining my observations, as I have confined them, to the questions of policy and to the constitutional questions involved in the question of such a Commission, I may say that, in my opinion, not merely what has there taken place, but what has taken place and been made public in other ways, and, antecedent to the appointment of that Commission, point to the necessity of some further action on the part of Parliament. I believe, Sir, that the time has arrived at which we ought to take some steps to put an end to the system of contract-broking. I believe the time has arrived at which we shall best consult our own dignity and standing with the public by placing further restrictions on the right of members of Parliament to act as agents of suitors before departments and the Government for favors of any kind. I impute no unworthy conduct to any member on this occasion, either expressedly or impliedly, but I say that when such transactions as those stated have been made public, when you find it obvious that an impression prevails in the minds of those who are desirous to negotiate with the Government that they can do better by getting the assistance of Mr. So-and-So, because he is a member of Parliament, it is time that such a thing should be put an end to once and forever, and that for profit or reward, at any rate, none of us should be able to intervene in departmental or executive matters any more than we are able to intervene on matters which are dependent in either House of Parlia-

ment. We have some observations in this Speech upon the general condition of the country. It is agreed by all of us that an essential element in the progress of our country, and particularly since the acquisition of the North-West, is the increase of our population. In that regard I am afraid we are not able greatly to boast. I remember, during the years of the late Administration, the feeling appeals that were from time to time made from these benches. Why, I almost saw tears drop from the eyes of gentlemen opposite when they lamented the depletion that the country was suffering under the malign influence of the hon. member for Lambton (Mr. Mackenzie). We were told that the country was being ruined by an exodus, not more important in its quantity than its quality—that the lifeblood of the country was going to the States. That was told during those five lean years—those years in which the figures upon which hon. gentlemen based these statements, and which have never been disputed until now. The figures presented in the United States immigration returns, were as follows:—

In 1873-74	30,596
1874-75	23,549
1875-76	22,379
1876-77	22,039
1877-78	21,474

a steadily decreasing quantity, and an aggregate of 120,037. It was upon such a showing, both as to the numbers and as to the ratio in which these numbers were diminishing annually, that those lamentations were poured out. Hon. gentlemen who poured out those lamentations forgot that there were five years in which they had held office before, and in which they had not been so deeply moved by this depletion, when the figures had been quite different. They had been quite different, I admit at once. They were as follows:—

In 1868-69	30,921
1869-70	54,510
1870-71	47,082
1871-72	40,288
1872-73	37,569

an aggregate of 209,400 as against 120,000 in the disastrous years, or a larger amount by 89,000, or nearly 75 per cent. than that which excited the deep grief and woe of hon. gentlemen opposite when they occupied these benches. But Sir, they have gone back to office and the exodus has also returned. They have come back to Ottawa, and the people are fleeing the country. When hon. gentlemen quoted the United States figures they had not then found out that they were wholly unreliable, that they were entirely exaggerated, that they were cooked figures, prepared for a purpose, and did not represent the truth. On the contrary, they thundered these figures at us, and we not possessing the acuteness and intelligence of hon. gentlemen opposite, did not say that the United States cooked the figures. Upon the same statements, the figures for the last year amounted to 99,500, and for the quarter following to 37,779, or a total of 137,279, in the fifteen months last past, being 17,200 more than left in the whole five years of my hon. friend, 17,000 more than left in all that period of lamentation; and yet I have not heard a single groan or observed one isolated tear from hon. gentlemen opposite over the departure of their fellow countrymen. Well, Sir, I do not say myself but what we ought all to weep together under the circumstances. We will condole with you if you will only weep with us. You have here a total immigration into the United States in the last year of 450,000 people, and of that total little Canada has contributed two-ninths. Her share has exceeded that of England, has exceeded that of Ireland, has exceeded that of Germany, has exceeded that of any other contributor. Our share for fifteen months has been 3½ per cent. of the whole population, and had there been a similar transference of the population of the United States to us, we would have had an addition of 1,800,000 souls to the population of Canada. No doubt the exodus of which the hon. gentleman complained was largely composed of the normal transference, because the figures are small, but no one can doubt, who has paid anything more than a passing attention to the subject, that these other figures represent an exodus which is wholly abnormal—a serious and calamitous depletion of our most important resources. But we are told, Sir, that we ought not to complain of these things. The hon. Minister of Finance admitted that this exodus was a thing to be deplored, but he said it was not well to exaggerate the thing. He said he found that matters were quite different from what they were represented to be, and he found this by making a careful comparison between a year which ended on the 31st December, and one which ended on the 30th of June; at least, if he did not do so, it is a remarkable and an extraordinary fact that the figures that he gave are those for the year ending on the 31st of December instead of on the 30th June. I say we ought not to keep silence; I say we ought to enquire, and if possible, ascertain what the causes are of this large removal; for even if there are great mistakes in these figures, even if the United States census-takers and statisticians are getting less and less correct every year, no one can gainsay the fact that there has been a large, an unusual depletion of our population. I say, Sir, that we ought not to keep silence. Did hon. gentlemen opposite keep silence? What we say here, in this country and in this House, concerning this affair, with a view to ascertain what the difficulties are, and if possible to remove them, is one thing, but it is quite another thing when the First Minister, with all the authority of his position, standing in the most conspicuous position in which a First Minister could stand, addressing in London a deputation of Manchester merchants, expresses himself thus:

"The consequence is that all the ingenuity, all the ambition, all the mechanical skill and enterprise of such of our young men as have a distaste for agricultural pursuits, or prefer industrial employment, go to the United States. The men who thus leave our country are of the brightest, wisest, ablest, most ingenious. All go away because they can get employment in the United States, where there are manufactures. They won't be farmers and we lose them."

You will notice, Sir, that the hon. gentleman speaks in the present tense. The figures told us the quantity, the hon. gentleman tells us the quality of the emigration. We have, first, the thousands which are rolled up by those who count the heads, and then we have their value in the hon. gentleman's estimation. Such an emigration, and of such a character, is surely deserving of an allusion, even in the Speech from the Throne. But it is my belief that the hon. gentleman was in error in describing the cause and the character of that emigration. I believe that a large number of farmers leave this country in order to farm elsewhere; and that, besides losing some of our young men, who want to do other things, we lose large numbers of those who, under other circumstances, would remain on the farms of the older provinces or settle on the farms of the newer districts.

It being six o'clock the Speaker left the Chair.

AFTER RECESS.

Mr. BLAKE, resuming, said: There is one statement in the Speech which is a repetition of the statement of last year, and which, I am sure, we have all read with very great regret—that the condition of the Indian population has been such that very large sums have once more been required to save them from starvation. I always dreaded, from the moment at which it was thought and determined to be necessary to engage in a very large system of aid to the Indians, that we should have a permanent charge of that kind on the finances of the Dominion. We know that once you let a population of that kind believe they are to be fed, they will want food, and although on this occasion this demand may have been, to a great extent, justified by the failure of the food supply, yet I fear that, since in two successive years it

has been necessary to feed the Indians of the North-West, it will be necessary to feed them a good many years in succession. Rumors that reach us from some of the officers of that Department are not very encouraging. I have received letters which inform me that a very great degree of extravagance and folly has been practised with regard to Indian supplies; that, independently of the food supplies there have gone forward large supplies of ginger-bread and ribbons and some hundredweights of wax candles, for what purpose, in connection with Indian supplies, I do not know. I believe that one of the officers, guilty of some of those follies, has been very properly removed from his position; but I am afraid that some portion of the extra vote, which we shall be called upon to sanction, will be found to have been needless in the sense to which I have referred. The Speech from the Throne attributes our increased prosperity largely to the Tariff, and gives the interesting information that the Tariff has "not only promoted the manufactures and other products of the community,"&c. I am very glad to learn that the other products of the country have been promoted by the Tariff. It is, certainly, a very sweeping tariff. It covers almost everything, and it is very satisfactory to the country that all the products of the country have been really promoted by its operation. However, it would be convenient, before adopting that clause, to have some information in detail, giving the classes of products, other than manufactures, so largely promoted by the Tariff. The First Minister, in the course of the speech to which I have referred, dealt also with that subject, and his remarks, may, perhaps, answer the member for West Toronto (Mr. Beaty) with regard to some of his economic arguments on the subject of the Tariff. The language of the First Minister, so far as it goes, expresses very clearly the views I also hold. He said:

"Of course, if the question of the accumulation of wealth, if buying in the cheapest, and selling in the dearest market were the only principles to be regarded in the life of a nation, then I would say that our tariff is a mistake, but there are other considerations. There are such things as natural strength and natural development."

The right hon. gentleman proceeded to give his reasons, convincing or not convincing, why national strength and national development can be promoted by a tariff not calculated to facilitate the accumulation of wealth, and which does not give the cheapest market to the buyer and the dearest to the seller. With those reasons we may not entirely agree. We may be disposed to differ with him in the view that national strength and national development are likely to be promoted by fiscal regulations which make us not richer but poorer, and do not give us facilities for buying and selling in the most profitable markets. But it is satisfactory to know that, upon economic grounds, we find that while in England, in that free trade atmosphere, the First Minister, who is largely responsible for the Tariff, as for all other things emanating from the Government, plainly acknowledged that, regarded from those economic considerations, the Tariff was not what the hon. gentleman stated it was to be before the electors of 1878, but was regarded from this economic standpoint as a mistake. On the same occasion the hon. gentleman (Sir John A. Macdonald) took the opportunity of stating the mode in which the farmers of the country were to be benefitted by the Tariff. We did not hear, when the hon. gentleman elucidated his views on this subject in England, some of the wild and extraordinary statements which, upon this subject, were very frequently made before the elections of 1878. I believe there has been a little more caution in putting them forward of late, than was observable in former days. On that occasion he spoke thus:

"It was thought, wisely or unwisely, that it (the Tariff) could be so adjusted as to assist the infant manufactures of Canada; and as regards the farmers to prevent the great occasional local disturbance in values of agricultural products in Canada, by the interdiction at particular points for particular purposes of the great American capitalists, who form rings and corners of all kinds for the purpose of the disturbance of the trade of other people."

There is the extent to which the hon. gentleman offered a tariff to assist the farmers. We do not hear now of the great principles so loudly declared in the speeches in the Eastern Townships and other parts of the country, in which it was pointed out that positive advantages in the disposal of the products of the farmers, that must seek a foreign market, were to be obtained from the new Tariff. But the farmer is now to be simply protected from loss by the interdiction of the products of those shocking American capitalists who invade our markets. We differ as to the remedy for that trouble. But the case of the farmer, under this fiscal system, is stated very much more modestly and moderately than at any former time. The First Minister has declared, like other Ministers during the recess, that the Tariff was "a revenue Tariff" in substance for the purpose of meeting our obligations that it was "essentially a revenue Tariff." I quite admit that in some of its provisions it is a revenue Tariff; in others, the greater part, it is essentially protective; and some, designed for protective purposes, have not quite fully accomplished their object. They are, in the meantime, productive of a considerable amount of revenue. But I believe the Tariff may be more properly described as essentially a protective tariff, and incidentally one for revenue, than essentially a revenue Tariff, and incidentally one for protection; and such it was described in the days when the virtue of such Ta ariff was lauded to the electors of the country before they had had experience of its operation. Speaking generally, it is expressly designed to check importations in favor of home industries. A tariff expressly chosen to check importations in favor of home industries, cannot be properly described as a revenue, but must be described as a protective, Tariff. But it was not the First Minister alone who, during the late recess, illustrated the beauties of the Tariff. The Minister of Finance paid several visits to several points in Ontario, in which he discussed these subjects. I very well recollect that, during the peregrinations of the Finance Minister the season before last Session, when he visited some twenty different manufacturing points with a view to seeing how his Tariff was working, and how the manufacturers felt, and so forth, he announced, on more than one occasion, it was his intention this past season to take the farmers under his protectionist wing, and visit the rural constituencies, and see how the Tariff was working with them. We expected this year his visits would be devoted to that community; but, with one exception, the County of Prince Edward, I am not aware that the hon. gentleman carried out his intention. For electoral purposes he visited North Ontario and came back again; but for the purpose of investigation, which animated him in his other visits, as far as I know, it was only in Prince Edward that he visited the farmers. Now, why lose such an admirable opportunity of discussing the Tariff with the farmers? Why lose the opportunity of verifying by the facts which have occurred since 1878, the promises made to the farmers prior to the General Elections of that year? Why should he have avoided the delightful duty of explaining to them how the prices of their products had been enhanced: how the price of barley, for example, had been raised by the duty, and how other grains had been equally satisfactorily affected? I am sure I do not understand why, when the hon. the Finance Minister had proclaimed his intention to fulfil this duty, he should have so ill-performed it on this occasion. Perhaps he was waiting for a still more convenient season, when the times might be more propitious, and the arguments he might advance to the farmers be more plausible than they could be under the circumstances. I am glad he visited manufacturing points in the Province. The visits were extremely gratifying to the manufacturers, and acted as advertisements of the widest possible kind, of the establishments visited. I am extremely delighted to know that, in the constituency in which I am interested, two important industries have been visited by him, and through the

advertisement thus given them their business has, I hope, been increased. I hope the hon. gentleman will visit all the towns and give these gratuitous advertisements to all the manufacturing establishments everywhere; but I would beg him to remember that all constituencies are not composed of towns, that there are a few farms in the country and a little portion of his time had better be directed to examining and enquiring into the condition of that class of the community which he promised so long, but which he has not yet found leisure, to visit. The hon. gentleman began his operations by the publication in the *Gazette*, after a reasonable interval, of his balance sheet for the year, and I must say, I was surprised that he should have set his hand to such a statement. My hon. friend beside me (Sir Richard J. Cartwright) has demolished, and I suppose will again demolish, here in presence of the hon. gentleman, the calculations which justified, in his view, the proposition that $1,300,000 of revenue had been anticipated by his operations. But, assuming all that, assuming it to be an accurate calculation that $1,300,000 had been anticipated, I am not aware of any precedent whatever for any Finance Minister making or authorizing any statement of revenue of any country which would include so large a portion of the whole as that already received, which was not really received in the year, but added for the purpose of forcing a less unfavorable balance than the real statement would have brought down. There are many points in which the hon. gentleman strove to satisfy the electors of Ontario that the Tariff was a blessing to them. I do not intend to follow him through all his fallacies. I wish to advert, however, to one or two in particular, because the speech brings up the subject in a prominent manner, and the honorable gentleman from West Toronto, in general terms, asserted a feeling of the country in regard to the Tariff which, in my opinion, is wholly incorrect. The Finance Minister referred to the duty on coal on several occasions, and he declared that that duty was imposed in pursuance of the policy of creating good feeling and inter-provincial trade, that all parts were benefitted by it. Well, we desire to create good feeling as much as he can. We desire to foster legitimate inter-provincial trade as much as he can, but we altogether deny that either a good feeling or legitimate inter-provincial trade can be created by the process by which he seeks to accomplish these objects. Now, it was very amusing to hear, in the very next breath, the hon. gentleman topple down his house of cards when he said:—

"I may say, as a member of the Government, that if the American people will take off their duty on coal and admit, free, the product of our Nova Scotia mines, which lie convenient to their hand, we will take off our duty on coal, and let the West have theirs free as before."

Well, what about the kindly feeling and inter-provincial trade? Is kindly feeling to be restored and legitimate inter-provincial trade to be created by the imposition of the coal duty which forces Nova Scotia coal to the West; and yet is the Finance Minister prepared to forego these advantages in order to secure the free admission of their coal into the United States? But the hon. gentleman ventures to defend the tax on another and wholly inconsistent ground. He defended it as a revenue tax, in which case it could not produce, of course, that kindly feeling by creating inter-provincial trade; and he said, as a revenue tax, if we do not get the revenue out of you this way we must take it some way else. As a revenue tax it fails in its object of promoting inter-provincial trade and is besides wholly indefensible, because the hon. gentleman is not entitled to take revenue out of one section of the country and leave the other untaxed. It is a local, sectional, partial tax, not merely upon the whole country, nor upon a whole province, but upon a particular portion of the population of that province, and therefore, as a revenue tax in that particular, and also because it is a tax on a first necessity of life, and a raw material in effect, it is wholly indefensible. The hon. gentleman said the coal tax was not "a patch" to the coal oil duty. He declared that the imposition of the coal oil duty was necessary to the building up of a great industry, and that the industry was entitled to some consideration. Why was it entitled to consideration? Let me give you the answer in the member's own words: "Inasmuch as we have not the free flowing oil wells that they have in the United States, but are obliged to produce it at a great expense of unprofitable labor," we are compelled to impose a duty of 200 per cent. on the raw material and something like 60 per cent. on the manufactured article. Well, upon this coal oil question I think another observation has to be made. In the first Session of this Parliament, in the very last days of the Session, a bill was passed, read through its three stages, I think, in a day, perhaps in a moment, without any time for its consideration. It was known that what might be expected to happen did happen, that the bill was a mistake in many material parts, that it was ill considered, that the proper opportunity for consideration by all parties interested had not been given, and the natural result followed. Last Session, in just the same way—not in all particulars, because in some respects the question was under debate for a long while on the motion of the hon. member for Stanstead (Mr. Colby)—the Government brought in a bill at the end of the Session, and it was run through without any opportunty being given for enquiry or investigation; and it has turned out that, in one particular, some of the unfortunate results of that legislation have been due to that circumstance. I refer to the change in the specific gravity, which a letter written in the name of an oil producer, states was known only to one party interested in the trade, and the others were not able to discuss, and which has had the effect of very largely increasing the price. I suppose, in this Session, we shall have a third coal oil bill. I hope it will be brought down in such time that information on a subject somewhat abstruse and technical, and on which it is important that the views of those interested should be known, may be obtained. The hon. gentleman also adverted to the sugar duties, and more than once brought forward an isolated fact in a manner which I regretted to observe, and which was not intended no doubt, to produce a false impression, but which did produce an impression wholly at variance with the facts. The hon. gentleman used, at Stratford and at other places, language like this:

"Let me point out another fact: It is this—that refined sugar has sold at our refineries in Montreal for less than it could have been imported at that time if the old tariff had been in existence. There may also at times have been a slight increase in the price; but though there was that slight increase, you must remember that that increase has been amply covered by the lower duty collected on the lower grades of sugar."

Now, Sir, what I complain of is that his statement indicated that sugar was, as a rule, and upon the whole, not sold at prices higher in Montreal under the new Tariff. The hon. gentleman adverted to some occasions on which, owing to the state of the market, there were no differences in price, and he used that statement as indicative of the general result. Well, Sir, that surprised me at the time, because those of us who had looked at the discussions as they had been going on from time to time, and had been observing the quotations, were led to the conclusion that this would not be a fair inference from the course of trade. I have not verified the figures, but I have observed the figures which have been published in a newspaper in the hon. gentleman's own city. They show that the average New York price was $6.13, which with the duty added would be $8.66, while the average Montreal price was $9.70, making on the average a difference of $1.04, or $1,114,000 on our average imports, and a much larger sum on our imports of 1880. I believe, if you take all periods of the year, you will find a general current of prices which would produce this, or something like this, result. The general tone of the speech has been to attribute the improvement in business largely to the Tariff. We aver that that improvement is

not due to, but in spite of, the Tariff. It is quite true that good harvests, a long continuance of economy, the circumstance that the export of lumber is at very much better prices, as well as in increased demand, and the circumstance that our good harvests are paying us by reason of a fair price for grain, have produced a revival in the business of the country. But it is to these circumstances that such a revival as has taken place is due; and that revival, I believe, would have been much more marked if our people, during the last few years, had been freer to trade where they would have liked to trade, and to buy where they would have wished to buy. I believe that the restrictive, or so-called protective, influence of the Tariff has been to delay and to diminish the advancing tide of prosperity, instead of promoting it. If it be true, as I hope it is, that we are entering upon a period of prosperity, it is our duty to be wise in time, to remember that we have had periods of prosperity before, and that they have been followed, and will, according to all past experience and to obvious reason, be followed by a period of reaction. It is our duty as a Parliament, particularly, to be cautious with reference to our permanent commitments. We must remember that at a former period, while the tide was on the flow, hon. gentlemen opposite calculated upon its permanent advance, and that they made lasting commitments which it was found difficult, or impossible, to meet or to break, when the tide began to ebb. Our permanent commitments ought to be based, not upon the progressive increase of revenue during a time of prosperity, but upon the reasonable average progress which we may expect, taking the flows of prosperity and the recurrent ebbs of depression altogether. And if we neglect that consideration, and if we impose burdens upon this country incommensurate with its average rate of progress, a temporary period of prosperity will have injured more than it will have improved our situation. This applies to us all. Every man of us in his private affairs would act upon these views, and as a nation we must act upon them or suffer the consequences. The first duty of the Administration, in my opinion, is, if the revenue does show a surplus, to diminish the excessive burdens of taxation. Those burdens of taxation have been imposed contrary to pledges made by the hon. gentlemen before the elections, because they said that the financial condition of the country required them, because they said they found its financial condition was so much worse than they had expected, that it was necessary to impose burdens which they regretted. Those burdens are onerous in the extreme, and if the imposition of those burdens has produced a surplus, it is contrary to the duty of the hon. gentlemen to pretend to a fictitious prosperity based only on receipts from excessive burdens, and it is their duty to relieve the country from some portion of that taxation the moment it has been found unnecessary. And, in relieving the country from that taxation, it is our duty first of all to consider which are the most odious, the most partial, the most sectional, the least productive taxes, to take away those taxes and to leave our people unburdened by them, the freer to promote their individual, and by promoting their individual, to promote the national prosperity. The hon. member for West Toronto (Mr. Beaty) took, in my opinion, a somewhat questionable view of the political situation. He said that we were all perfectly contented, that there was no sectional difficulty, no feeling of annoyance, that the Tariff was no longer the Tariff of a party, but of the whole country. Did the hon. gentleman read the resolutions passed the other day at a large meeting in British Columbia, which is going to have its railway, it seems, but which nevertheless declares that the Tariff has been very injurious to that country, that it is a burden and not a benefit? Will the hon. gentleman invite, I do not say upon the floor of this House, but to a private conference, such of his colleagues as come from Nova Scotia, New Brunswick, and Prince Edward Island, and discuss with them the effect and operation of this Tariff, and find what they have got to say about it,—about the feeling of their people, its effect upon their provinces, and its proximate effect upon the future of this whole Confederation, if some of its iniquities be not removed? After the hon. gentleman has had those opportunities which he may open to him during this Session, I venture to say he will not find himself able to revel any longer in that dream of universal happiness and contentment produced from one end of the country to the other by the Tariff which he adores. I hardly dare to hope—yet hope I will—that our discussions may be characterized by the spirit of caution and moderation which I have suggested, that it may not be proposed to-day, as some years ago it was proposed, to take advantage of this temporary tide of prosperity to plunge the country into permanent commitments which its average rate of progress will not permit. I hope, I say, that moderation may characterize our counsels, and that our decisions may be such as will redound to the honor and conduce to the advantage of the country whose interests are committed to our hands.

Sir JOHN A. MACDONALD. Mr. Speaker, I must begin by congratulating my two hon. friends, the mover and seconder of this resolution, upon the able manner in which they have addressed this House—a manner which must have been pleasing to the House. I must also congratulate my hon. friend who has just taken his seat upon the vigorous manner in which he performed the duties of the rather forlorn position of leader of the Opposition in this House. He has spoken well and vigorously, but while we receive him and listen to him with pleasure as the leader of the great Liberal party, I must say that his practice, as shown by his conduct to-night, has not been that of a Reformer. Why he should return to the old fashioned way of talking *de omnibus rebus*, and attempting to introduce into the Speech from the Throne a discussion upon every possible subject that can engage the attention of the House, I do not know. We have had coal and coal oil, the sugar duties, my Manchester speech, my hon. friend the Finance Minister's visit to Bowmanville, in fact every possible subject, with all sorts of suppositions and rumours, introduced into the debate. "It is rumored here;" "it is stated in the organ of gentlemen opposite, there;" and "we have heard so-and-so so frequently that it must be true." These rumours have formed the bases of the speech of the hon. gentleman, who, in consequence of his having accepted such rumours, has built up a series of card castles, which he will find 'ere the Session is closed, will fall to pieces. Sir, the hon. gentleman, though he had taken this course, cannot expect, and I am sure the House cannot expect, that we will follow him by taking up the several points to which he has addressed himself. The hon. gentleman has, however, attained his object. He has pleased the House on both sides. He has given us the opportunity of listening to an admirable and eloquent discussion of public affairs; and he has given great satisfaction, no doubt, to the gentlemen behind him. But I decline, for one, to be drawn into a debate upon any specific matter, until a bill, measure or resolution dealing with that subject is before the House. The practice in England, and in this country, which was adopted with the approbation of both sides of the House, is that in the formal acceptance of the Address in reply to the Speech from the Throne such remarks as may occur to the leaders on both sides may be made, and the Address be then passed in order that we may place ourselves in a position to go on as early as possible with the work of the Session. What good can the dragging in of a discussion on the Tariff question, to-night, do? We have discussed it for two Sessions. Whether it is to be ultimately satisfactory to the country, is for the future to say. Its discussion to-night can answer no good object; and if we do not conclude its discussion to-night, we will in fact lose a day, and be prevented from entering as early as

we should upon the consideration of the great question, for the discussion of which this House has been summoned. I thank the hon. gentleman for the remarks he has made with respect to every possible contingency which may arise out of the giving of the construction of the Pacific Railway to a private company. While we thank him very much for the suggestions he has made, and for the doubts he has raised, we cannot say we have little doubt whether the measure, when submitted to the House, will meet with the hon. gentleman's objections or his approbation; but that it will be accepted, not only by this House but by the whole country as a satisfactory solution of the great question which overhung the destinies of this country and which, in some degree, from the apprehension that the country was going to be plunged by it into an unlimited expense, has retarded the progress of the country and prevented people from having in its future that confidence which it deserves. I am satsified that this House and the whole country will receive a measure of relief from the responsibility which has been thrown upon us in respect to the construction of the railway. The hon. gentleman has said —and this is the only other remark I shall make, in connection with the Pacific Railway—that the Government ought to have laid their arrangements before the country before Parliament was called. I do not think he could have meant to go so far as that, because he is too good a Parliamentarian not to know that such a course is contrary to Parliamentary practice and principle. No measures of Parliament are to be submitted, in the manner at which he hints, to the people for their approbation. All measures are to be carefully prepared and considered by the representatives of the people specially elected for the purpose. The members of Parliament are to sit down together to consider the various questions before them, to listen to the views and opinions of their brother representatives, and to bring to bear upon every question, all the knowledge they can acquire regarding it. It is for them, according to the British Constitution, to deal with questions of this kind; and it is contrary to the British Constitution to submit any complicated measure for the discussion of the whole people. The hon. gentleman, who is a good parliamentarian, knows perfectly well, that we would not have been carrying out the principles of the Constitution, had we taken the course which he suggests. It is not a question of whether it would be an affront to Parliament or not, to lay these papers before the public in the first place rather than before Parliament, it is a question of principle involved in the difference between the American and the British systems. It is a matter of principle that, of all such subjects, Parliament should have the first knowledge. Parliament should listen to the proposals, and Parliament should be the tribunal to judge of their wisdom, because its members are appointed by the people to apply their best judgment to the decision of all such questions. There can be no more imperfect tribunal, for the decision of any specific question involving details, than the whole country, no matter how well educated and intelligent the people may be. The hon. gentleman almost went as far as to say that we should have a plebiscite. He says that a question of this kind should have been submitted to the people in the first place. Sir, we know what a plebiscite means. A plebiscite means the machinery by which a tyrant forces a question upon the people. We know what that is in other countries. We are not going to introduce the French system, the Imperial system here. We are going to adhere to the grand old rule of the British Constitution. But, Sir, if it was right, or obligatory, or expedient that we should have submitted the measure to the people, involving, as it does, questions of great import, as to the expenditure of money and the development of the country, why did not the late Ministry, of which the hon. gentleman was for a considerable time a member, and for some time a supporter, though occasionally not a very strong one, submit to the people their new railway measures in 1874, which effected a complete change with respect to the railway system and especially with reference to the construction of the Canadian Pacific Railway? Why was not there then a dissolution and a measure submitted for the decision of the people? The hon. gentlemen came into office in 1873. They had prepared their measures before 1874. According to the doctrine laid down by the present leader of the Opposition, I do not believe the late leader of the Opposition can, as a British parliamentarian, support the doctrine, the late Premier would have had, on account of the largeness of the scheme, to have submitted his proposals to the people before laying them before Parliament. But we had a measure in the ordinary way just as if it was to incorporate an orphan asylum. A bill was introduced, the ordinary parliamentary practice was followed, the bill became law, and enormous expenditures were incurred without a previous announcement of the measure to the people, and without asking them for their decision or their opinion upon i However, Sir, I shall say no more about the Canadian Pacific Railway except in this relation: the hon. gentleman alluded to a remark of mine when I was caught on the wing at Hochelaga, when coming home here to Ottawa, by a deputation from some of my political friends in Montreal; and when I said that contractors were ready to go on with the road and build it, whether the Parliament met in November or February, I stated what was the fact. The contractors are in earnest, Mr. Speaker. The Syndicate are resolved to build this road and they are able to do so; and they had such confidence, in fact, in the arrangement being a fair one, both for themselves and for Canada, that they were confident it would meet with the sanction of Parliament whenever it was submitted, and, therefore, if Government had told them "go on at once and we are satisfied that Parliament will confirm our action, and sustain you in whatever expenditure you have gone into," they would have been quite ready to have gone on with the undertaking. And, Sir, notwithstanding sneers that have been thrown out on the subject, I believe, the gentlemen who have undertaken this great and responsible work will complete it successfully, that they will run and work it successfully, and that they will open up that country to the utmost extent which such a great enterprise is calculated to cause; and in doing so, they will relieve this country of immediate responsibility of expenditure in building the road in a great degree and from apprehension that a great railway like this would be used as a political engine, and that, run as a Government work, it would not be so satisfactory an institution, or means of opening up that country. While this would be the means of enabling parties who had gone into that work to receive reasonable compensation for their expenditure, it was felt that they would accomplish the work infinitely better than Government could possibly do. The hon. gentleman, in his remarks, then went on to speak about the land policy of the Government. I think, Sir, that this is a question which the hon. gentleman ought to have well considered before he threw broad cast insinuations, not charges, with respect to the land policy. He says he had read that certain people had been driven away from Turtle Mountain, and that notices had been issued, stating that people's claims would not be recognized. What I can tell the hon. gentleman is this: that the law of the land is there, and that the Government thought it well the people should get notice of exactly what the law of the land was. They were told, lest they were mistaken, lest, lying under misapprehension, they should feel themselves wronged hereafter. People got full notice of what the law of the land was; and therefore if they acted in contravention of these laws, they should do it at their own peril. Their attention was merely called to the character of the law and this was the extent of any notice which was given. The hon. gentleman says, in speaking of the influx of immigration into that country, that the statement, or calculations rather, which I

made last year were altogether inconsistent with facts. I regret very much to say, Mr. Speaker, the estimate which was formed by officers of the Government, under the best evidence that could be well obtained at that time, has not been realised. I regret to say the extent of the immigration has not been so large as we had every reason to suppose would be the case. There are some reasons for it; but, in the first place, I may say that the hon. gentleman has, in his statement, far underrated, I believe, the amount of the immigration into the country this year. The hon. gentleman said that instead of 25,000, not one third of this number had arrived; but I believe the hon. gentleman is entirely wrong.

Mr. MACKENZIE. No.

Sir JOHN A. MACDONALD. The hon. gentleman says "No." One of the disadvantages connected with a discussion of this kind with reference to the Speech from the Throne is, that a rumor or statement is made, and documents are not yet before the House to show the utter fallacy and erroneousness of the statement so recklessly made—so recklessly made, I repeat, I have no hesitation in using that word. The hon. gentleman spoke with a degree of glee and enthusiasm, and of enthusiastic joy, regarding the fact that the country was disappointed in its reasonable expectations that there would be a large addition last year to the immigration. The hon. gentleman said that be remembered how, when we were in Opposition, we used to weep at the depletion of the country owing to the malign influences of the late Government and of free trade. Mr. Speaker, I do not know whether we dropped any briny tears in Opposition, but I am quite certain, we regretted it. We saw the consequences, the continuing, the inevitable consequences attending the continued depletion of the country, if this country had remained under their guidance. We regretted it, Mr. Speaker, but certainly did not rejoice on account of it at the time. On the other hand, my hon. friend seems to think he has made a great point in being able to state that this country was not so prosperous as we hoped it might be. He is one of those men who, rather than have his own opinion controverted would submit to any sacrifice. The hon. gentleman has stated, and has elaborated the statement with great ability and zeal, that by no possibility could this country progress in the manner we had hoped and stated was within the range of our expectations; and the hon. gentleman would have been graver had his calculations been overborne by contrary facts. There was a very good sketch of one of the gentlemen who acted with my hon. friend, in a late number of *Grip*, in which the gentleman is represented as weeping, and when he was asked what he was weeping for said: "Oh, have you not heard the bad news: that barley has risen?" The hon. gentleman gloats over the fact that the immigration into the country has not come up to our expectations, and though he may suffer from it himself as an owner of property, and though the country may suffer by its more tardy prosperity, yet he would make a sacrifice of himself and the prosperity of the country for the sake of verifying his predictions. He is in the position of the man who laid a bet with his co-laborer that he could not carry him to the top of the house in his hod. The bet was made and the man jumped into the hod. By slow degrees the better was landed on the roof. "Now," he said, "you have landed me safely." "Well," said the other, "I have got to pay you, but I am sorry. You nearly made a stumble once."

Mr. BLAKE. I thought I had a chance about the third storey.

Sir JOHN A. MACDONALD. With regard to the immigration, it has not, as we have been obliged to admit, been equal to our expectations, but it has been composed of a very respectable and a very wealthy class. The exact numbers I could not state until we lay the return before the House, but I may say that the hon. gentleman has greatly underestimated the amount of emigration into this country. I can state this, that during my late visit to England with my two hon. friends—who will corroborate what I say—I found that Canada is creating great attention in England. There was a rush of people of means and fortune wishing to change their destiny by leaving the Mother Country for Manitoba and the North-West. The hon. gentleman will say we have no right to predict, because my predictions were not carried out last year; but I will venture to say that he will find that in 1881—unless it is dwarfed to some degree by the unpatriotic exertions of some hon. gentlemen in Canada—we will have a very large and a very satisfactory emigration from the Mother Country. I hope also that the additional aid of this railway company, which, like all other railway companies having a grant of land has a distinct and great immediate object and advantage in helping forward immigration, will have a very decided effect in that direction, and that unless something unforeseen occurs, unless hon. gentlemen opposite redouble their exertions to keep people out, we will have a very large immigration into this country from this time forward. There is no doubt that the speeches of the hon. gentlemen opposite have been quoted in England against this country. They were thrown up in our faces and quoted as reasons why we could not ask Englishmento enter into Canadian enterprises. I refer to the speeches of the hon. member for West Durham and of the hon. member for Lambton last year, but we have, besides the silent speech, the likeness of the former hon. gentlemen which appears in the pamphlet I hold in my hand. We have here the expressive face of my hon. friend—a very good likeness, but not quite so handsome as the original. And we have too, "Extracts from the Hon. Edward Blake's famous speech delivered in the Canadian House of Commons." When, in addition to the hon. gentleman's speeches, in addition to his vast influence, we have the handsome, intellectual and expressive contenance of my hon. friend along with these speeches going among people who do not know him so well as we do—and we can scarcely resist him—I say is it any wonder that some should be found who are not proof against his wiles, and who believe his statement that Canada is the great recruiting ground for the United States, that some have been led away by the exertions of the hon. gentleman and his friends, who otherwise would have made their homes in our own territories. The hon. gentleman (Mr. Blake) alluded to the Civil Service Commission mentioned in the Speech. Well, the Government, as the hon. gentleman truly states, was prepared to bring down a measure on the subject last Session, and the more we looked at the question the larger it appeared, and the point the Government wished to arrive at more satisfactorily than any other connected with the Civil Service was that respecting the outside service, which has never been really studied in any systematic way with a view or desire to arrive at any organic change or improvement. This, I need not say, is not a party question. It is a question in which hon. gentlemen opposite are equally interested with the Government of the day. Should the time ever come—I am sorry to say, for the future of this country that their time may come some day—that they will be on this side of the House, I have no doubt they will gladly profit by any changes this Commission may suggest, if they be amendments; and I think they will assist the Government in carrying out such changes. This is a matter, as has been said, in which there is no immediate, earnest, burning necessity, and this question can, therefore, be fairly and fully examined, and the result of this examination, which, I think, will be thorough and exhaustive, will be laid before the House. While the hon. gentleman (Mr. Blake) rather taunted us with our want of energy and zeal in this matter, I am not aware that hon. gentlemen opposite took up the subject with any energy. I think it was left to the solitary exertions of my hon. friend opposite, from West Elgin, (Mr. Casey), who has followed it up zealously, eagerly and with a sincere desire to effect what

would be a pleasure to us all, the improvement of the efficiency of the Civil Service. The hon. gentleman (Mr. Blake) alluded to another Commission, which he said was of much more importance. In the first place, he protested against such a Commission at all. He said, I protest against this as in 1873 I protested against the other Commission on the Pacific Railway Scandal question. He protested it was unconstitutional, improper, altogether contrary to the principles which should actuate any Government, or should be sanctioned by any Parliament. Among other things, he said the Government should not choose their own judges. Well, this is not a matter of judgment. There is a special Statute on the Statute book providing that, whenever any enquiry is necessary for the good government of Canada, the Government of the day shall have power to issue a Commission and demand an account. So the power of the Government, under the Act, is beyond a doubt. If they have that power, they must, of course, have power to select the Commission. I will venture to say that in this case the choice of the Commissioners will do no discredit to the Government in the eyes of the House or of the country. It was announced in the House, press and country that there had been gross improprieties—this had been made the battle-ground of both parties—there were charges and counter charges of misconduct of official subordinates, and even insinuations as well as assertions with regard to members of the Government. It is absurd to suppose that a Committee of the House could by any possibility satisfactorily examine into matters of that kind. It would be a farce, a most perfunctory enquiry if made here, in Ottawa, dragging witnesses from British Columbia and the Georgian Bay, for the purpose of a full enquiry. The only consequence of this enquiry will be this: if the Commissioners will carry out their commission honestly and impartially, they will enquire into all the proceedings connected with the railway. They will report without fear, favor or affection, what they consider has been wrong, what extravagant, what well done—what parties are liable to censure, who are worthy of praise. I can only say this—and if my word be doubted, we can prove to the House—that not one single word of instruction, not a single word of insinuation, not one hint has been given to the Commissioners or any of them as to the manner in which they should perform their duty. The Commission itself tells them what the object of the enquiry is. They are told, there are your instructions, and there are to be no other. The Government sent no officer with them to guide them, no legal man to push a charge against one man or withdraw a charge against another. They left the Commissioners completely unbound in the future, to go where they might, to do what they chose, to call such witnesses as they pleased. I believe it will be satisfactory to the House and country to have a thorough enquiry, the more especially before one of the measures of the Government—that of transferring to a railway company the construction of the road—is adopted; that the exact position of the road, the exact truth or falsity of the charges, insinuations or suggestions that have been made may be ascertained the exact state of the case at the time the road is handed over by the Government to the company be fully known. The enquiry should elicit the facts as to the circumstances under which the Government and Parliament of Canada handed over this great work to this great company. In the meantime, no man is condemned by that enquiry, no one convicted by it. As the hon. gentleman said, it is a Commission of Enquiry, and therefore must, in one sense, be a one-sided tribunal. It must be appointed by the Government of the day, and therefore it may be supposed the Government ought to have some influence or interest in the selection of the Commissioners. But, that enquiry is not binding or conclusive upon any man. Every man, the moment the report is submitted to the House, can come before Parliament, and claim a Committee of the House, and protection from Parliament, if he thinks that, either by act of the Commissioners, or by the slurring of his case—by the avoidance or bringing up of any testimony, for the acquitting or clearing of any man, any injustice has been done. This House will readily protect any man or any number of individuals who can make out any case of injury or prejudice to their standing by the evidence taken before, or the report of, the Commission. But the most extraordinary feature is this, that the hon. gentleman, while in the first place he protests against the Commission as being improper, illegal and unconstitutional, states it is a one-sided tribunal, that we ought to have men on it from both sides. But the hon. gentleman would not sit on it himself. When the last Commission was issued in 1873, the hon. gentleman and his hon. friends protested against it as being unconstitutional; they would not sit on it; and they would not sit on it now. It would be absurd to ask those hon. gentlemen to sit on a Commission which they declared to be unconstitutional and improper. The hon. gentleman to-day took up the same points as at Toronto, in his successful campaign there, and might have therefore spared us the repetition, which had rather the air of a twice-told tale. But with respect to this same Manchester matter, it arose thus: I was in London, not as Mr. Bethune said, because I was afraid to meet the electors of West Toronto, but I was in England on the purpose, which you all know, that of forming the syndicate. Fifteen members of Parliament connected with the Manchester interest asked to see me. At first I thought it would be no good, but on the whole concluded it would be discourteous not to meet them. I was told it was for the purpose of these gentlemen attempting to impress upon me the injury that the trade of Lancaster and Manchester especially were suffering from our tariff, and I met them for that purpose. Instead, however, of their pressing upon me as a member of the Canadian Government, the great hardships that they complained our fellow-countrymen in Manchester and Lancashire were suffering from; instead of making an appeal to Canada to alter the tariff in order to assist their trade, these gentlemen got up and delivered me a Cobdenite lecture, telling me the people of Canada were fools, that our tariff was nonsense, that we were ruining Canada, and for the salvation of Canada it was absolutely necessary we should alter our tariff. I was inclined to say, the people of Canada knew their own business as well as the people of Manchester. The hon. gentleman ought not to have taken that verbal criticism on my remarks, when he said I spoke in the present tense. I was giving them the reason why Canada ought to alter the tariff, and was showing that under the influence of free trade when our markets were open to the American manufacturers and theirs closed to us, we had no hope of manufacturing in Canada, and that all the ability, constructive skill, skilled labor, everybody in fact but those who were engaged in agricultural labor, was drawn to the United States. In order to prevent this, this tariff was introduced, and I believe the tariff was and would be successful in one of the objects for which it was got up. The hon. gentleman says I stated it was a revenue tariff. It is a revenue tariff and an incidental protective tariff at the same time. The hon. gentleman may remember for years and years the Conservative party adhered to the one statement that the tariff should be so readjusted that while it would meet the revenue requirements of the country, and equalize the revenue and expenditure, it would incidentally, at the same time, develop and foster the varied interests of the country. That is the resolution which I moved years ago. It was carried out after the present Government came to power, and I say it here, and the country knows it, that both objects have been gained, that we have changed a deficiency into a surplus, equalized revenue and expenditure, restored confidence at home and abroad in the resources and credit of Canada. At the same time honorable gentlemen opposite cannot but fail to see that in

every part of the country new manufacturing industries are being established and old ones extended, lifted out of the slough of despond, and now becoming centres of industry, employing a population, which otherwise, in my language to the Manchester people, must have gone off in sheer despair to the United States. The hon. gentleman has spoken about the Indian supplies, and I regret that he should speak about rumors of extravagance, rumors of distributions of silks and wax candles. That is going a little too far. The hon. gentleman must see that such rumors must be founded on a very weak basis. That there have been large expenditures, owing to very inadequate means of transport, and very inadequate means of checks on subordinates, as hon. gentlemen opposite have found, I am free to admit. There has been one case, certainly, of wanton extravagance in the conduct of an officer, which was most unexpected in one of his standing and experience, and he has been removed from office. With that exception, I am not aware that the distributing officers have not performed their duty. It is unwise to allude to rumors unless the allusion is followed by a distinct statement of facts, with the evidence connected with those facts. I may have, perhaps, trespassed on the rule I laid down that we should get through as soon as possible with the Speech from the Throne in order that we should get at work. I will again congratulate my hon. friend on his very able speech, but I will say however, that I think he ought to take rather a leaf out of the hon. the Finance Minister's book. My hon. friend has stated he was very much obliged to the Finance Minister for having visited his constituency, for having visited its factories and made speeches which proved good advertisements. Could not the hon. gentleman also make some speeches which would be an advertisement for the good of the country, instead of making speeches for the purpose of keeping people out of the country, or sending people away who are in the country by showing them the superior advantages of every other country but his own. Let him follow the example that he praises in his hon. friend. If it is good for my hon. friend the Finance Minister, it is good for the hon. gentleman to give the same assistance to the country of his nativity which is proud of him and in which he has not displayed the confidence which I think he ought to have done as a public man. The hon. gentleman, in his opening remarks, spoke about the election in North Oxford. He said he was happy to tell us that Mr. Sutherland is a Reformer, and read a statement of Mr. Sutherland's that he is a Reformer and that his father was a Reformer before him. That may be true. I have no doubt it is true; but I say that in this House and this country there are many men who can say that they are Reformers and that their fathers were Reformers before them, and who have confidence in the policy of the present Government. But, Mr. Speaker, I have no reason to doubt that, in the mere party sense of the word, Mr. Sutherland is an opponent of the Government and a supporter of the hon. gentleman opposite. But there are Reformers and Reformers, and it is a significant circumstance that such an old Grit constituency as the North Riding is, should throw over the candidate selected and ordered by the organ of hon. gentlemen opposite, the man of all work, Mr. Patullo, the agent of the Reform party and its organizer—in order to choose a man who had less previous connection with the official leaders of the party. But the hon. gentleman not only asserts that Mr. Sutherland is as good as Mr. Patullo, and I have no doubt a little better, but he says that there was a moral victory or something of that kind in West Toronto, that my hon. friend (Mr. Beaty) has no cause to boast of his triumph there. I think he has a great deal to boast of. The hon. gentleman (Mr. Blake) and the other leaders of the Opposition went there in order to defeat him. All the guns of the Opposition were there to aid in defeating the hon. member for West Toronto, while I like a coward, and some other members of the Government, went off to England. He was elected, notwithstanding the able speech of my hon. friend. The hon. gentleman thought he was going to have more than a moral victory, and I think he told the people of Toronto that he had travelled over 800 miles in order to join with them in the great victory they were going to achieve. I am sorry my hon. friend's retirement at the seaside was interrupted so needlessly. It was a great sacrifice on his part, and all I can say is, that I condone with my hon. friend that he made the sacrifice and did not get the victory.

Mr. MACKENZIE. Mr. Speaker, I wish to say a word before you put the motion. I have no intention of extending the discussion, because I am quite certain that hon. gentlemen opposite and we on this side are satisfied that it should stop where it is. But the hon. leader of the Government accused the hon. member for Durham (Mr. Blake) of violating the practice that was established many years ago in this country of allowing the Address to pass *pro forma*, leaving the matters of which it treated to be discussed afterwards when specific subjects were brought up. Now, Sir, during the last year of my incumbence Parliament met on the 11th of February, and the hon. gentleman himself (Sir John A. Macdonald) led an opposition of eight days to that Address. There are 346 pages of *Hansard* taken up almost entirely by hon. gentlemen then in Opposition, now on the Ministerial side, and yet the hon. gentleman, with that forgetfulness which characterizes him sometimes, now reproaches the leader on this side of the House with violating the practice which he says was established many years ago. Why, Sir, I was quite astonished when I heard the hon. gentleman's speech. I appealed to him on that occasion, but his answer was that though the speech itself was as innocuous in its wording and neutral in its character as any speech could be, yet the member for Norfolk had introduced some subjects in his speech, and therefore we must go on with the discussion. Now, Sir, I think the speech of the hon. member for Durham did not touch in detail any subject which is likely to be discussed before us. It dealt with general principles, and although the hon. gentleman may object to it, as a speech on the Address it was perfectly legitimate. Nay, Sir, it would have been legitimate if we had gone into a discussion for days, because the Speech challenges contradiction, the Speech affirms what it ought not to affirm—that "it will be satisfactory to know that the existing tariff has not only promoted the manufactures and other products of the country," and so on. Now, I maintain that it did nothing of the kind, and I maintain that it would have been the privilege of the leader of the Opposition to enter into a detailed argument to show that this was a misstatement of the facts—to go into a formal and exhaustive discussion to show the injury the tariff has done to the manufactures of the country as well as the great industry of farming. Farming is an industry as much as making shoes or any other industry, and the farmers are entitled to protection from the tariff of hon. gentlemen opposite. We do not propose to go into that, but I merely call attention to this to show that the Speech is not worded so as to invite that form of discussion which the hon. gentleman thinks should have been adopted, and which, I think, was adopted. The hon. First Minister complains because a ministerial paper printed some garbled extracts from the speech of the hon. member for Durham, and placed a portrait of the hon. member at the head of the Speech to prevent emigrants from coming into the country. The First Minister should get out a counter fly-sheet, and put his portrait at the head of it so as to attract emigrants into the country. That would be a just method of retaliation, and no one who had seen the portraits side by side could hesitate for a moment. The hon. gentleman says that my hon. friend from Durham wished to have a sort of plebiscite or vote of the people before some great *coup d'état* which be expected. Nothing of the sort was said or implied; but it was implied that the public out of doors, of whom we

are the representatives, ought to know something of such a great scheme as this. The hon. gentleman says that I, while at the head of the late Administration, gave no premonitory indications of the measure I was about to introduce. If the hon. gentleman looks at my address to the electors of Lambton, he will find that the scheme is laid down there in great detail, and he will find, if he looks at the votes, that he himself pratically approved of that scheme when it was brought here. We made no delay in bringing in our measure, but we only brought it in after it had been discussed for weeks by the press of the country. I listened with a great deal of interest to the hon. gentleman to learn whether he would confirm or reject the rumor that I heard in a very influential quarter that we were expected to decide this matter before Christmas. The hon. gentleman did not choose to do so. If he has forgotten it, I will be glad to give way to him now to tell us whether it is his deliberate purpose to give this House but ten days in which to agree to a measure upon pain of being punished by not having a holiday.

Sir JOHN A. MACDONALD. I will tell the hon. gentleman that, with the assistance of the majority of this House, such is the intention of the Government, for the reason given in the Speech. It is important that if this policy is to be carried out, it should be carried out at once. Immigration very much depends upon it. The company cannot organize, nor take any step to bring out emigrants before the contract is ratified. They have only got January, February and March to prepare the work in. Emigrants will be here in May, and it is of very great importance, if Parliament is going to adopt the arrangement, that it should do so with all convenient speed. We consider it of so much importance that we shall ask the House to take it into early and earnest consideration; and to remain here with as short a Christmas interval as possible until it is passed.

Mr. MACKENZIE. Of course I can tell the hon. gentleman at once that, so far as I am concerned, if his measure is a right one, a just one, I shall not only offer no opposition, but I will help him through with it. But if his measure, as I fear it will, be what it ought not to be, then I want time to discuss it, and I shall probably occupy some little time in doing so, because I consider it is my duty as a representative of the people to discuss a measure fraught with such great consequences to the country as this is. But, Sir, if these gentlemen who are now in such a desperate hurry to bring out emigrants, had so much confidence two months ago that everything was right and that they could go ahead safely upon the assurance that the hon. gentleman opposite could give them, how is it that they are in such a hurry now?

Sir JOHN A. MACDONALD. They have confidence enough to spend their own money, but not confidence enough to make statements to the whole of the population of Europe.

Mr. MACKENZIE. The hon. gentleman is always a little too sanguine about his immigration schemes. We have had two statements from him during the last two Sessions, and both of them were so very inaccurate as predictions that I am afraid we cannot pay much attention to mere speculative opinions advanced at the present time. These opinions are valuable only in so far as we see ground for hoping that they may be realized. What is wanted in the North-West I will not enter upon to-night, because I mean to discuss that pretty fully from information I have. I have merely to say that no immigration scheme that can be devised in connection with the railroad, or otherwise, can be successful so long as the present system is carried on by the Department of which the hon. gentleman is the head; I do not say who is to blame for the matter; that I will discuss on another occasion. The hon. gentleman says it is preposterous and ridiculous to have witnesses dragged before a Committee of this House in order to give information, such as it is now sought to obtain, I presume, by the commission appointed by the hon. gentleman opposite to investigate the Pacific Railway contracts. Well, it is very late to discuss that now, because the hon. gentleman and his immediate friends behind him have been promoting arrangements of this kind every year for the last five years, and prosecuting inquiries in the Senate, where they had an absolue majority the whole time, in the most exhaustive—I will not say unfair, because the reports will show that—in the most exhaustive manner. So it was in regard to this House, both before the honorable gentleman took office, and since, and it is, surely, a most extraordinary position to take, that the Government is not to allow this House to express an opinion, or to attempt to collate facts. That must be done, it seems, after this, by a Royal Commission, and we may express our opinion upon it, if we like, after that is all done. Now, I have only to say that if that is the honorable gentleman's idea of a Commission, it is wholly different from mine. I admit that the Government may appoint a Commission to do certain things. The scope of such Commission is laid down pretty fully and fairly in May's Parliamentary Practice, and there it is confined to a certain line. But this Commission has been examining Ministers, and other parties upon the policy of Government, upon the route of the Pacific Railway, even upon matters which they can have no knowledge of, and no business to inquire into. Now, what we wanted to know was where the Commission obtained any instructions to do this, or if there were instructions apart from the commission which seems to authorize those gentlemen to do what Parliament, I presume, will never sanction. I can hardly believe that gentlemen on the other side of the House will set aside their own dignity, to use their present phrase, and the independence and privileges of Parliament in order to have certain friends of the Government appointed upon a Commission to do things which they have no right to do. That is the position the matter is in. I merely mention these few things as matters that seem to come prominently before the House since the hon. gentleman spoke. I also had some expectation that the hon. gentleman would have answered the statement of my hon. friend respecting emigration from Canada. The hon. the Finance Minister denied the statement published from official documents in the United States. The hon. gentleman was horrified, to use his own words, while in Eastern Townships two years ago to find that so many Canadians went to the United States. The hon. member for West Durham (Mr. Blake) gave a list of figures for the last ten years, including the last season, and the hon. gentleman opposite did not venture to challenge the accuracy of any of those statements.

Sir JOHN A. MACDONALD. Yes, I did; I stated that the hon. gentleman was altogether wrong, and I instanced it as one of the inconveniences of discussing these things now.

Mr. MACKENZIE. I am speaking of the emigration from Canada.

Sir JOHN A. MACDONALD. It is the same thing exactly.

Mr. MACKENZIE. Oh, no, it is not the same thing precisely, one was going and the other coming. That matter will no doubt be brought up again, because the honorable gentleman must have an opportunity to verify his statements, and show how it was that he was horrified a few years ago when we were in power at a thing that ought to terrify him now if he was horrified then.

Mr. POPE (Compton). I rise to correct a wrong impression which may go to the country and may be drawn from the speech of the hon. member for Durham, in respect to emigration. Undoubtedly it has done a great injury to the cause of emigration, on the other side of the water, to publish such reports as that there were 17,000 who went away from Canada. If the hon. member will, for one moment, think of the number of people he will see that these people have

arrived at Port Huron. Now, then, I have seen it stated that the number who passed there was 99,000. How many would have to pass there every day? There would have to be 300 emigrants pass there every week-day of the year, and something over. As a matter of fact, I have investigated the matter, and I may now state, for the information of my friend, the member for Lambton, I find that all the tickets that have been so'd and that have been given do not amount to two-thirds of that number. I find that the number of those who proceeded to the west did not amount to anything like that number; not more than two-thirds. I find that the whole number of people who went that way and bought tickets to come back was less by 15,000 than that number. I will be able to lay these figures before my hon. friends, and I will be able to show them what is the state of things; but I would ask, is this patriotic, is it right to send statements like these broadcast and have them published on the other side of the water. As to the number of emigrants we have had in this country, let me tell them that the emigration this year is very much larger, it is more than double that of last year. They are men of means who have come into the country, and a large amount of capital has been brought in. When we speak of the emigration to the North-West, it is true that in the summer the number that has gone there has been less than expected, but it is equally true that we have had a very wet season, and my hon. friend, the late Finance Minister, knows that is one of the causes why people could not get there. Then, again we hoped to have been able to have had a railroad in the interior of the country, that the emigrants might have gone on, but, unfortunately, the wet weather came and the people could not get into the country, and the emigration fell off. I should be sorry to have these remarks of the hon. gentleman go forth in the country, and I am sure they would be sorry themselves that a false impression should be caused by their being circulated on the other side of the water.

Sir RICHARD J. CARTWRIGHT. I regret exceedingly to be obliged to go into this question to-night, but as I took it upon myself, after full consideration and examination of this matter, to make certain statements with respect to emigration from Canada to the United States, I feel that I cannot possibly permit the assertions of the hon. the Minister of Agriculture to pass without comment. I regret as much as, and probably more than the hon. gentlemen opposite, the enormous exodus which has gone on, and is still going on every day, from Canada to the United States. But I say this, that no greater act of folly, no greater act of unpatriotism could be perpetrated than for the Opposition to shut their eyes, or to allow the Government to shut their eyes, to this extremely unhappy and unfortunate state of things. It is the duty of this House, and especially of those members who are on the Committee of Emigration, to probe this matter to the bottom. When I made the statement at the Town of Goderich that a certain number of Canadians had gone from this country to the United States, I had taken all the pains that could be taken to ascertain the manner in which the United States authorities estimated these people. I say here, on the authority of Mr. Nimmo, the head of the Bureau of Statistics in the United States, that this 99,000 odd who left Canada for the United States in the year ending 30th June, 1880, were persons who had declared their intention of becoming settlers in the United States. I say that the United States Customs authorities do not take cognizance of stray and casual passengers. I have crossed the frontier twenty times myself, and I suppose hon. gentlemen here have crossed it a hundred times, and were they counted in that number? At the proper time and place I will produce statistics from the United States which contain two distinct columns, in one of which are entered all the passengers, and the other including those who formally declare their intention of becoming settlers in the United States, and the Customs authorities pass their goods free of duty in consequence. I much fear that when that matter comes up it will be found that the figures of the United States authorities are indeed inaccurate, but most unhappily in this, that they seriously under-estimate the number of those who are leaving the country. Hon. gentlemen, as usual, choose to get up here and make random and reckless assertions, as they did before, without taking the trouble to examine the United States authorities. I venture to say the hon. Minister of Agriculture has not taken the trouble to examine the recent United States returns, and if he has examined them he must know that one of two things is the case, either those returns are falsified, or else those facts I stated on the authority of the United States Customs returns are literally true.

Mr. POPE (Compton). I would inform the hon. gentleman that I sent a man to that very port, and he asked the Collector how he got at the figures. "Why," says he, "I can tell pretty well by looking at the train; I never count them."

Sir RICHARD J. CARTWRIGHT. Mr. Nimmo, over his own signature, expressly denies that, and Mr. Sanborn, the Collector at Port Huron, over his signature, expressly states that that is a falsehood. I will not say whether Mr. Sanborn is at fault or whether the agent of the hon. Minister is, but I say this, that this matter has been brought to the attention of the Collector at Port Huron, and he has, in the most formal fashion, over his own signature, denied the statements of the hon. the Minister of Agriculture on the authority of his subordinate. Let us look into this matter, let us ascertain from what causes this tremendous exodus from Canada is taking place, and if it appears, as I believe to be the case, that, to a large extent, it is due to the enormous taxation under which sections of this country are laboring, then I say, on their own evidence, out of their own mouths, these hon. gentlemen are convicted of having attained power under false pretences, of having utterly failed of redeeming any and every one of the pledges they made. They told us their dearest desire was that Canada should be for the Canadians, that their hearts were breaking by reason of the enormous depletion of our people, and during the first year their Tariff has been in operation, as my hon. friend has said, the emigration has been five-fold greater than it was the last year my hon. friend conducted the affairs of this country. I am not disposed to protract the discussion on the Address, but I will say that if the hon. the First Minister had designed and invited discussion on the Tariff, he could not have done better than to allude to it in the way he has done in the Speech. What is that paragraph? That

"It will be satisfactory to us to find that the existing tariff has not only promoted the manufactures and other products of the country."

Now, I would like to have the First Minister explain how he promotes other products than manufactures by a tariff—how he promotes wheat, beef, lumber. The hon. gentleman arrogates to himself a particular blessing of Providence on himself. I think he will find it difficult to show that the tariff he has specially designed to cause certain lines of goods to be manufactured in this country, can have any particular effect on the production of those leading articles to the additional production of which this prosperity has been due. Now, my impression is, that the improvement which has taken place is clear enough, and that it is due to causes entirely beyond the control of the hon. gentleman. It was not due to the hon. gentleman that there has been a revival of trade in the United States, owing to which we have been able to sell them a larger quantity of lumber than before; it is not due to his policy that there have been two good harvests on this side of the Atlantic, and two bad or indifferent harvests on the other side. I do not think the First Minister would assert that the National Policy can have effected the growth of cereals or our capacity to sell lumber to other countries. When we are told that the effect of the

Tariff has been, by promoting manufactures, largely to increase the revenue of the Dominion, I would like to call attention to the fact that the whole policy of those hon. gentlemen was to stop the importation of dutiable goods. They alleged that the enormous importation of dutiable goods was a great evil, that we imported far too much. They were to institute manufactures here, which were to take the place of a large portion of the goods then imported. Now, just by so much as the hon. gentleman's policy has been successful, in causing our own manufacturers to make those goods we formerly imported, just by so much must they be *ex necessitate*, unsuccessful in helping the revenue. You may give employment to 10,000 persons producing goods to the value of a million and a quarter, which you formerly imported and on which you formerly received duties, but you cannot at the same time stimulate the manufacture of such goods and yet increase the revenue received on the same class of imported goods. I think it will be better, as the First Minister has stated, to reserve, until the Trade and Navigation Returns are in our hands, a discussion of how far the manufactures of this country have been promoted by the Tariff. As far as my observation goes the effect has been that certain of our leading manufactures have been largely discouraged by the operation of the Tariff, while certain others have been benefitted. You have not added one penny to the wealth of the country, but have taken out of the pockets of the large mass of consumers considerable sums of money, and, instead of putting it into the Treasury, have put it into the pockets of a favored few. The effect has been, as correctly stated by the hon. member for Lambton, that you have discouraged those leading industries for which Canada has special advantages, and which have hitherto flourished, and that it is in no small measure to this cause that we may attribute the exodus which we deplore.

Mr. MILLS. I wish to make an observation on a statement of the right hon. gentleman as to the un-British character of the proposal of the leader of the Opposition about acquainting the country with the contents of the measure about to be submitted upon the Pacific Railway. The position taken by the right hon. gentleman seems to me a very extraordinary one. He says that the proposition of my hon. friend—that the Government should have disclosed the contract made with the Syndicate—is incompatible with our system of government. Well, that is not the general opinion of statesmen on the other side of the Atlantic, nor was that the opinion of the hon. gentleman himself when he made known the terms of the Washington Treaty, some months before Parliament met. He will find, upon enquiry, that Lord Beaconsfield made known to the people of England the fact of the purchase of shares of the Suez Canal, and also, that when Lord Beaconsfield returned from Germany, although Parliament was in session, he did not hesitate to declare, in general terms, what had been done at the Conference of Berlin. Moreover, the position taken by the right hon. gentleman is wholly inconsistent with his accepting office in September, 1878. He thought, at that time, that the hon. member for Lambton and his colleagues held office longer after the elections than they ought to have done, but if the views the hon. gentleman entertains now are sound, the Government ought to have continued in office until Parliament was convened and until an adverse vote was pronounced in this House. The position taken by the Government of England in 1868 when Disraeli resigned office was, that the opinion expressed by the country was a sufficient notification to the Government that they did not enjoy the confidence of Parliament. And why? Because it was supposed that in appealing to the country upon a particular line of policy adopted by the Government, the votes of the people formed a sufficient indication to the Government as to whether they enjoyed the confidence of the country or not. I know that some years ago views were put forward by Lord Brougham and others somewhat in the line of those expressed by the First Minister to-night. But what were the facts upon which these opinions were founded? At that time there were many close boroughs sending members to Parliament. Some members had not a score of constituents, although representing populous cities, and Lord Brougham, in his "Political Philosophy," expresses the opinion that the views of the electors, looking at the smallness of their numbers, and at the fact that that a large portion of the people were excluded from the franchise, ought not to be taken as the opinion of the people. And why? Because those constituents were recognized simply as trustees for the whole population. But when the franchise is extended to the mass of the population, then the condition of things is entirely changed, and the population have a right to know what line Parliament will take upon certain important public questions. Let me read, for the information of the House, a passage from Mr. May's work on the constitutional history of England. In referring to this very question, he says:

"The political education of the people, the publicity of all Parliamentary proceedings, and the free discussions of the press, have combined to force upon constituencies the estimation of measures as well as of men. Hence candidates have sought to recommend themselves by the advocacy of popular measures; and constituents have expected explicit declarations of the political faith of candidates. And how can it be contended that upon such measures as Catholic Emancipation, Parliamentary Reform and the Repeal of the Corn Laws, constituencies were not entitled to know the opinions of their members. Unless the electors are to be deprived of their voice in legislation, such occasions as these were surely fit for their peculiar vigilance. At a dissolution the Crown has often appealed directly to the sense of the people, on the policy of great public measures; and how could they respond to that appeal without satisfying themselves regarding the opinions and intentions of the candidates?"

If that principle holds good with regard to those measures then before the people of England, it holds equally good with regard to an important measure like this. In Great Britain there have been many appeals from the adverse vote of Parliament, because it was recognized that in the end public opinion must govern. In 1831, when the King was advised by Earl Grey's government to dissolve Parliament and appeal to the country, the King informed the House that he was about to prorogue them with a view to a dissolution for the purpose of ascertaining whether the policy of the Government, or the other Chamber, was that of the nation. He appealed to the nation for the purpose of ascertaining whether the Reform Bill which had been submitted by his advisers was one of which the nation approved. If it was not his intention to consult the people, then there was no object in dissolution. If the hon. gentleman is right, then no government ought to have the power of advising a dissolution. The right to dissolve ought to be taken away from the Crown, for an adverse vote in Parliament should be conclusive, even if the Administration think the country entertain a different opinion. It is perfectly obvious that this House, if the opinion of the people can be known upon a public question, has no right whatever to pursue a policy in contravention to the opinions of the majority of the nation. This was held, too, by all the Whigs and Reformers in the old Irish Parliament; and if the hon. gentleman will look at the discussion which took place on the Act of Union in the Parliament of Great Britain, he will find that Lord Howick, Fox, and all the eminent men on the Whig side of politics, opposed the Union without a vote of the Irish people. When Pitt objected to such a position, he did not base his objection upon the argument presented by the First Minister here to-night. His objection was that there presentation in the Irish Parliament was so imperfect that the opinion of the nation would not be expressed by the election; that there was a large number of seats in the hands of a few parties who filled the House with placemen; and that, although the majority of the nation might entertain one view, the majority of Parliament might entertain a wholly different view.

Let me refer to a few cases here in Canada. Sir Francis Hincks, many years ago, when he was at the head of the Government of this country, was found fault with by some of his friends because he did not, at an earlier day than he did, submit a measure for the secularization of the Clergy Reserves. When the hon. gentleman appeared before his constitnents he defended himself from the accusation, and informed them that a certain measure—I think it was the extension of the franchise, or an increase in the number of the members of Parliament—had been carried previously to this, and the Governor informed the First Minister, that he was not willing that so important a measure as the secularization of the Clergy Reserves should be carried through by that House, although it had been elected partially for that purpose, for, he said, until an election had been held with special reference to those important measures, under the new law, Government was not warranted in carrying them through to completion. Lord Elgin, it is generally supposed, was sufficiently conversant with the English system of government not to advise a line of policy at variance with its principle or spirit. We find that, in 1868, when the Bill for the separation of Church and State in Ireland was about to be submitted, Mr. Disraeli, then leader of the Conservative party, laid down the general doctrine that no important measure on which the public verdict had not been pronounced ought to be carried through Parliament—that no important change in the constitution of the country should be carried out without the people having had an opportunity of pronouncing upon it. This same doctrine was laid down by Mr. Plunket at the time that the Irish Union was under discussion. He was an eminent member of the Irish Parliament, and was also a distinguished member of the Parliament of the United Kingdom subsequently, and he may certainly be considered as fairly understanding the system of Government under which he lived and which he assisted in administering. He says with regard to the proposition to bring about a union between Great Britain and Ireland without reference to the people:

"Sir, I, in the most express terms, deny the competency of this Parliament so to act. I warn you, do not dare to lay your hands on the Constitution. I tell you that, if, circumstanced as you are, you pass this Act, it will be a nullity and no man in Ireland will be bound to obey it."

I know that hon. gentlemen pressed forward Confederation to completion without giving the people any opportunity of pronouncing upon it. But, while they adopted that course, I do not think it is desirable that it should be persisted in. The course suggested by the hon. member for West Durham was not that there should be a formal dissolution and election had upon this measure. He did not go so far. He said that this agreement between the Syndicate and the Government ought to have been disclosed, and that the people ought to have had an opportunity of informing themselves in regard to it; if the people are competent to pronounce on any question, they are competent to pronounce on this. The hon. gentleman sits here as leader of the House in virtue of having announced a certain platform with regard to the tariff, and of having gone to the country upon that platform. He took the opinion of the people upon it in every part of Canada, and having done so, he would have betrayed his trust if he had not adopted it. If the people are competent to pronounce on a question of that sort they are equally competent to pronounce on this; and there is no more impropriety in making known the terms and conditions of this agreement than there was in asking them to say whether they approved or disapproved of a protective tariff. The hon. gentleman has himself, over and over again, when he has introduced measures into this House, or when measures were submitted by others, asked for delay in order that persons specially affected by them might have an opportunity of expressing their opinion upon them. The hon. gentleman did that with regard to the Insolvency Act which was formerly upon the Statute Book, at his instance. The hon. gentleman said this measure or that affects a particular class of the population, and we are anxious to know their views with respect to it. The measure now proposed by him affects the entire population of this country, and my hon. friend insists that the entire population should have an opportunity of knowing its terms and conditions, in order that the representatives of the people in this House may be informed of their views upon this question. I say there is nothing inconsistent with a Parliamentary Government or with the representative character of this House in the people being informed upon questions of this character; and it is of the utmost consequence to this country, seeing that the measure adopted will be a contract binding not merely upon this Government and Parliament, but on future Governments and future Parliaments, that the utmost consideration should be given to the question, and that the whole country should have an opportunity of knowing its exact character.

Mr. ANGLIN. I feel very fully the force of the position of the leader of the Government when he says it has been a wise custom in years past, both in the Imperial Parliament and the Dominion Parliament, to abstain from long discussions upon the motion for an Address in answer to the Speech from the Throne. But, I think, I would be wanting in my duty to my constituents if I did not join in a protest against the manner in which the people of this country have been treated by the present Administration. I have the highest regard, the most profound respect, for the rights and privileges and dignity of Parliament, but I have also a deep respect and profound regard for the rights and liberties of the people of this country; and I do believe that in the manner and way in which they have been treated with regard to this question, their rights have been disregarded. I do not think it would derogate from our position as representatives of the people, enjoying all the rights of members of Parliament, if we had had an opportunity of consulting with our constituents for the purpose of ascertaining their views upon a measure of this kind. As has been stated by the hon. gentleman who has just preceded me, the instances are almost innumerable in Great Britain in which the Ministers of the Crown have chosen to take the people into their confidence when Parliament was not assembled. But a few days ago the present Prime Minister of Great Britain told the people at the Guildhall banquet how his Government intended to deal with the Irish question and the great Eastern question—not very plainly, perhaps, with regard to the latter, but distinctly with regard to the former. And so, from time to time, the Premiers of Great Britain have found it expedient and desirable to put themselves, in communication with the people; and it has never been asserted that, in doing so, they have offended the dignity of Parliament in the slightest degree. We do not know the terms of this agreement. It may be that when they are submitted we may approve of them, and it may be that we will have to take exception to some of the terms. I think that the people of this whole country will hold that the terms of the bargain should have been submitted long before this for their consideration. Various statements have appeared in organs which are supposed to enjoy the entire confidence of hon. gentlemen opposite with regard to the character and conditions of this bargain. We have been told that the Government are to hand over to the Syndicate all the sections of the road now under contract, after they have been completed at the expense of the country. We are told that they are to get $25,000,000 in cash and 25,000,000 acres of land, to be selected where they please, of the best lands in the North-West. If these statements are correct, they must have been made at the instance of hon. gentlemen opposite. Some of the Ministers themselves have from time to time given us some hints as to some of the features of this bargain. They have told us some things with regard to the project.

Why, if the dignity of Parliament would be offended by publishing a plain statement of the terms made, surely that dignity was hurt by the partial statements from time to time. I do not think the position taken by the leader of the Government with regard to this matter will meet with the approval of the people of the country; nor do I think it will satisfy the people that they have not been unfairly dealt with. I merely wish to join in the protest against the manner in which the public have been treated in this respect, and against our treatment in being compelled to come here without having been afforded the slightest opportunity of consulting with those whose opinions we are bound to respect. There would be no objection to the passing of this address immediately but that there is much in it apparently introduced to provoke discussion, and for the purpose of placing this side of the House in a false position before the country. I remember well, some years ago, what a desperate opposition was made to the passing of the Address by the present Minister of Railways, because the Address was not perfectly colorless. The Premier of that day,the member for Lambton, assured the hon. gentleman he had done all in his power to avoid giving cause for the slighest opposition to the Address. But that did not satisfy the hon. gentleman, who insisted that there were words offensive to him and those acting with him, and he stated that unless they were expunged, he would insist on discussing all the questions mentioned in the Address at full length. The late Premier replied in effect, "we have no intention of protracting the discussion on the Address. A general discussion of public affairs on occasions of this kind has fallen into disuse, and if there is now any real objection to certain expressions, I have no objection to strike them out,"—and he did strike out some words, substituting others for them. I think it would not be too much to ask the right hon. gentleman to confer with the leaders on this side with regard to some very objectionable passages in this Address, that it may pass without further discussion. We have no desire on this side to occupy time unnecessarily; no disposition to discuss questions at improper times, or under improper circumstances. But so much has been done by the Government to provoke discussion, and the circumstances under which we were called together are so peculiar, that it was absolutely necessary to say all that has been said on this side. I think we can claim from the House and the country, and that the people will accord us, entire credit for the most extraordinary moderation in allowing the Address to pass under the circumstances. I, therefore, propose that hon. gentlemen on the other side consent that the words to which we object may be struck out, or altered, so that the Address may be as colorless as an Address ought to be, if we are to act on the principle that on the Address there should be no protracted discussion.

Sir JOHN A. MACDONALD. I think the hon. gentleman asked that the Address be read clause by clause. Let that be done, and if any objections made by hon. gentlemen opposite be reasonable, we will try to meet their views.

Mr. CHARLTON. I do not rise to impede the passage of the Resolutions. The First Minister in his speech, deprecated the discussion of specific propositions on occasions of this kind. I feel called upon, however, to answer one specific proposition advanced by the hon. gentleman who moved the Address. In the course of his admirable maiden speech, he told the House that the National Policy did not injure the farmer; that in consequence of it, his barley, oats and other cereals bore a higher price. I wish to take issue on that assertion—to assert that, on the contrary, the National Policy has had no effect whatever on the price of cereals, with the exception, perhaps, of Indian corn, and to say that, in my opinion, it is time that that well-worn humbug by which the farmers of the Dominion were deceived in 1878 was disposed of in the discussion of this question before the House and country. I wish to adduce some facts that may effectually dispose of that assertion to-night. On turning to the market quotations of the day, for Canada and the United States, I find they refute that assertion most effectually. Yesterday No. 2 wheat in Toronto was quoted at $1.14 and in Oswego, at $1.22 to $1.24. The hon. member for West Toronto asserted that the duty of 15 cents is necessary to prevent the importation of wheat from a market where it costs $1.24 to where it would be sold at $1.14, a loss of 10 cents in addition to the freight. These two quotations show the preposterousness of the assertion that a duty is necessary to keep American wheat from the Canadian market. The price of wheat in Canada and the United States is regulated by the common markets of the world; these productions seek markets in Europe, where the prices received regulate the prices paid in this country and the United States. I find that the quotation of oats in Toronto is 34 cents a bushel of 34 lbs., the price in Chicago being 32½ cents for 32 lbs.; oats in Chicago are therefore worth half a cent per bushel of 34 lbs. more than in Toronto. Will the hon. gentleman tell the farmers of the Dominion that a duty of 10 cents a bushel is necessary to prevent the importation of oats from Chicago under those circumstances. The market quotation of oats in New York is 46½ cents a bushel, or 12½ cents more than in Toronto; that is a much larger sum than the cost of carriage between those points. These figures cannot but demonstrate the utter absurdity of the position taken by the hon. gentleman in asserting that cereals are higher here in consequence of the N. P. At present, I find, Sir, that the quotations of rye are, in the city of Toronto, 88 cents; in Chicago, 87 cents; and in Oswego, 95 cents. Does the hon. gentleman wish the verdant farmers of this Dominion to believe that a duty of ten cents on rye is necessary to keep out 95 cent rye from a market where it would have to be sold at 88 cents. The price of barley is in Toronto 97 cents for No. 1, and 93 cents for No. 2; in Oswego, $1.25 for No. 1, and $1.20 for No. 2; or 28 cents for No. 1, and 27 cents for No. 2, higher in Oswego than in Toronto. Does the hon. gentleman wish the country to believe that a duty of 15 cents a bushel is necessary to keep Oswego barley out of our market. These are the absurd propositions made by the hon. gentleman when he stands before the House and country, and gravely gives utterance to the assertion that the National Policy has raised the price of barley, oats, peas and other cereals. I find also that the price of peas in Toronto is from 68 to 70 cents, in New York 87 cents in bond, to which must be added the duty when the consumer takes it out of bond; and are we to be told it is necessary to impose a duty of 10 cents to keep out American peas from our market when they can be sold at a higher rate on their own market. I find that butter is worth in New-York, common to choice, 19 to 36 cents, and the same grades in Montreal 14 to 27 cents. Does the hon. gentleman suppose that a duty of four cents per pound has any influence on the market for butter in Canada. Cheese in New York of the best grade is worth 12¾ cents, and in Montreal, same quality, the same price. The prices of cheese in both markets are regulated by the Liverpool market. Does the hon. gentleman suppose that a duty of 3 cents per pound on American cheese has any effect on the market quotations provided that the prices are regulated by the common market of the world. The farmers of this Dominion are beginning to thoroughly understand that the promises made to them, in order to induce them to consent to taxation, intended to swell largely the profits of rings who wish to charge enhanced prices for their own benefit, cannot be carried out because they were fallacious in their nature. I do not wish to enter into any lengthy discussion on this question. I took occasion, last session, to make a lengthy comparison of the prices at different periods both before and after the adoption of the National Policy, and I shall probably during the course of this session go more fully into the ques-

tion. I merely thought proper on this occasion to present these few facts which dispose effectually of the fallacies promulgated by the hon. member for West Toronto (Mr. Beaty). Before taking my seat I wish to say a word in relation to the great question on which Parliament has been called together, and which is the most important probably ever brought up before a deliberative body in this Dominion. I wish to say in the most dispassionate spirit that in my belief it is highly desirable that ample time should be taken for the consideration and the discussion of this question; and I wish to say to the First Minister, assuming as he naturally will the responsibility of this great measure, that his reputation for future generations will be inseparably connected with it. I wish to impress on him the great gravity of the position he occupies and to ask him to bear in mind the Apostolic injunction, "To do all things decently and in order," and my firm conviction that to hurry this important measure through, without giving ample time for deliberation, without allowing the people of this country time to express their opinions on this matter, without allowing time for public discussion, discussion in the press, and the influence that may be exerted by public sentiment being brought to bear on this House, he will not be held to have done these things decently and in order; and if possibly a mistake be made through over-hasty legislation, the hon. gentleman may regret he did not allow the time that was properly asked for ample discussion of this great question.

Mr. ANGLIN said that the hon. the Frst Minister had been kind enough to show his good-will by accepting his (Mr. Anglin's) suggestion, but he (Mr. Anglin) might be permitted to say that on reading over the Address he found so many improvements required, it would be necessary to reconstruct the whole of it. He thought, therefore, it would be better to allow it to pass on division.

On paragraph 10,

Mr. MILLS said that he did not feel how it could be defended; it required reconstruction His Excellency was made to regret the entire failure of the food supply. There had not been an entire failure nor anything like it; there had, no doubt, been a partial failure.

Mr. ANGLIN said that was put there to encourage emigration to the North-West.

Mr. MACKENZIE. To avoid showing the bad features in the country.

Paragraphs 1 to 15 of the said proposed Address b eing severally read a second time, were agreed to on a division.

Sir JOHN A. MACDONALD moved:

"That the said Resolution be referred to a Select Committee, composed of Sir Leonard Tilley, Sir Charles Tupper, Mr. Langevin, and Messrs. Beaty and Vanasse to draft an Address pursuant thereto."

Motion agreed to.

Sir JOHN A. MACDONALD, from the Committee, reported the draft of an address, which was read the second time and agreed to. (To be presented by Privy Councillors.)

PACIFIC RAILWAY CONTRACT.

Sir JOHN A. MACDONALD delivered a Message from His Excellency the Governor-General.

Mr. SPEAKER read the Message, as follows:—

Lorne.

The Governor General transmits to the House of Commons, a contract entered into for the construction of the Canadian Pacific Railway, and accompanying schedule, and recommends the same for the favorable consideration of your Honorable House.

GOVERNMENT HOUSE,
OTTAWA, 10th December, 1880.

Mr. CHARLTON.

And the said Schedule is as follows:

THIS CONTRACT AND AGREEMENT MADE BETWEEN HER MAJESTY THE QUEEN, acting in respect of the Dominion of Canada, and herein represented and acting by the Honorable SIR CHARLES TUPPER, K.C.M.G., Minister of Railways and Canals, and George Stephen and Duncan McIntyre, of Montreal, in Canada; John S. Kennedy, of New York, in the State of New York; Richard B. Angus and James J. Hill, of St. Paul, in the State of Minnesota; Morton, Rose & Co., of London, England, and Konh Reinach & Co., of Paris, France.

Witnesses: That the parties hereto have contracted and agreed with each other as follows, namely:—

1. For the better interpretation of this contract, it is hereby declared that the portion of Railway hereinafter called the Eastern section, shall comprise that part of the Canadian Pacific Railway to be constructed, extending from the Western terminus of the Canada Central Railway, near the East end of Lake Nipissing, known as Callander Station, to a point of junction with that portion of the said Canadian Pacific Railway now in course of construction extending from Lake Superior to Selkirk on the East side of Red River; which latter portion is hereinafter called the Lake Superior section. That the portion of said Railway, now partially in course of construction, extending from Selkirk to Kamloops, is hereinafter called the Central section; and the portion of said Railway now in course of construction, extending from Kamloops to Port Moody, is hereinafter called the Western section. And that the words "the Canadian Pacific Railway," are intended to mean the entire Railway, as described in the Act 37th Victoria, cap. 14. The individual parties hereto, are hereinafter described as the Company; and the Government of Canada is hereinafter called the Government.

2. The contractors immediately after the organization of the said Company, shall deposit with the Government $1,000,000 in cash or approved securities, as a security for the construction of the Railway hereby contracted for. The Government shall pay to the Company interest on the cash deposited at the rate of four per cent. per annum, half yearly, and shall pay over to the Company the interest received upon securities deposited, the whole until default in the performance of the conditions hereof, or until the repayment of the deposit, and shall return the deposit to the Company on the completion of the railway, according to the terms hereof, with any interest accrued thereon.

3. The Company shall lay out, construct and equip the said Eastern section, and the said Central section, of a uniform gauge of 4 feet 8½ inches, and in order to establish an approximate standard whereby the quality and the character of the Railway and of the materials used in the construction thereof, and of the equipment thereof may be regulated, the Union Pacific Railway of the United States as the same was when first constructed, is hereby selected and fixed as such standard. And if the Government and the Company should be unable to agree as to whether or not any work done or materials furnished under this contract are in fair conformity with such standard, or as to any other question of fact, excluding questions of law, the subject of disagreement shall be from time to time referred to the determination of three referees, one of whom shall be chosen by the Government, one by the Company, and one by the two referees so chosen, and such referees shall decide as to the party by whom the expense of such reference shall be defrayed. And if such two referees should be unable to agree upon a third referee, he shall be appointed at the instance of either party hereto, after notice to the other, by the Chief Justice of the Supreme Court of Canada. And the decision of such referees, or of the majority of them, shall be final.

4. The work of construction shall be commenced at the eastern extremity of the Eastern section not later than the first day of July next, and the work upon the Central section shall be commenced by the Company at such point towards the eastern end thereof on the portion of the line now under construction as shall be found convenient and as shall be approved by the Government, at a date not later than the 1st May next. And the work upon the Eastern and Central sections, shall be vigorously and continuously carried on at such rate of annual progress on each section as shall enable the Company to complete and equip the same and each of them, in running order, on or before the first day of May, 1891, by which date the Company hereby agree to complete and equip the said sections in conformity with this contract, unless prevented by the act of God, the Queen's enemies, intestine disturbances, epidemics, floods, or other causes beyond the control of the Company. And in case of the interruption of the work of construction from any of the said causes, the time fixed for the completion of the railway shall be extended for a corresponding period.

5. The Company shall pay to the Government the cost, according to the contract of the portion of railway, 100 miles in length, extending from the city of Winnipeg westward up to the time at which the work was taken out of the hands of the contractor and the expenses since incurred by the Government in the work of construction, but shall have the right to assume the said work at any time and complete the same, paying the cost of construction as aforesaid so far as the same shall then have been incurred by the Government.

6. Unless prevented by the act of God, the Queen's enemies, intestine disturbances, epidemics, floods or other causes beyond the control of the Government, the Government shall cause to be completed the said Lake Superior section, by the dates fixed by the existing contracts for the construction thereof; and shall also cause to be completed the portion of the said Western section now under contract, namely, from Kamloops to Yale, within the period fixed by the contracts therefor, namely, by the thirtieth day of June, 1885; and shall also cause to be completed, on or before the first day of May, 1891, the remaining portion of the said Western section, lying between Yale and Port Moody, which shall be constructed of equally good quality in every respect with the standard hereby created for the portion hereby contracted for. And the said Lake Superior section, and the portions of the said Western section now under contract, shall be completed as nearly as practicable according to the specifications and conditions of the contracts therefor except in so far as the same have been modified by the Government prior to this contract.

7. The Railway constructed under the terms hereof shall be the property of the Company: and pending the completion of the Eastern and Central sections, the Government shall transfer to the Company the possession and right to work and run the several portions of the Canadian Pacific Railway already constructed or as the same shall be completed. And upon the completion of the Eastern and Central sections, the Government shall convey to the Company, with a suitable number of station buildings and with water service (but without equipment), those portions of the Canadian Pacific Railway constructed or to be constructed by the Government which shall then be completed; and upon completion of the remainder of the portion of railway to be constructed by the Government, that portion shall also be conveyed to the Company, and the Canadian Pacific Railway shall become, and be thereafter the absolute property of the Company. And the Company shall thereafter and forever efficiently maintain, work and run the Canadian Pacific Railway.

8. Upon the reception from the Government of the possession of each of the respective portions of the Canadian Pacific Railway, the Company shall equip the same in conformity with the standard herein established for the equipment of the sections hereby contracted for, and shall thereafter maintain and efficiently operate the same.

9. In consideration of the premises, the Government agree to grant to the Company a subsidy in money of $25,000,000, and in land of 25,000,000 acres, for which subsidies the construction of the Canadian Pacific Railway shall be completed and the same shall be equipped, maintained and operated, the said subsidies respectively to be paid and granted as the work of construction shall proceed, in manner and upon the conditions following, that is to say:

a. The said subsidy in money is hereby divided and appropriated as follows, namely:—

CENTRAL SECTION.

Assumed at 1,350 miles—		
1st.—900 miles, at $10,000 per mile	$9,000,000	
2nd—450 " 13,333 "	6,000,000	
		$15,000,000

EASTERN SECTION.

Assumed at 650 miles, subsidy equal to $15,384.61 per mile	10,000,000	
		$25,000,000

And the said subsidy in land is hereby divided and appropriated as follows, subject to the reserve hereafter provided for.

CENTRAL SECTION.

1st.—900 miles, at 12,500 acres per mile	11,250,000	
2nd.—450 " 16,666.66 "	7,500,000	
		18,750,000

EASTERN SECTION.

Assumed at 650 miles, subsidy equal to 9,615.35 acres per mile	6,250,000	
		25,000,000

b. Upon the construction of any portion of the railway hereby contracted for, not less than 20 miles in length and the completion thereof so as to admit of the running of regular trains thereon, together with such equipment thereof as shall be required for the traffic thereon, the Government shall pay and grant to the Company the money, and land subsidies applicable thereto, according to the division and appropriation thereof made, as hereinbefore provided; the Company having the option of receiving in lieu of cash, terminable bonds of the Government, bearing such rate of interest for such period and nominal amount as may be arranged, and which may be equivalent according to actuarial calculation to the corresponding cash payment, the Government allowing four per cent. interest on monies deposited with them.

c. If at any time the Company shall cause to be delivered on or near the line of the said railway, at a place satisfactory to the Government, steel rails and fastenings to be used in the construction of the railway, but in advance of the requirements for such construction, the Government, on the requisition of the Company, shall, upon such terms and conditions as shall be determined by the Government, advance thereon three-fourths of the value thereof at the place of delivery. And a proportion of the amount so advanced shall be deducted according to such terms and conditions from the subsidy to be thereafter paid, upon the settlement for each section of 20 miles of railway, which proportion shall correspond with the proportion of such rails and fastenings which have been used in the construction of such sections.

d. Until the first day of January, 1882, the Company shall have the option, instead of issuing land grant bonds as hereinafter provided, of substituting the payment by the Government of the interest (or part of the interest) on bonds of the Company, mortgaging the railway and the land to be granted by the Government, running over such term of years as may be approved by the Governor in Council in lieu of the cash subsidy hereby agreed to be granted to the Com-

pany or any part thereof; such payments of interest to be equivalent according to actuarial calculation to the corresponding cash payment, the Government allowing four per cent. interest on monies deposited with them; and the coupons representing the interest on such bonds shall be guaranteed by the Government to the extent of such equivalent. And the proceeds of the sale of such bonds to the extent of not more than $25,000,000 shall be deposited with the Government, and the balance of such proceeds shall be placed elsewhere by the Company, to the satisfaction, and under the exclusive control of the Government; failing which last condition the bonds in excess of those sold shall remain in the hands of the Government. And from time to time as the work proceeds, the Government shall pay over to the Company: firstly, out of the amount so to be placed by the Government,—and, after the expenditure of that amount, out of the amount deposited with the Government,—sums of money bearing the same proportion to the mileage cash subsidy hereby agreed upon, which the net proceeds of such sale (if the whole of such bonds are sold upon the issue thereof) or, if such bonds be not all then sold, the net proceeds of the issue, calculated at the rate at which the sale of part them shall have been made, shall bear to the sum of $25,000,000. But if only a portion of the issue be sold, the amount earned by the Company according to the proportion aforesaid, shall be paid to the Company, partly out of the bonds in the hands of the Government, and partly out of the cash deposited with the Government, in similar proportions to the amount of such bonds sold and remaining unsold respectively; and the Company shall receive the bonds so paid as cash at the rate at which the said partial sale thereof shall have been made. And the Government will receive and hold such sum of money towards the creation of a sinking fund for the redemption of such bonds and upon such terms and conditions, as shall be agreed upon between the Government and the Company.

e. If the Company avail themselves of the option granted by clause *d*, the sum of $2,000 per mile for the first eight hundred miles of the Central section shall be deducted *pro rata* from the amount payable to the Company in respect of the said eight hundred miles, and shall be appropriateted to increase the mileage cash subsidy appropriated to the remainder of the said Central section.

10. In further consideration of the premises the Government shall also grant to the Company the lands required for the roadbed of the railway, and for its stations, station grounds, workshops, dock ground and water frontage at the termini on navigable waters, buildings, yards, and other appurtenances required for the convenient and effectual construction and working of the railway, in so far as such land shall be vested in the Government. And the Government shall also permit the admission free of duty, of all steel rails, fish plates and other fastenings, spikes, bolts and nuts, wire, timber and all material for bridges, to be used in the original construction of the railway, and of a telegraph line in connection therewith, and all telegraphic apparatus required for the first equipment of such telegraph line. And will convey to the Company, at cost price, with interest, all rails and fastenings bought in or since the year 1879, and other materials for construction in the possession of or purchased by the Government at a valuation; such rails, fastenings and materials not being required by it for the construction of the said Lake Superior and Western sections.

11. The grant of land hereby agreed to be made to the Company, shall be so made in alternate sections of 640 acres each, extending back 24 miles deep, on each side of the railway, from Winnipeg to Jasper House, in so far as such lands shall be vested in the Government, the Company receiving the sections bearing uneven numbers. But should any of such sections consist in a material degree of land not fairly fit for settlement, the Company shall not be obliged to receive them as part of such grant, and the deficiency thereby caused and any further deficiency which may arise from the insufficient quantity of land along the said portion of railway, to complete the said 25,000,000 acres, or from the prevalence of lakes and water stretches in the sections granted (which lakes and water stretches shall not be computed in the acreage of such sections), shall be made up from other portions to be selected by the Company in the tract known as the Fertile Belt, that is to say the land lying between parallels 49 and 57 degrees of north latitude or elsewhere at the option of the Company by the grant therein of similar alternate sections extending back 24 miles deep on each side of any branch line or lines of railway to be located by the Company, and to be shown on a map or plan thereof deposited with the Minister of Railways; or of any common front line or lines agreed upon between the Government and the Company, the conditions hereinbefore stated as to lands not fairly fit for settlement to be applicable to such additional grants. And the Company may, with the consent of the Government, select in the North-West Territories any tract or tracts of land not taken up as a means of supplying or partially supplying such deficiency. But such grants shall be made only from lands remaining vested in the Government.

12. The Government shall extinguish the Indian title affecting the lands herein appropriated, and to be hereafter granted in aid of the railway.

13. The Company shall have the right subject to the approval of the Governor in Council to lay out and locate the line of the railway hereby contracted for, as they may see fit, preserving the following terminal points, namely: from Callander station to the point of junction with the Lake Superior section; and from Selkirk to the junction with the Western section at Kamloops by way of the Yellow Head Pass.

14. The Company shall have the right, from time to time, to lay out, construct, equip, maintain and work branch lines of railway from any point or points along their main line of railway, to any point or points within the territory of the Dominion. Provided always that before commencing any branch they shall first deposit a map and plan of such branch in the Department of Railways. And the Government shall grant to the Company the lands required for the roadbed of such branches, and for the stations, station grounds, buildings, workshops, yards and other appurtenances requisite for the efficient construction and working of such branches in so far as such lands are vested in the Government.

15. For 20 years from the date hereof, no line of railway shall be authorised by the Dominion Parliament to be constructed South of the Canadian Pacific Railway, from any point at or near the Canadian Pacific Railway except such line as shall run South West, or to the Westward of South West: nor to within fifteen miles of Latitude 49. And in the establishment of any new Province in the North West Territories, provision shall be made for continuing such prohibition after such establishment until the expiration of the said period.

16. The Canadian Pacific Railway, and all stations and station grounds, workshops, buildings, yards and other property, rolling stock and appurtenances required and used for the construction and working thereof, and the capital stock of the Company shall be forever free from taxation by the Dominion, or by any Province hereafter to be established or by any Municipal Corporation therein, and the lands of the Company, in the North-West Territories, untill they are either sold or occupied, shall also be free from such taxation for 20 years after the grant thereof from the Crown.

17. The Company shall be authorized by their Act of incorporation to issue bonds, secured upon the land granted and to be granted to the Company, containing provisions for the use of such bonds in the acquisition of lands, and such

other conditions as the Company shall see fit, such issue to be for $25,000,000. And should the Company make such issue of land grant bonds, then they shall deposit them in the hands of the Government; and the Government shall retain and hold. one-fifth of such bonds as security for the due performance of the present contract in respect of the maintenance and continuous working of the railway by the Company, as herein agreed, for ten years after the completion thereof, and the remaining $20,000,000 of such bonds shall be dealt with as hereinafter provided. And as to the said one-fifth of the said bonds, so long as no default shall occur in the maintenance and working of the said Canadian Pacific Railway, the Government shall not present or demand payment of the coupons of such bonds, nor require payment of any interest thereon. And if any of such bonds so to be retained by the Government shall be paid off in the manner to be provided for the extinction of the whole issue thereof, the Government shall hold the amount received in payment thereof as security for the same purposes as the bonds so paid off, paying interest thereon at four per cent. per annum so long as default is not made by the Company in the performance of the conditions hereof. And at the end of the said period of ten years from the completion of the said railway, if no default shall then have occurred in such maintenance and working thereof, the said bonds, or if any of them shall then have been paid off, the remainder of said bonds and the money received for those paid off, with accrued interest shall be delivered back by the Government to the Company with all the coupons attached to such bonds. But if such default should occur, the Government may thereafter require payment of interest on the bonds so held, and shall not be obliged to continue to pay interest on the money representing bonds paid off; and while the Government shall retain the right to hold the said portion of the said land grant bonds, other securities satisfactory to the Government may be substituted for them by the Company by agreement with the Government.

18. If the Company shall find it necessary or expedient to sell the remaining $20,000,000 of the land grant bonds or a larger portion thereof than in the proportion of one dollar for each acre of land then earned by the Company, they shall be allowed to do so, but the proceeds thereof, over and above the amount to which the Company shall be entitled as herein provided, shall be deposited with the Government. And the Government shall pay interest upon such deposit half-yearly, at the rate of four per cent. per annum, and shall pay over the amount of such deposit to the Company from time to time as the work proceeds, in the same proportions, and at the same times and upon the same conditions as the land grant—that is to say: the Company shall be entitled to receive from the Government out of the proceeds of the said land grant bonds, the same number of dollars as the number of acres of the land subsidy which shall then have been earned by them, less one fifth thereof, that is to say, if the bonds are sold at par, but if they are sold at less than par, then a deduction shall be made therefrom corresponding to the discount at which such bonds are sold. And such land grant shall be conveyed to them by the Government, subject to the charge created as security for the said land grant bonds, and shall remain subject to such charge till relieved thereof in such manner as shall be provided for at the time of the issue of such bonds.

19. The company shall pay any expenses which shall be incurred by the Government in carrying out the provisions of the two last preceding clauses of this contract.

20. If the Company should not issue such land grant bonds, then the Government shall retain from out of each grant to be made from time to time, every fifth section of the lands hereby agreed to be granted, such lands to be so retained as security for the purposes, and for the length of time, mentioned in section eighteen hereof. And such lands may be sold in such manner and at such prices as shall be agreed upon between the Government and the Company, and in that case the price thereof shall be paid to, and held by the Government for the same period, and for the same purposes as the land itself, the Government paying four per cent. per annum interest thereon. And other securities satisfactory to the Government may be substituted for such lands or money by agreement with the Government.

21. The company to be incorporated, with sufficient powers to enable them to carry out the foregoing contract, and this contract shall only be binding in the event of an Act of incorporation being granted to the Company in the form hereby appended as Schedule A.

22. The Railway Act of 1879, in so far as the provisions of the same are appliable to the undertaking referred to in this contract, and in so far as they are not inconsistent herewith or inconsistent with or contrary to the provisions of the Act of incorporation to be granted to the Company, shall apply to the Canadian Pacific Railway.

In witness whereof the parties hereto have executed these presents at the City of Ottawa, this twenty-first day of October, 1880.

(Signed) CHARLES TUPPER,
Minister of Railways and Canals.
" GEO. STEPHEN,
" DUNCAN McINTYRE,
" J. S. KENNEDY,
" R. B. ANGUS,
" J. J. HILL,
Per pro. Geo. Stephen.
" MORTON, ROSE & Co.
" KOHN, REINACH & Co.,
By P. Du P. Grenfell.

Signed in presence of F. BRAUN, and Seal of the Department hereto affixed by Sir CHARLES TUPPER, in presence of

(Signed) F. BRAUN.

SCHEDULE A, REFERRED TO IN THE FOREGOING CONTRACT.

INCORPORATION.

1. George Stephen, of Montreal, in Canada, Esquire; Duncan McIntyre, of Montreal, aforesaid, Merchant; John S. Kennedy, of New York, in the State of New York, Banker; the firm of Morton, Rose and Company of London, in England, Merchants; the firm of Kohn, Reinach and Company, of Paris, in France, Bankers; Richard B. Angus and James J. Hill, both of St. Paul, in the State of Minnesota, Esquires; with all such other persons and corporations as shall become shareholders in the Company hereby incorporated, shall be and they are hereby constituted a body corporate and politic, by the name of the "Canadian Pacific Railway Company."

2. The capital stock of the Company shall be twenty-five million dollars, divided into shares of one hundred dollars each, which shares shall be transferable in such manner and upon such conditions as shall be provided by the by-laws of the Company; and such shares, or any part thereof, may be granted and issued as paid-up shares for value *bond fide* received by the Company, either in money at par or at such price and upon such conditions as the board of directors may fix; or as part of the consideration of any contract made by the Company.

3. As soon as five million dollars of the stock of the Company have been subscribed, and thirty per centum thereof paid up, and upon the deposit with the Minister of Finance

of the Dominion of one million dollars in money, or in securities approved by the Governor in Council, for the purpose and upon the conditions in the foregoing contract provided, the said contract shall become and be transferred to the Company, without the execution of any deed or instrument in that behalf; and the Company shall, thereupon, become and be vested with all the rights of the contractors named in the said contract, and shall be subject to, and liable for, all their duties and obligations, to the same extent and in the same manner as if the said contract had been executed by the said Company instead of by the said contractors; and thereupon the said contractors, as individuals, shall cease to have any right or interest in the said contract, and shall not be subject to any liability or responsibility under the terms thereof otherwise than as members of the corporation hereby created. And upon the performance of the said conditions respecting the subscription of stock, the partial payment thereof, and the deposit of one million dollars to the satisfaction of the Governor in Council, the publication by the Secretary of State in the *Canada Gazette*, of a notice that the transfer of the contract to the Company has been effected and completed shall be conclusive proof of the fact. And the Company shall cause to be paid up, on or before the first day of May next, a further instalment of twenty per centum upon the said first subscription of five million dollars, of which call thirty days notice by circular mailed to each shareholder shall be sufficient. And the Company shall call in, and cause to be paid up, on or before the 31st day of December, 1882, the remainder of the said first subscription of five million dollars.

4. All the franchises and powers necessary or useful to the Company to enable them to carry out, perform, enforce, use, and avail themselves of every condition, stipulation, obligation, duty, right, remedy, privilege, and advantage agreed upon, contained or described in the said contract, are hereby conferred upon the Company. And the enactment of the special provisions hereinafter contained shall not be held to impair or derogate from the generality of the franchises and powers so hereby conferred upon them.

DIRECTORS.

5. The said George Stephen, Duncan McIntyre, John S. Kennedy, Richard B. Angus, James J. Hill, Henry Stafford Northcote, of London, aforesaid, Esquires; Pascoe du P. Grenfell, of London, aforesaid, Merchant, Charles Day Rose, of London, aforesaid, Merchant, and Baron J. de Reinach, of Paris, aforesaid, Banker; are hereby constituted the first directors of the Company, with power to add to their number; but so that the directors shall not in all exceed fifteen in number; and the majority of the directors, of whom the President shall be one, shall be British subjects. And the Board of Directors so constituted shall have all the powers hereby conferred upon the directors of the Company, and they shall hold office until the first annual meeting of the shareholders of the Company.

6. Each of the directors of the Company, hereby appointed, or hereafter appointed or elected, shall hold at least two hundred and fifty shares of the stock of the Company. But the number of directors to be hereafter elected by the shareholders shall be such, not exceeding fifteen, as shall be fixed by by-law, and subject to the same conditions as the directors appointed by, or under the authority of, the last preceding section; the number thereof may be hereafter altered from time to time in like manner. The votes for their election shall be by ballot.

7. A majority of the directors shall form a quorum of the board, and until otherwise provided by By-law, directors may vote and act by proxy, such proxy to be held by a director only; but no director shall hold more than two proxies, and no meeting of directors shall be competent to transact business unless at least three directors are present thereat in person, the remaining number of directors required to form a quorum being represented by proxies.

8. The board of directors may appoint from out of their number an Executive Committee, composed of a least three directors, for the transaction of the ordinary business of the Company, with such powers and duties as shall be fixed by the by-laws; and the President shall be *ex officio* a member of such committee.

9. The chief place of business of the Company shall be at the City of Montreal, but the Company may from time to time, by by-law, appoint and fix other places within or beyond the limits of Canada at which the business of the Company may be transacted; and at which the directors or shareholders may meet, when called as shall be determined by the by-laws. And the Company shall appoint and fix by By-law, at least one place in each Province or Territory through which the Railway shall pass, where service of process may be made upon the Company, in respect of any cause of action arising within such Province or Territory; and may afterwards, from time to time, change such place by By-law. And a copy of any By-law fixing or changing any such place, duly authenticated as herein provided, shall be deposited by the Company in the office, at the seat of Government of the Province or Territory to which such By-law shall apply, of the Clerk or Prothonotary of the highest, or one of the highest, Courts of civil jurisdiction of such Province or Territory. And if any cause of action shall arise against the Company within any Province or Territory, and any writ or process be issued against the Company thereon out of any Court in such Province or Territory, service of such process may be validly made upon the Company at the place within such Province or Territory so appointed and fixed; but if the Company fail to appoint and fix such place, or to deposit as hereinbefore provided, the By-law made in that behalf, any such process may be validly served upon the Company, at any of the stations of the said Railway within such Province or Territory.

SHAREHOLDERS.

10. The first annual meeting of the shareholders of the Company, for the appointment of directors, shall be held on the second Wednesday in May, 1882, at the principal Office of the Company, in Montreal; and the annual general meeting of shareholders, for the election of directors and the transaction of business generally, shall be held on the same day in each year thereafter at the same place unless otherwise provided by the By-laws. And notice of each of such meetings shall be given by the publication thereof in the *Canada Gazette* for four weeks, and by such further means as shall from time to time be directed by the By-laws.

11. Special general meetings of the shareholders may be convened in such manner as shall be provided by the by-laws. And except as hereinafter provided, notice of such meetings shall be given in the same manner as notices of annual general meetings, the purpose for which such meeting is called being mentioned in the notices thereof; and, except as hereinafter provided, all such meetings shall be held at the chief place of business of the Company.

12. If at any time before the first annual meeting of the shareholders of the Company, it should become expedient that a meeting of the directors of the Company, or a special general meeting of the shareholders of the Company, should be held, before such meeting can conveniently be called, and notice thereof given in the manner provided by this Act, or by the by-laws; or before by-laws in that behalf have been passed; and at a place other than at the chief place of business of the Company in Montreal before the enactment of a by-law authorising the holding of such meeting elsewhere; it shall be lawful for the President or for any three of the directors of the Company to call special meetings either of directors or of shareholders, or of both, to be held at the

city of London in England, at times and places respectively, to be stated in the notices to be given of such meetings respectively. And notices of such meetings may be validly given by a circular mailed to the ordinary address of each director or shareholder as the case may be, in time to enable him to attend such meeting, stating in general terms the purpose of the intended meeting. And in the case of a meeting of shareholders, the proceedings of such meeting shall be held to be valid and sufficient, and to be binding on the Company in all respects, if every shareholder of the Company be present thereat in person or by proxy: notwithstanding that notice of such meeting shall not have been given in the manner required by this Act.

13. No shareholder holding shares upon which any call is overdue and unpaid shall vote at any meeting of shareholders. And unless otherwise provided by the by-laws, the person holding the proxy of a shareholder shall be himself a shareholder.

14. No call upon unpaid shares shall be made for more than twenty per centum upon the amount thereof.

RAILWAY AND TELEGRAPH LINE.

15. The company may lay out, construct, acquire, equip, maintain and work a continuous line of railway of the gauge of four feet eight and one-half inches; which railway shall extend from the terminus of the Canada Central Railway near Lake Nipissing, known as Callander Station, to Port Moody in the Province of British Columbia; and also, a branch line of railway from some point on the main line of railway to Fort William on Thunder Bay; and also the existing branch line of railway from Selkirk in the Province of Manitoba to Pembina in the said Province; and also other branches to be located by the Company from time to time as provided by the said contract; the said branches to be of the gauge aforesaid; and the said main line of railway, and the said branch lines of railway, shall be commenced and completed as provided by the said contract; and together with such other branch lines as shall be hereafter constructed by the said Company, and any extension of the said main line of railway that shall hereafter be constructed or acquired by the Company, shall constitute the line of railway hereinafter called THE CANADIAN PACIFIC RAILWAY.

16. The Company may construct, maintain and work a continuous telegraph line and telephone lines throughout and along the whole line of the Canadian Pacific Railway, or any part thereof, and may also construct or acquire by purchase, lease or otherwise, any other line or lines of telegraph connecting with the line so to be constructed along the line of the said railway, and may undertake the transmission of messages for the public by any such line or lines of telegraph or telephone, and collect tolls for so doing; or may lease such line or lines of telegraph or telephone, or any portion thereof; and, if they think proper to undertake the transmission of messages for hire, they shall be subject to the provisions of the fourteenth, fifteenth and sixteenth sections of chapter sixty-seven of the Consolidated Statutes of Canada. And they may use any improvement that may hereafter be invented (subject to the rights of patentees) for telegraphing or telephoning, and any other means of communication that may be deemed expedient by the Company at any time hereafter.

POWERS.

18. "The Consolidated Railway Act, 1879," in so far as the provisions of the same are applicable to the undertaking authorized by this charter, and in so far as they are not inconsistent with or contrary to the provisions hereof, and save and except as hereinafter provided, is hereby incorporated herewith.

18. As respects the said railway, the seventh section of "*The Consolidated Railway Act*, 1879," relating to *Powers*, and the eighth section thereof relating to *Plans and Surveys*, shall be subject to the following provisions:—

a. The Company shall have the right to take, use and hold the beach and land below high water mark, in any stream, lake, navigable water, gulf or sea, in so far as the same shall be vested in the Crown and shall not be required by the Crown; to such extent as shall be required by the Company for its railway and other works, and as shall be exhibited by a map or plan thereof deposited in the office of the Minister of Railways. But the provisions of this sub-section shall not apply to any beach or land lying East of Lake Nipissing except with the approval of the Governor in Council.

b. It shall be sufficient that the map or plan and book of reference for any portion of the line of the railway, not being within any district or county for which there is a Clerk of the Peace, be deposited in the office of the Minister of Railways of Canada, and any omission, mis-statement or erroneous description of any lands therein may be corrected by the Company, with the consent of the Minister and certified by him; and the Company may then make the railway in accordance with such certified correction.

c. The eleventh sub-section of the said eighth section of the Railway Act shall not apply to any portion of the railway passing over ungranted lands of the Crown, or lands not within any surveyed township in any Province; and in such places, deviations not exceeding five miles from the line shown on the map or plan as aforesaid, deposited by the Company, shall be allowed, without any formal correction or certificate; and any further deviation that may be found expedient may be authorized by order of the Governor in Council, and the Company may then make their railway in accordance with such authorized deviation.

d. The map or plan and book of reference of any part of the main line of the Canadian Pacific Railway made and deposited in accordance with this section, after approval by the Governor in Council, and of any branch of such railway hereafter to be located by the said Company in respect of which the approval of the Governor in Council shall not be necessary, shall avail as if made and deposited as required by the said "*Consolidated Railway Act*, 1879," for all the purposes of the said Act, and of this Act; and any copy of, or extract therefrom, certified by the said Minister or his Deputy, shall be received as evidence in any court of law in Canada.

e. It shall be sufficient that a map or profile of any part of the completed railway, which shall not lie within any county or district having a registry office, be filed in the office of the Minister of Railways.

19. It shall be lawful for the Company to take from any public lands adjacent to or near the line of the said railway, all stone, timber, gravel and other materials which may be necessary or useful for the construction of the railway; and also to lay out and appropriate to the use of the Company, a greater extent of lands, whether public or private, for stations, depots, workshops, buildings, side-tracks, wharves, harbors and roadway, and for establishing screens against snow, than the breadth and quantity mentioned in "*The Consolidated Railway Act*, 1879," such greater extent taken, in any case, being allowed by the Government, and shown on the maps or plans deposited with the Minister of Railways.

20. The limit to the reduction of tolls by the Parliament of Canada provided for by the eleventh sub-section of the 17th section of the *Consolidated Railway Act*, 1879, respecting TOLLS, is hereby extended, so that such reduction may be to such an extent that such tolls when reduced shall not produce less than ten per cent. per annum profit on the capital actually expended in the construction of the Railway, instead of not less than fifteen per cent. per annum profit, as provided by the said sub-section; and so also that such reduction shall not be made unless the net income of the Company, ascertained as described in said sub-section, shall

have exceeded ten per cent. per annum instead of fifteen per cent. per annum as provided by the said sub-section. And the exercise by the Governor in Council of the power of reducing the tolls of the Company as provided by the tenth sub-section of said section seventeen is hereby limited to the same extent with relation to the profit of the Company, and to its net revenue, as that to which the power of Parliament to reduce tolls is limited by said sub-section eleven as hereby amended.

21. The first and second sub-sections of section 22, of the *Consolidated Railway Act*, 1879, shall not apply to the Canadian Pacific Railway Company; and it is hereby enacted that the transfer of shares in the undertaking shall be made only upon the books of the Company in person or by attorney, and shall not be valid unless so made; and the form and mode of transfer shall be such as shall be from time to time regulated by the By-laws of the Company. And the funds of the Company shall not be used in any advance upon the security of any of the shares or stock of the Company.

22. The third and fourth sub-sections of said section 22 of the Consolidated Railway Act of 1879 shall be subject to the following provisions, namely, that if before the completion of the Railway and works under the said contract, any transfer should purport to be made of any stock or share in the Company, or any transmission of any share should be effected under the provisions of said sub section four; to a person not already a shareholder in the Company; and if in the opinion of the Board it should not be expedient that the person (not being already a shareholder) to whom such transfer or transmission shall be made or effected should be accepted as a shareholder; the Directors may, by resolution, veto such transfer or transmission; and thereafter, and until after the completion of the said Railway and works under the said contract, such person shall not be, or be recognized as a shareholder in the Company; and the original shareholder, or his estate, as the case may be, shall remain subject to all the obligations of a shareholder in the Company, with all the rights conferred upon a shareholder under this Act. But any firm holding paid-up shares in the Company may transfer the whole or any of such shares to any partner in such firm having already an interest as such partner in such shares, without being subject to such veto. And in the event of such veto being exercised, a note shall be taken of the transfer or transmission so vetoed in order that it may be recorded in the books of the Company after the completion of the Railway and works as aforesaid: But until such completion, the transfer or transmission so vetoed shall not confer any rights, nor have any effect of any nature or kind whatever as respects the Company.

23. Sub-section sixteen of section nineteen, relating to PRESIDENT AND DIRECTORS, THEIR ELECTION AND DUTIES; sub-section two of section twenty-four, relating to BY-LAWS, NOTICES, &c., sub-sections five and six of section twenty-eight, relating to GENERAL PROVISIONS, and section ninety-seven, relating to RAILWAY FUND, of the *Consolidated Railway Act*, 1879, shall not, nor shall any of them apply to the Canadian Pacific Railway or to the Company hereby incorporated.

24. The said Company shall afford all reasonable facilities to the Ontario Pacific Junction Railway Company when their railway shall be completed to a point of junction with the Canadian Pacific Railway; and to the Canada Central Railway Company, for the receiving, forwarding and delivering of traffic upon and from the railways of the said Companies, respectively; and for the return of carriages, trucks and other vehicles; and no one of the said Companies shall give or continue any preference or advantage to, or in favor of either of the others, or of any particular description of traffic, in any respect whatsoever; nor shall any one of the said Companies subject any other thereof, or any particular description of traffic, to any prejudice or disadvantage in any respect whatsoever; and any one of the said Companies which shall have any terminus or station near any terminus or station of either of the others, shall afford all reasonable facilities for receiving and forwarding all the traffic arriving by either of the others, without any unreasonable delay, and without any preference or advantage, or prejudice or disadvantage; and so that no obstruction may be offered in the using of such railway as a continuous line of communication; and so that all reasonable accommodation may at all times, by the means aforesaid, be mutually afforded by and to the said several railway companies; and the said Canadian Pacific Railway Company shall receive and carry all freight and passenger traffic shipped to or from any point on the railway of either of the said above named railway companies passing over the Canadian Pacific Railway or any part thereof, at the same mileage rate and subject to the same charges for similar services: without granting or allowing any preference or advantage to the traffic coming from or going upon one of such railways over such traffic coming from or going upon the other of them, reserving, however, to the said Canadian Pacific Railway Company the right of making special rates for purchasers of land, or for emigrants or intending emigrants, which special rates shall not govern or affect the rates of passenger traffic as between the said Company and the said two above named Companies or either of them. And any agreement made between any two of the said companies contrary to the foregoing provisions, shall be unlawful, null and void.

25. The Company, under the authority of a special general meeting of the shareholders thereof; and as an extension of the railway hereby authorized to be constructed; may purchase or acquire by lease or otherwise, and hold and operate, the Canada Central Railway, or may amalgamate therewith, and may purchase or acquire by lease or otherwise and hold and operate a line or lines of railway from the City of Ottawa to any point at navigable water on the Atlantic seaboard or to any intermediate point, or may acquire running powers over any railway now constructed between Ottawa and any such point or intermediate point. And the Company may purchase or acquire any such railway subject to such existing mortgages, charges or liens thereon as shall be agreed upon; and shall possess with regard to any lines of railway so purchased, or acquired, and becoming the property of the Company, the same powers as to the issue of bonds thereon, or on any of them, to an amount not exceeding twenty thousand dollars per mile; and as to the security for such bonds, as are conferred upon the Company by the twenty-seventh section hereof, in respect of bonds to be issued upon the Canadian Pacific Railway. But such issue of bonds shall not affect the right of any holder of mortgages or other charges already existing upon any line of railway so purchased or acquired; and the amount of bonds hereby authorized to be issued upon such line of railway shall be diminished by the amount of such existing mortgages or charges thereon.

26. The Company shall have power and authority to erect and maintain docks, dockyards, wharves, slips and piers at any point on or in connection with the said Canadian Pacific Railway, and at all the termini thereof on navigable water, for the convenience and accommodation of vessels and elevators; and also to acquire, and work elevators, and to acquire, own, hold, charter, work, and run, steam and other vessels for cargo and passengers upon any navigable water, which the Canadian Pacific Railway may reach or connect with.

BY-LAWS.

27. The by-laws of the Company may provide for the remuneration of the president and directors of the Company, and of any executive committee of such directors; and for the transfer of stock and shares; the registration and inscrip-

tion of stock, shares, and bonds, and the transfer of registered bonds; and the payment of dividends and interest; at any place or places within or beyond the limits of Canada; and for all other matters required by the said contract or by this Act to be regulated by by-laws. But the by-laws of the Company made as provided by law shall in no case have any force or effect after the next general meeting of shareholders, which shall be held after the passage of such by-laws, unless they are approved by such meeting.

BONDS.

28. The Company, under the authority of a special general meeting of the shareholders called for the purpose, may issue mortgage bonds to the extent of ten thousand dollars per mile of the Canadian Pacific Railway for the purposes of the undertaking authorized by the present Act; which issue shall constitue a first mortgage and privilege upon the said railway, constructed or acquired, and to be thereafter constructed, or acquired, and upon its property, real and personal, acquired and to be thereafter acquired including rolling stock, and plant; and upon its tolls and revenues (after deduction from such tolls and revenues of working expenses); and upon the franchises of the Company; the whole as shall be declared and described as so mortgaged in any deed of mortgage as hereinafter provided. Provided always, however, that if the Company shall have issued, or shall intend to issue land grant bonds under the provisions of the thirtieth section hereof, the lands granted and to be granted by the Government to the Company may be excluded from the operation of such mortgage and privilege; and provided also that such mortgage and privilege shall not attach upon any property which the Company are hereby, or by the said contract, authorized to acquire or receive from the Government of Canada until the same shall have been conveyed by the Government to the Company; but shall attach upon such property, if so declared in such deed, as soon as the same shall be conveyed to the Company. And such mortgage and privilege may be evidenced by a deed or deeds of mortgage executed by the Company, with the authority of its shareholders expressed by a resolution passed at such special general meeting; and any such deed may contain such description of the property mortgaged by such deed, and such conditions respecting the payment of the bonds secured thereby and of the interest thereon, and the remedies which shall be enjoyed by the holders of such bonds or by any trustee or trustees for them in default of such payment; and the enforcement of such remedies; and may provide for such forfeitures and penalties, in default of such payment; as may be approved by such meeting; and may also contain, with the approval aforesaid, authority to the trustee or trustees, upon such default, as one of such remedies, to take possession of the railway and property mortgaged, and to hold and run the same for the benefit of the bondholders thereof for a time to be limited by such deed; or to sell the said railway and property, after such delay, and upon such terms and conditions as may be stated in such deed; and with like approval any such deed may contain provisions to the effect that upon such default aud upon such other conditions as shall be described in such deed, the right of voting possessed by the shareholders of the Company, and by the holders of preferred stock therein, or by either of them, shall cease and determine, and shall thereafter appertain to the Bondholders, or to them and to the holders of the whole or of any part of the preferred stock of the Company, as shall be declared by such deed; and such deed may also provide for the conditional or absolute cancellation after such sale of any or all of the shares so deprived of voting power; or of any or all of the preferred stock of the Company, or both; and may also, either directly by its terms, or indirectly by reference to the By-laws of the Company, provide for the mode of enforcing and exercising the powers and authority to be conferred and defined by such deed, under the provisions hereof. And such deed, and the provisions thereof made under the authority hereof; and such other provisions thereof as shall purport (with like approval) to grant such further and other powers and privileges to such trustee or trustees and to such bondholders, as are not contrary to law or to the provisions of this Act, shall be valid and binding. But if any change in the ownership or possession of the said Railway and property shall at any time take place under the provisions hereof, or of any such deed, or in any other manner, the said Railway and property shall continue to be held and operated under the provisions hereof, and of the Consolidated Railway Act of 1879 as hereby modified. And if the Company does not avail itself of the power of issuing bonds secured upon the land grant alone as hereinafter provided, the issue of bonds hereby authorized may be increased to any amount not exceeding twenty thousand dollars per mile of the said Canadian Pacific Railway.

29. If any bond issue be made by the Company under the last preceding section before the said railway is completed according to the said Contract, a proportion of the proceeds of such bonds, or a proportion of such bonds if they be not sold, corresponding to the proportion of the work contracted for then remaining incomplete, shall be received by the Government, and shall be held, dealt with and, from time to time, paid over by the Government to the Company upon the same conditions, in the same manner and according to the same proportions as the proceeds of the bonds, the issue of which is contemplated by sub-section *d* of Clause 9 of the said Contract, and by the thirty-first section hereof.

30. The Company may also issue mortgage bonds to the extent of twenty-five million dollars upon the lands granted in aid of the said railway and of the undertaking authorized by this Act; such issue to be made only upon similar authority to that required by this Act for the issue of bonds upon the railway: and when so made such bonds shall constitute a first mortgage upon such lands, and shall attach upon them when they shall be granted, if they are not actually granted at the time of the issue of such bonds. And such mortgage may be evidenced by a deed or deeds of mortgage to be executed under like authority to the deed securing the issue of bonds on the railway; and such deed or deeds under like authority may contain similar conditions and may confer upon the trustee or trustees named thereunder and upon the holders of the bonds secured thereby, remedies, authority, power and privileges and may provide for forfeitures and penalties, similar to those which may be inserted and provided for under the provisions of this Act in any deed securing the issue of bonds on the railway, together with such other provisions and conditions not inconsistent with law or with this Act as shall be so authorized. And such bonds may be styled Land Grant Bonds, and they and the proceeds thereof shall be dealt with in the manner provided in the said contract.

31. The Company may in the place and stead of the said land grant bonds, issue bonds under the twenty-eighth section hereof, to such amount as they shall agree with the Government to issue, with the interest guaranteed by the Government as provided for in the said contract; such bonds to constitute a mortgage upon the property of the Company and its franchises acquired and to be thereafter acquired—including the main line of the Canadian Pacific Railway, and the branches thereof hereinbefore described, with the plant and rolling stock thereof acquired and to be thereafter acquired, but exclusive of such other branches thereof and of such personal property as shall be excluded by the deed of mortgage to be executed as security for such issue. And the provisions of the said twenty-eighth section shall apply to such issue of bonds, and to the security which may be given for the payment thereof, and they and the proceeds

thereof shall be dealt with as hereby and by the said contract provided.

32. It shall not be necessary to affix the seal of the Company to any mortgage bond issued under the authority of this Act; and every such bond issued without such seal shall have the same force and effect; and be held, treated and dealt with by all courts of law and of equity, as if it were sealed with the seal of the company. And if it is provided by the mortgage deed executed to secure the issue of any bonds, that any of the signatures to such bonds or to the coupons thereto appended, may be engraved, stamped or lithographed thereon, such engraved, stamped or lithographed signatures shall be valid and binding on the Company.

33. The phrase "working expenses" shall mean and include all expenses of maintenance of the railway, and of the stations, buildings, works and conveniencies belonging thereto, and of the rolling and other stock and moveable plant used in the working thereof, and also all such tolls, rents or annual sums as may be paid in respect of the hire of engines, carriages or waggons let to the company; also all rent, charges, or interest on the purchase money of lands belonging to the Company, purchased but not paid for, or not fully paid for; and also all expenses of and incidental to, working the railway and the traffic thereon, including stores and consumable articles; also rates, taxes, insurance and compensation for accidents or losses; also all salaries and wages of persons employed in and about the working of the railway and traffic, and all office and management expenses, including directors' fees, agency, legal and other like expenses.

34. The bonds authorized by this Act to be issued upon the railway or upon the lands to be granted to the Company, or both, may be so issued in whole or in part in the denomination of dollars, pounds sterling, or francs, or in any or all of them, and the coupons may be for payment in denominations similar to those of the bond to which they are attached. And the whole or any of such bonds, may be pledged, negotiated or sold upon such conditions and at such price as the Board of Directors shall from time to time determine. And provision may be made by the By-laws of the Company, that after the issue of any bond, the same may be surrendered to the Company by the holder thereof, and the Company may, in exchange therefor, issue to such holder inscribed stock of the Company, which inscribed stock may be registered or inscribed at the chief place of business of the Company or elsewhere, in such manner, with such rights, liens, privileges and preferences; at such place; and upon such conditions; as shall be provided by the By-laws of the Company.

35. It shall not be necessary, in order to preserve the priority, lien, charge, mortgage or privilege, purporting to appertain to or be created by any bond issued or mortgage deed executed under the provisions of this Act, that such bond or deed should be enregistered in any manner, or in any place whatever. But every such mortgage deed shall be deposited in the office of the Secretary of State: of which deposit notice shall be given in the *Canada Gazette*. And in like manner any agreement entered into by the Company, under section thirty-four of this Act, shall also be deposited in the said office. And a copy of any such mortgage deed, or agreement, certified to be a true copy by the Secretary of State or his Deputy, shall be received as *primâ facie* evidence of the original in all courts of justice, without proof of the signatures or seal upon such original.

36. If, at any time, any agreement be made by the Company with any persons intending to become bondholders of the Company; or be contained in any mortgage deed executed under the authority of this Act; restricting the issue of bonds by the Company, under the powers conferred by this Act; or defining or limiting the mode of exercising such powers; the Company, after the deposit thereof with the Secretary of State as hereinbefore provided, shall not act upon such powers otherwise than as defined, restricted and limited by such agreement. And no bond thereafter issued by the Company, and no order, resolution or proceeding thereafter made, passed or had by the Company, or by the board of directors, contrary to the terms of such agreement, shall be valid or effectual.

37. The Company may, from time to time, issue guaranteed or preferred stock at such price, to such amount, not exceeding ten thousand dollars per mile, and upon such conditions as to the preferences and privileges appertaining thereto, or to different issues or classes thereof, and otherwise as shall be authorized by the majority in value of the shareholders present in person or represented by proxy at any annual meeting or at any special general meeting thereof called for the purpose,—notice of the intention to propose such issue at such meeting being given in the notice calling such meeting. But the guarantee or preference accorded to such stock shall not interfere with the lien, mortgage and privilege attaching to bonds issued under the authority of this Act. And the holders of such preferred stock shall have such power of voting at meetings of shareholders, as shall be conferred upon them by the By-laws of the Company.

EXECUTION OF AGREEMENTS.

38. Every contract, agreement, engagement, scrip certificate or bargain made, and every bill of exchange drawn, accepted or endorsed, and every promissory note and cheque made, drawn or endorsed on behalf of the Company, by any agent, officer or servant of the Company, in general accordance with his powers as such under the by-laws of the Company, shall be binding upon the Company; and in no case shall it be necessary to have the seal of the Company affixed to any such bill, note, cheque, contract, agreement, engagement, bargain, or scrip certificate, or to prove that the same was made, drawn, accepted or endorsed, as the case may be, in pursuance of any by-law or special vote or order; nor shall the party so acting as agent, officer or servant of the Company be subjected individually to any liability, whatsoever, to any third party therefor; Provided always, that nothing in this Act shall be construed to authorize the Company to issue any note payable to the bearer thereof, or any promissory note intended to be circulated as money, or as the note of a bank, or to engage in the business of banking or insurance.

GENERAL PROVISIONS.

39. The Company shall, from time to time, furnish such reports of the progress of the work, with such details and plans of the work, as the Government may require.

40. As respects places not within any Province, any notice required by the Consolidated Railway Act, 1879, to be given in the "Official Gazette" of a Province, may be given in the *Canada Gazette*.

41. Deeds and conveyances of lands to the Company for the purposes of this Act, (not being letters patent from the Crown) may, in so far as circumstances will admit, be in the form following, that is to say:—

"Know all men by these presents, that I, A. B., in consideration of paid to me by the Canadian Pacific Railway Company, the receipt whereof is hereby acknowledged, grant, bargain, sell and convey unto the said The Canadian Pacific Railway Company, their successors and assigns, all that tract or parcel of land (*describe the land*) to have and to hold the said land and premises unto the said Company, their successors and assigns for ever.

"Witness my hand and seal, this day of one thousand eight hundred and

"Signed, sealed and delivered in presence of } A.B. [L.S.]

"C. D.

"E. F.'

or in any other form to the like effect. And every deed made in accordance herewith shall be held and construed to impose upon the vendor executing the same the obligation of guaranteeing the Company and its assigns against all dower and claim for dower and against all hypothecs and mortgages and against all liens and charges whatsoever, and also that he has a good, valid and transferable title thereto.

COMMISSION OF INTERNAL ECONOMY.

Sir JOHN A. MACDONALD delivered a Message from His Excellency the Governor General.

Mr. SPEAKER read the Message, as follows:—

Lorne.

The Governor General transmits to the House of Commons, two approved Minutes in Council, appointing the Right Honorable Sir John A. Macdonald, Minister of the Interior; the Honorable Sir Leonard Tilley, Minister of Finance; the Honorable Sir Charles Tupper, Minister of Railways and Canals, and the Honorable Hector L. Langevin, C.B., Minister of Public Works, to act with the Speaker of the House of Commons, as Commissioners for the purposes and under the provisions of the Act 31 Victoria, Chapter 27, intituled: "An Act respecting the "Internal Economy of the House of Commons, and for other purposes."

GOVERNMENT HOUSE,
OTTAWA, 10th December, 1880.

SUPPLY.

Sir LEONARD TILLEY moved:

"That this House will, on Friday next, resolve itself into a Committee to consider a Supply to be granted to Her Majesty."

Motion agreed to.

WAYS AND MEANS.

Sir LEONARD TILLEY moved:

"That this House will, on Friday next, resolve itself into a Committee to consider the Ways and Means for raising the Supply to be granted to Her Majesty."

Motion agreed to.

ADJOURNMENT.

Sir JOHN A. MACDONALD moved the adjournment of the House.

Sir RICHARD J. CARTWRIGHT asked when the Public Accounts would be laid on the Table.

Sir LEONARD TILLEY. I hope they may be ready by Christmas, but I am not quite certain. We are making an effort to have them ready then.

Sir RICHARD J. CARTWRIGHT. May I further enquire whether, if they are ready by Christmas, the hon. Minister can distribute them to the Members of the House? It would possibly save some trouble and inconvenience if he did.

Mr. BLAKE. Are the papers just laid on the Table all the papers that are to be supplied, in accordance with the terms of the Speech.

Sir JOHN A. MACDONALD. There is a motion on the paper.

Mr. BLAKE. I am aware. But the Speech declared that we were to receive some papers; I simply enquire whether these are all the papers.

Sir JOHN A. MACDONALD. Yes.

Mr. BLAKE. And, may I ask, are they in print?

Sir JOHN A. MACDONALD. Yes, they will be distributed in the Votes in the morning.

Mr. ANGLIN stated that last session he had moved for a return relating to the lands of the North-West—the quantities sold, the prices at which they were sold, the expenses connected therewith, etc. The hon. Minister had stated that the Government intended to lay before the House a Return of a somewhat similar character. If that general return were brought down, it would, of course, render unnecessary the one for which he had moved. It was information which he thought the House should be put in possession of before they discussed the Pacific Railway bargain, so that they might form a closer estimate of the value of the lands in the North-West than they could by means of the conjectures in which hon. members were forced to indulge. He would like to ask the hon. the First Minister if he knew anything of that return, or whether the general return would be brought down.

Sir JOHN A. MACDONALD. I do not know anything about the special return the hon. gentleman speaks of, but the general return is almost ready, if it is not already in the hands of the printers—a very full statement.

House adjourned at 10:30 o'clock, p.m.

HOUSE OF COMMONS,

MONDAY, 13th December, 1880.

The SPEAKER took the Chair at Three o'clock.

PRAYERS.

EXPLORATIONS ON ST. LAWRENCE.

Mr. LANTIER enquired, Whether the Engineer-in-Chief of Canals has received instructions to make a report on the explorations made on the north side of the St. Lawrence, from Coteau Landing to the Bay of Cascades, for the construction of a canal; and, if so, whether his report is ready and the Government prepared to give a decision on that question?

Sir CHARLES TUPPER. I beg leave to say, in answer to the question of the hon. member, that the Chief Engineer of Canals has been requested and received instructions, to make a report on the subject referred to in this question; that he has stated the matter is one of very great importance indeed, and that the pressure upon his time was such that it had prevented him being able to give it that attention which its importance demanded, but that so soon as possible he would make a full examination into the subject and report upon it. The subject is now receiving the fullest attention of the Department.

Mr. MACKENZIE. Some time next year.

STORM WARNINGS ON INLAND WATERS.

Mr. FLEMING enquired, Whether, in view of the recent loss of life and property on the inland waters of the Dominion, it is the intention of the Government to increase the number of storm signal stations, and also, whether steps will be taken to insure greater promptness and accuracy in giving storm warnings?

Mr. POPE (Queen's). The matter has not yet received the attention of the Government. As the question has been asked by the hon. member, the subject will be considered.

MINISTERIAL EXPLANATIONS.

Mr. BLAKE. Before motions are called, I invite the right hon. gentleman at the head of the Government to give to the House the usual explanations with respect to the changes that have occurred in the Ministry since last

Session, in regard to the *personnel* of the Administration and the distribution of the offices.

Sir JOHN A. MACDONALD. With respect to the changes in the *personnel*, it is well known to the House that the health of the hon. member for Terrebonne (Mr. Masson), who was in the Government since its formation in 1878, unfortunately for us, and, I think, for the House and the country, broke down to a certain extent. My hon. friend, in his anxious desire to assist us, remained in office as long as possible, at our urgent solicitation, notwithstanding the pressure of his medical adviser. At last, however, we found we could not properly press him further. My hon. friend was in great danger of injuring his health permanently if he remained longer with us, and to our unanimous regret and sorrow we were obliged to say we could no longer press him to remain in the Government. He was succeeded by an hon. gentleman from his section of the country. Mr. Baby, the late member for Joliette, was promoted to the Bench, which, I believe, he will adorn, and his place was filled by a gentleman from his section of the country. The redistribution of offices was made in the manner we thought most conducive to the public service.

Mr. BLAKE. With respect to the arrangement made for the distribution of offices, I think a word or two requires to be said. So far as I know, this is the first occasion on which a department, connected with one of the two great branches of taxation, has been transferred from this House to the Senate. While there are but two members of that body who are Ministers, I quite agree that it is not at all unreasonable they should hold some important departments; but I think that it is contrary to precedent, and to the general understanding as to the mode of managing public business, that the great taxing departments should be represented by their Ministers otherwise than here. As to the other change in the distribution of offices, although that involves the loss to this House of the opportunity of representing to the chief of the Post Office Department our needs,—and it is certainly a very great advantage ordinarily,—yet I can heartily congratulate hon. gentlemen opposite on that particular change, believing, with them, that the interests of the country have been very much consulted in giving that important department to its present occupant, as compared with its late administrator, who, no doubt, will be able to discharge the less onerous duties attaching to the position of Secretary of State, while Sir Alexander Campbell will, no doubt, discharge better than the late administrator could have discharged, the duties of the Post Office. With regard to the changes that have taken place, to which the hon. gentleman (Sir John A. Macdonald) has referred, we are glad to know that our late colleague and friend, Mr. Baby, has exchanged a somewhat precarious position as a Minister for the honorable and permanent position of a member of the judicial bench. The hon. gentleman has stated that Mr. Baby was promoted to the Bench, and that created a vacancy. I had supposed the vacancy was required, and therefore Mr. Baby was promoted to the Bench; but I now understand the circumstances to be different. As to the other cause of change, I am sure all hon. members on this side of the House will agree in the regret which the hon. gentleman has expressed as to the circumstances which occasioned the resignation of the hon. member for Terrebonne. My hon. friend has been a member of Parliament ever since Confederation, and while we on this side have been unable to agree in his general views on politics, we have all admired the honesty of his course, the sacrifice to convictions which on occasions he has made, and the integrity of principle which has marked his public career. It was a source of deep regret to myself personally, and I am sure to those with whom I act, that his health should have so far failed as to require his leaving the Administration. I have to express my congratulations to the hon. gentlemen to whom the hon. leader of the Government has referred as gentlemen from the same sections of the country on their having succeeded the outgoing Ministers. The Minister of Militia swallowed the gnat last year, and, of course, makes no difficulty about the camel this time. The President of the Council strained at the gnat last year, but he looks to me as if he was disposed to swallow the camel this year.

Sir JOHN A. MACDONALD. I think it was the other House that swallowed the camel. With respect to the offices: the Inland Revenue is not one of the paying departments, but it is one of the revenue departments of the Government; and it is quite true, as a general rule, it is well that it should be represented in this House; but, as perhaps the hon. member for West Durham (Mr. Blake) has already ascertained—I do not know where, in his time, but, at any rate, in our time—there is a feeling in the Senate that the co-ordinate branch of the Legislature ought to have a certain amount of representation in the Government in their body. With regard to the selection of the present incumbent of the office of Minister of Inland Revenue, Mr. Aikins, he was appointed for this reason: the position is one that requires a good deal of knowledge of commercial business and of the ways of dealers and traders. Mr. Baby had not that advantage; but still, I am happy to say, I am proud to say in his absence, that he filled that office most satisfactorily to his colleagues, and, I believe, satisfactorily to the country. He devoted himself most assiduously to the duties of his office, and he overcame the disadvantage which a lawyer was naturally supposed to labor under in filling the position of Minister of Inland Revenue. Mr. Aikins is a man who, as everybody knows, was in business a great many years, and we believe his practical knowledge will be of advantage in administering the department—a very difficult department, and a department which, as the hon. gentleman is aware, is continually liable to attack if the law is put in execution. That is the reason why Mr. Aikins was appointed to that office. With respect to the other changes, the hon. member for West Durham, with his usual kindness of heart and grace, made a special reference to the appointment of the Secretary of State. The reasons of his appointment was shortly these: Mr. Masson could no longer perform his duties as Minister of Militia,—and he is not the man to hold office unless he is able to perform them,— and we were exceedingly anxious to retain his services to the country and have the advantage of his advice. Mr. Masson said he could no longer perform the duties of any department calling on him for continuous labor and office work. We, therefore, asked the President of the Council to make way for him, and he was appointed President of the Council, and he held that office until his health compelled him eventually to retire. The present Postmaster General, Sir Alexander Campbell, who had been Postmaster General a good many years, and who understood the duties thoroughly, assumed the duties of Minister of Militia, but with the understanding that, so soon as new arrangements could be made, he would return to the office he had held so long and worthily. That is the whole story of the readjustment.

CANADIAN PACIFIC RAILWAY.

Mr. MACKENZIE, in moving for all papers, letters or telegrams, concerning the construction of the Canada Pacific Railway, including offers made for its construction and working to the Government before the delegation of Ministers left for England, and all similar offers made, while Ministers were in England, by European or other contractors or capitalists, with copies of all correspondence by letters or telegraph, with any parties, respecting the construction and working of the said Railway, said: I ask for these papers because no intimation was given by the Government on the

day we met, as to whether they would be laid upon the Table. We have statements—on the authority of two or three Ministers—certainly two, that some offer was made for this purpose before the Ministers went to England at all. We have the statement of the Prime Minister himself, immediately on his return from England, that he had made an arrangement in England, or had received certain offers, and was in a condition to conclude an arrangement. We had the announcement from time to time in Ministerial papers, during the residence of the Minister in England, that their mission was succeeding, that it was progressing successfully, that offers were made which would be accepted by the Canadian people. We are now about to enter upon the discussion of the most important, momentous question ever submitted to a Canadian Legislature,—one which, I may say, will affect the prosperity of this country very materially, for a long time to come, and will affect still more materially that portion of our territories where this Railway is to be built. It is, therefore, of the last importance that this Parliament should have, before it comes to any decision upon the paper submitted on Friday, a complete statement of all offers made, to enable us to judge whether the Government have received any offers, which, in the estimation of this House, would be more favorable to the public interest of the country than this, or whether any of them, including this, were of such character as should be entertained by any Government having the public interest at heart. I presume there can be no possible objection to the production of these papers, because, on a previous occasion, in the case of a much less onerous bargain, though presented in a different manner to the public, there was included all the correspondence with other companies which had made offers or submitted propositions concerning the construction of the railway. Ministers should have brought down these papers without any motion, acting upon the precedent which they themselves set in 1873, but as they did not intimate any desire or any intention of doing so, I placed this notice on the paper in order that we may reach them as soon as possible, and have the benefit of them in the ensuing discussion upon the project now submitted to Parliament.

Sir JOHN A. MACDONALD. The first part of the hon. gentleman's motion asking for all papers, letters or documents concerning the construction of the Canadian Pacific Railway, is a rather wide order. Does it involve any paper connected with the construction of the railway? But I understand, from what he says, that he asks for the offers made by companies or individuals, or capitalists, for the construction of the railway. I am afraid we cannot give much assistance to the hon. gentleman in that regard. Before we went to England there was a provisional offer made to the Government which was distinctly understood to be provisional. We subsequently received a second offer, and the Government came to the conclusion, especially as we had an indirect intimation, verbally, that an offer would probably be made from New York and San Francisco, that we could not possibly settle up the matter here. We decided to inform all the parties that we would attend to the reception of any applications, tenders, or proffers, in London. Thereupon the first party who made this provisional offer withdrew it and would not hold to it. The second party did not do so—this was an offer from England—and the party subsequently dropped their application. The communications that were made in England were principally, if not altogether verbal. Gentlemen came over again and again from Paris and sat with us to the discussion of these matters. The first offer was withdrawn. The second one it would be unfair to disclose; as the hon. gentlemen opposite will see there were persons in it, bankers and others of considerable commercial standing, who were connected with that offer. They found they were not strong enough to press it. Their offer was made, of course, with the desire of coming in if they could, and being engaged in the construction of the road, and it would hardly be fair to them to use their names and to state that these persons failed in being strong enough to undertake the work. It would affect their position. But I would say this, that the present offer is the most favorable offer, both as to money and land, that the Government or delegates received. Arrangements were made; we sat *de die in diem* as a little committee, meeting different gentlemen again and again. They were all desirous of making an arrangement, money being plenty and enterprise ripe on the continent of Europe, especially in France and England. They were all anxious to connect themselves with such a great enterprise. Some were appalled by the largeness of the scheme; some were frightened by the eventual responsibility, and one after another withdrew from attempts to be concerned with the railway. As to the present parties we met them every day, and the results are laid before this House. I cannot possibly bring down the papers asked for; I think it would be an injury to the parties who have attempted to aid us by making offers.

Mr. MACKENZIE. I can only say I am extremely disappointed at the course taken by the hon. gentleman. He has indicated, since he first came home from England, a determination to keep the people in the dark as to the offers received and the bargain made. He endeavors now to force the House to a conclusion upon the one offer submitted, telling us that we must decide at once, and must decide it precisely as it is placed before the House, without any change or amendment. Now, in addition to all that, he refuses the House information; he constitutes himself the sole judge of the necessity for producing those papers; he says that, in his opinion, it would not be fair to so-and-so who made the offer. What has he to do with judging whether it is fair or not? It is for Parliament, for those who placed him where he is, to judge whether it is fair or not to look at the offers which have been made for a public undertaking. This, Sir, is the first time that offers made to the Government for a great public work have been refused to Parliament; and the hon. gentleman will find that, though he may get his majority to vote his extraordinary scheme through Parliament, the country will not justify the refusal of papers which are absolutely essential to us in discussing the project, and in enabling us to come to a righteous conclusion. Sir, I shall divide the House on this question. I shall require the right hon. gentleman, and every one who thinks with him that these papers should not be placed on the Table of the House, to say so by their votes, and to take the responsibility of justifying to the people the course they have chosen to adopt, in thus endeavoring to forestall public opinion and prevent its expression, in order that they may carry out their scheme without the slightest information being placed before us, except the monstrosity itself which was presented to Parliament the other day. We require that the information we have asked for shall be laid before Parliament as a matter of public policy, and that requirement I am sure every parliamentarian on both sides of the House will agree is a reasonable one, and one that should not be refused even to a minority of this House.

Mr. HUNTINGTON. I submit, Sir, that the observations of the right hon. gentleman are unfair to the gentlemen whose offers were not accepted, as they leave us to infer that those offers were refused because these gentlemen failed to carry them out. I am quite sure that the right hon. gentleman does not believe that these other tenderers were not accepted because they so failed. The right hon. gentleman first makes the extraordinary proposition that he will not take the people into his confidence, because it would be an injustice to those who failed. But let us look at the practice of the Department of Public Works. Every day the public are made aware of the kind of humiliation which the right hon. gentleman will not now allow to be visited upon those contractors who happily are under his protection.

Every day his proposition is violated. It is well known to the public that the names of some of the parties who were negotiating were paraded in Ottawa as men of distinction and strength long before the right hon. gentleman went to England to negotiate, and some people are inclined to think that my right hon. friend did not intend to give these gentlemen a chance; and they will be surprised that he gives as a reason for protecting them in Parliament, that they failed in making good their propositions, and that therefore he is obliged to keep their names from the public.

Mr. ANGLIN. The country, I think, Sir, will be rather surprised to find the dignity of Parliament pleaded one day as a reason for withholding information to which we are entitled, and the rights of the parties tendering pleaded on another day for the same reason. There will be no necessity for stating in any return asked for by the motion of my hon. friend, the member for Lambton, that the parties who have chosen to withdraw their tenders, withdrew because they were unable to carry out the contract. It would be quite sufficient to say that they chose to withdraw their tenders, or that hon. gentlemen on the other side, acting for the Government, did not choose to accept them. But when we are told that the greater part of these negotiations were carried on *viva voce*, we cannot surely be expected to believe that propositions made on an all-important matter like this were not reduced to writing in all cases. Surely there were enough members of the Government representing the country on the occasion to do that, and I have no doubt they had ample means at their command to have work of that kind properly done. It was due to the hon. gentlemen themselves, it was due to the party upon whom they call for support in this matter, and it was due to the people of the country that all the information should have been put together and submitted to the House without any such demand as that now made. I am delighted that the hon. member for Lambton has declared that he will divide the House, and that at the very opening of this Session of Parliament, we shall know who are of opinion that it is proper to demand information with which the people have a right to be furnished, and who are prepared to support the Ministry in withholding that information.

Sir CHARLES TUPPER. Mr. Speaker, I am a little surprised at the heat which has been exhibited by hon. gentlemen on the other side in relation to a matter which seems to me to require no such display of ardour. The statement of my right hon. friend, I think, will carry conviction to the mind of every fair-minded man.

Mr. MACKENZIE. Over there.

Sir CHARLES TUPPER. Yes; and I hope a good many over there as well. I say that the course which the leader of the Government has pursued on this occasion, is one which will commend itself to the judgment of hon. members as one which is only a matter of justice to the parties with whom we have been negotiating. My right hon. friend has stated to the House, and stated truly, that in the proposition which we have laid upon the Table of the House—the contract which we have made, subject to the approval of Parliament, for the construction of the Canadian Pacific Railway, is the very best——

Mr. BLAKE. I rise to order. It is quite out of order for the hon. gentleman to speak of the contents of any paper which he is not prepared to lay on the Table.

Sir CHARLES TUPPER. I am now referring to the paper on the Table.

Mr. BLAKE. Yes, but the hon. gentleman is declaring that the paper on the Table is more favorable than one which he will not bring down.

Sir CHARLES TUPPER. I thought the hon. gentlemen opposite were desirous of information. Now they seek to prevent it.

Mr. HUNTINGTON. We will read the information ourselves if you give it to us.

Sir CHARLES TUPPER. Then, Mr. Speaker, since the hon. gentlemen are afraid I shall disclose some of the information for which they profess to be desirous, allow me to state that, at this moment, there is no offer before the Government. I say, Sir, that it is not in the power of the Government to lay on the Table of the House an offer from any parties who were found able to carry their offer to a conclusion. They have no such offer before them. What took place was this: the Government having determined to endeavor to secure the construction of the Canadian Pacific Railway, in conformity with the declared policy of Parliament, placed themselves in communication with a number of parties; other parties placed themselves in communication with them, and they exhausted every means at their command. They had a proposal which they were led to suppose by the parties from whom it emanated would be backed up by such a support, and such an organization as would warrant the Government in making a contract with them. For the purpose of exhausting every possible means of finding the very best terms upon which this great work could be accomplished, in conformity with the will of Parliament, declared again and again, three Ministers were authorized to go to London, and the parties with whom we had been negotiating, and other parties from whom we had any reason to suppose a favorable offer might emanate, were communicated with, and having exhaustively discussed the whole question, we stand in the position to-day of dealing with the parties who made the very best proposal.

Mr. MACKENZIE. Hear, hear.

Sir CHARLES TUPPER. The very best offer that was laid before the House is the proposal that we submit for the consideration of Parliament, and the only one that emanated from any parties, who, upon full investigation, were found prepared to take up this work and carry it out upon the proposed terms, and that we believed could furnish the evidence necessary of their ability to do so. That is a plain statement of the case, and yet the hon. gentleman seemed to demand that, because men who were anxious to undertake this work entered into negotiations, without prejudice, which subsequently resulted in nothing, as they were finally not in a position to carry the negotiations to a conclusion, they should be placed before the people in the position of parties who, upon investigation, were found not to be possessed of all the means necessary to carry on this work. So far as relates to the business before the House, the leader of the late Government ought not to say—it is a little premature for him to say—that the Government proposes to force this House to a decision without an opportunity being given the House to make a full investigation.

Mr. MACKENZIE. The First Minister said so.

Sir CHARLES TUPPER. Not at all. All that the First Minister said will commend itself to the judgment of every fair-minded man. All that he said was that it was a matter that Parliament was called, at perhaps an inconvenient period for some gentlemen, to consider, because it was of great moment that no time should be lost in bringing this matter to a prompt conclusion; but no intimation has emanated from the First Minister, or anybody else, that this Parliament will not have all the time that, in its judgment, it desires to give this question the most exhaustive consideration. The contract is upon the Table of this House for acceptance by the House on its own merits or rejection. If, after full discussion, it is found to be in the interests of Canada, it will be accepted.

Mr. MACKENZIE. Will the hon. gentleman allow me to read from the *Hansard* what the First Minister said? I

asked if the hon. gentleman would now tell us whether it is his deliberate purpose to give this House but ten days in which to agree to a measure, upon pain of being punished by not having a holiday. The right hon. gentleman replied, that, with the assistance of the majority of this House, such was the intention of the Government.

Sir CHARLES TUPPER. I say so, too; but I ask the hon. gentleman if that will bear, for one moment, the forced construction that he put upon it. The First Minister did not say that this measure would not take a month to discuss, but that of course a long adjournment would be inconsistent with the policy that had induced the Government to summon Parliament at this early date.

Mr. MACKENZIE. I read his words.

Sir CHARLES TUPPER But you did not read a word that intimated that any person was to be forced for want of time—

Mr. MACKENZIE. Ten days.

Sir CHARLES TUPPER. The question was, if this matter was not concluded within that period, would there be a long adjournment and a long period of time lost before the subject would be again considered, and the right hon. gentleman said frankly to the House, if we are not able to conclude this matter before the Christmas holidays, there will be but a short adjournment, for the obvious reason that it is in the interest of the country this question should be dealt with promptly. In calling Parliament together at this period, there is no intention of depriving the House of the fullest opportunity of examining this question in all its details. I believe the more it is discussed the more hon. gentlemen opposite themselves, will find, if they have any regard for their own past pledges, they will be compelled to support it. That is the difficulty these hon. gentlemen will meet. So far from there being any desire not to have the fullest and frankest discussion, I trust this great measure, in all its details, will continue to be the subject of exhaustive discussion, and the more it is discussed, the more the Government will gain in the general opinion of the House and country. The measure is here. It is the only measure we are in a position to lay before the House, and say there is a proposal to construct the Canadian Pacific Railway emanating from parties who afford a satisfactory guarantee of their ability to carry out the contract. I believe it would be acting most unfairly to gentlemen who have been zealously engaged in endeavoring to make arrangements by which they could grapple with the great work, and whose negotiations were fruitless, to have their names bandied about here and discussed one way or the other. I have no objection to the motion of the hon. member for Lambton being placed in your hands, because it is a motion on which every hon. gentleman in this House who wishes to see public business conducted upon those fair principles that will enable Governments to discuss matters with gentlemen without making the gentlemen interested in the question under debate the victims, subsequently, of that discussion, will wish to record his opinion. I trust the motion will be met, as such a motion requires to be met. We have laid everything upon the Table necessary to place every detail connected with this question in the possession of the House, and are prepared for its fullest discussion.

Mr. MACKENZIE. Will you vote for it?

Sir JOHN A. MACDONALD. The hon. member for Lambton quoted what I said. I think that he did not read the full reply. I said: "Emigrants will be here in May, and it is of very great importance, if Parliament is going to adopt the arrangement, that it should do so with all convenient speed. We consider it of so much importance that we shall ask the House to take it into early and earnest consideration; and to remain here with as short a Christmas interval as possible until it is passed."

Mr. BLAKE. I shall not complicate this discussion by questioning the policy of the Government as to the time at which they propose to commence, and the diligence with which they propose to prosecute the discussion of the great question they are about to submit for our consideration. All we are at present engaged in considering is, what is the nature of the materials essential to a just consideration of the subject. The proposition advanced by the Government is wholly unprecedented. It would render the conduct of public business by Ministers of a free country, more like the conduct of public business by a despot in a despotic country than anything else. It is not the magnitude of the contract that makes any difference in the attitude of a contractor towards the public; it is not the importance of the transaction that entitles those who propose to enter into it to any different consideration from ordinary contractors. There is no different motive that animates men who come forward and make tenders for one public work, as compared with those who tender for another public work, that would entitle them to have their proposals received in confidence, as the Minister implied, though he did not dare say so in express terms, they were—because to receive such proposals in confidence would be a gross breach of duty. He said they were received without prejudice. He borrowed a legal phrase wholly without application to this occasion. A man makes an offer; he knows when he makes that offer that he submits it to the possibility of acceptance or rejection; he knows, also, that if he fails to meet his offer to the Government, his offer will be disclosed. What is this we hear of?—humiliation! Every day men are tendering for public works and are awarded contracts on condition of being able to carry them out. One condition is that they give security; every day they fail to give security. Sometimes a a supporter of hon. gentlemen opposite buys off the security of a contractor, and the next contractor gets the work; but I do not hear that the contractors who fail are entitled to have their names withheld, or that they are not to be exposed to the humiliation of its being known that they have failed to carry out their propositions. Public business could not safely go on if Ministers were to be permitted to arrogate this power to themselves—of deciding that they would conceal from the House and the country offers made to them of one description, and bring down only one offer. The hon. gentleman was out of order when he undertook to characterise papers which he refused to bring down. At the same time, he tells us that the offers he refuses to bring down were not rejected, but that the men who made them found themselves unable to carry them out—that the difficulty arose, not from their offers being too favorable to themselves, but from their being unable to implement them, assuming, therefore, that if they had been implemented they would have been accepted by the Administration. In the debate upon my resolution last Session, the Minister of Railways gave us some details of the form of the road, but he stated that an offer was made for the construction of the road from Selkirk to Kamloops for $13,000 and 13,000 acres a mile.

Mr. CASEY. $10,000 a mile.

Sir CHARLES TUPPER. No, I think, if I remember right, it was thirteen millions of money and twenty-six millions of acres—

Mr. BLAKE. Well, Sir, this only shows how important it is that we should have the papers. The hon. Minister himself does not remember whether it was $13,000,000 and 26,000,000 acres.

Sir CHARLES TUPPER. Oh yes.

Mr. BLAKE. Well, he did not know a moment ago.

Sir CHARLES TUPPER. See what the *Hansard* says.

Mr. BLAKE. I don't care what the *Hansard* says. I am speaking of the hon. gentleman's memory. Why should

we not have more particulars of that offer? The hon. the First Minister, at a pic-nic on the 29th of June last, said this:

"He could say this, and the Minister of Finance, who was on the platform, could corroborate his statement, if necessary, that there were capitalists at this moment who, knowing that there was a certain fortune to be made out of the construction of the railway, were asking that the work be handed over to them. They had said, 'We will relieve you of all anxiety and the people of all apprehension of being taxed. We will take the railway in hand, build it, and make fortunes out of it.' The Government, at this moment, had the offers made under consideration, so that there was no danger regarding the road."

That the hon. gentleman stated before he went to England. Now, who were these gentlemen, to whom the hon. gentleman refers as friends of the Government who, in the interests of the Government, or with some patriotic motives, were exerting themselves to meet the views of the Government? He tells us they were capitalists who, wanting to make fortunes out of this enterprise, made these offers. Now, Sir, why should we not see the offers of these gentlemen? Are their names not to be disclosed to us? Are they to make offers to us secretly? The hon. gentleman says they were not made secretly. Why should we not hear and know all about them? Why should this transaction be shrouded in mystery and concealment if it was not done in secret? I am glad to hear that the hon. member for Lambton will divide the House on this motion, and I have only to say that I hope as many gentlemen opposite as possible will record their votes against it.

Mr. LANGEVIN. I am sorry that the hon. gentleman characterises the action of the Government in this case as despotic. There is no despotism: we have brought down every paper in connection with the contract that we could bring down. It frequently happens that the Government says it cannot, in the interest of the country, bring down all the papers in connection with a contract, and Parliament assents to the declaration of the Government. The hon. gentleman says it is not for the Government to be judges in this case, but Parliament. Well, the Government knowing what has occurred in the negotiations, states positively that the papers now before the House are really the only papers that can be put before the House—that it has no better offer than this—that offers, informal offers if you like, were made and withdrawn, and the Government sent three of its members to England to enter into negotiations there. If two or three capitalists come to the Government and say, we are disposed to build this road for so much money and so much land, the Government is not to take that as an offer; but we say, here is a tender that the capitalists have made and are able to carry out, and we have made it a contract. The leader of the Opposition says this is not more than an ordinary case of a public work; when we make a contract, all the tenders are laid before Parliament if they are called for; and he asks, why should it not be the same in this case? If a man tenders, why should he be afraid that his tender should be known? Surely the hon. gentleman does not consider that this great work, perhaps the greatest that has ever come before Parliament, should be put on the level of a tender for a lighthouse or a wharf. It is a work of very great magnitude—of such magnitude that hon. gentlemen opposite, that Parliament, that the Government, thought we should not undertake it ourselves, but place it in the hands of a company composed of capitalists backed by the largest amount of money we could find; and yet the hon. gentleman must know that, with all their money, these gentlemen have hesitated to undertake such a work. He knows full well that capitalists cannot make tenders of that kind without consulting with others, and negotiating with the great moneyed institutions, and that if these negotiations had been with the Government, it is no reason why they should be laid before Parliament. Why? Negotiations proceed in cases of this kind *viva voce*, and are not reduced to writing like other negotiations. I hope the hon. member for Lambton will not succeed in his motion. If he persists in dividing the House I have no doubt that the majority will consider it one that should not be supported.

Mr. MILLS. The hon. gentleman (Mr. Langevin) says this is a very great work, and is not to be put on a level with ordinary contracts given out by the department; that while it is proper that all tenders for ordinary public works should be made to the House, those for a work of infinitely greater magnitude should not be made public; that the House should be kept in ignorance with regard to them. The hon. gentleman seems to think there are different grades of people, that those who are very wealthy and capable of tendering for so important a work as the present possess much finer feelings than the tenderers for ordinary public works, and are to be dealt with in a different way; and that while it is right and proper that tenders made to the Public Works Department for ordinary railway contracts should be brought down, whether the parties failed because their tenders were too high, or because they could not give the necessary security, the other kind should not be submitted to the House. In the case of the most important works, whether the parties fail for one reason or another, the people's representatives in Parliament are to be kept ignorant of the character of the propositions made to the Government. We find those hon. gentlemen who are supposed to be responsible to this House, and whose conduct, if the House properly discharges its duty, must be examined into and judged by it, are to be, themselves, the judges of their own conduct in this particular matter. It is argued that the House has nothing whatever to do but accept the conclusions they have come to with reference to their own transactions. I do not think hon. gentlemen on this side of the House will be disposed to agree to any such proposition, and I do not think that the country, in so far as it has supported hon. gentlemen opposite, will be disposed to support them in upholding the Administration at this particular time in this important public matter. One hon. gentleman on the Treasury benches tells us there is no proposition except this one. Another tells us other propositions have been made by parties who failed because unable to give the necessary security, and that the present tender is the best. This is a very extraordinary statement—that this is better than another proposition not formally made and better than propositions in respect to which the parties were not able to give the necessary security. That this contract concerns the expenditure of public money, and, with regard to the application of the public resources to any public purpose, whether land or money, it is the peculiar function of this House to carefully supervise administrative acts. This Parliament, or House, would be derelict in its duty to the country if it did not insist upon the Administration laying all the correspondence on the Table, and allow members to judge for themselves whether this is the best proposition made. I cannot well conceive how a worse proposition, or a more atrocious proposition, could have been submitted to any Administration. I cannot conceive how gentlemen of very fine feeling could come to the people's representatives, or the Administration, and say: these are the terms upon which we are ready to go on with the construction of such an important public work. I am not disposed to place the most implicit confidence in the statements of hon. gentlemen opposite. I do not know with what care they have made their calculations, or how very different they may have been from those actually laid on the Table; and until I have an opportunity to judge for myself, I can form no decided opinion with regard to the matter.

Mr. KIRKPATRICK. It seems to me that hon. gentlemen opposite have got themselves into a white rage at a very early period of the Session, and upon a very small matter; and it is only to be expected, when we understand, as has been said by the hon. gentleman who has just taken his seat, that the reason why they are pressing this matter

to a division is that they have no confidence in the statements of the right hon. leader of the House. That is just the whole truth of the matter. If they had the confidence in him that I believe the country possesses, they would not press this motion to a division, or ask for papers. The leader of the Opposition draws a comparison between the tenders for this railroad, and those for any other public work. There is one great difference however. When an advertisement is inserted in Dominion newspapers, calling for tenders for a public work, tenders are submitted in answer to it, and then we can all understand they are public property. But in this case no advertisement was put in. Strangers came here from Europe and the United States—not our own citizens—and said: We will offer to do this work.

Mr. BLAKE. Do you know that?

Mr. KIRKPATRICK. No more than I am told by the leader of the House. Strangers came here and made an offer, and when a counter-proposition was made, they said, we will make this offer, and if not accepted, will withdraw it. I think it would not be fair to these gentlemen to bring down their propositions unless they had been told at the time such would be done, or unless their offer was in answer to an advertisement calling for tenders for such a great public work. I am quite satisfied with the statement that it would be a breach of confidence if those papers were brought down, and am quite prepared to vote confidence in it.

Mr. LAURIER. It is the basis of all free government that the acts of the Administration should be judged by the representatives of the people. In this case the same rule, it must be conceded, should apply. It is a well known principle that the people have a right to judge, not only of the honesty of those entrusted with the management of their affairs, but even of their judgment in action. The people have a right to say they have erred in judgment. How are we to deal with or decide this question, or whether the Government have accepted the best offer? It is impossible for the country to say, we have only the word of the Government. I am quite disposed to take the word of the Government as an individual, but not as a member of the House. As representatives of the people, I think every one of us has a right to say the acts of the Government should be done in broad daylight, so that every elector may have an opportunity of judging whether or not the Government and every individual member was right not only in motive but in judgment. This is the reason of the motion, and I think it will be the duty of every member to affirm its principle, that nothing should be concealed from the representatives of the people.

House divided. Motion negatived. Yeas, 52; nays, 112.

YEAS:

Messieurs

Anglin,	Geoffrion,	Mills,
Bain,	Gillies,	Olivier,
Blake,	Gillmor,	Paterson (Brant),
Borden,	Glen,	Pickard,
Bourassa,	Gunn,	Rinfret,
Burpee (St. John),	Haddow,	Robertson (Shelburne),
Burpee (Sunbury),	Holton,	Rogers,
Cameron (Huron),	Huntington,	Ross (Middlesex),
Cartwright,	Killam,	Rymal,
Casey,	King,	Skinner,
Casgrain,	LaRue,	Smith,
Charlton,	Laurier,	Snowball,
Cockburn (Muskoka),	Macdonell (Lanark),	Thompson (Haldimand),
Coupal,	Mackenzie,	Trow,
Dumont,	McDougall,	Weldon,
Fiset,	McIsaac,	Wheler,
Fleming,	Malouin,	Wiser.—52.
Flynn,		

NAYS:

Messieurs

Bannerman,	Girouard (Kent),	Montplaisir,
Beaty,	Grandbois,	Mousseau,
Beauchesne,	Hay,	Muttart,
Benoit,	Hesson,	Orton,
Bergeron,	Hooper,	Patterson (Essex),
Bill,	Houde,	Perrault,
Bolduc,	Ives,	Pinsonneault,
Boultbee,	Jackson,	Platt,
Bowell,	Jones,	Plumb,
Brecken,	Kaulbach,	Pope (Compton),
Brooks,	Keeler,	Pope (Queens),
Bunting,	Kilvert,	Poupore,
Carling,	Kirkpatrick,	Richey,
Caron,	Kranz,	Rochester,
Cimon,	Landry,	Ross (Dundas),
Colby,	Lane,	Rouleau,
Connell,	Langevin,	Routhier,
Costigan,	Lantier,	Royal,
Coughlin,	Little,	Ryan (Montreal),
Coursol,	Longley,	Rykert,
Cuthbert,	Macdonald (Sir John),	Shaw,
Daly,	McDonald (CapeBreton),	Sproule,
Daoust,	McDonald (Pictou),	Strange,
Dawson,	McDonald (Victoria, N.S.),	Tasse,
DeCosmos,	Macmillan,	Tellier,
Desaulniers,	McCallum,	Tilley,
Desjardins,	McCuaig,	Tupper,
Domville,	McGreevy,	Vallee,
Doull,	McKay,	Vanasse,
Drew,	McLennan,	Wade,
Dugas,	McLeod,	Wallace (Norfolk),
Elliott,	McQuade,	Wallace (York),
Farrow,	McRory,	White (Cardwell),
Fitzsimmons,	Manson,	White (Hastings),
Fortin,	Massue,	White (Renfrew),
Fulton,	Merner,	Williams,
Gault,	Methot,	Wright.—112.
Gigault,	Mongenais,	

Mr. MACKENZIE. I have to call your attention, Mr. Speaker, to a point of order, and to ask your ruling. Attention was called to the hon. the Minister of Railways quoting documents not before the House. He persisted, however, in referring to those documents, and by that reference he was able to inform the House, from his personal knowledge, that the best offer received by the Government, for constructing the Pacific Railway, was before the House. Now, according to the Rules of Debate in our own House, no Minister of the Crown is at liberty to read or quote from any despatch or other State paper not before the House, unless he is prepared to lay it on the Table. The hon. gentleman has made that reference, and he has succeeded, by it, in persuading a large number of the members of this House to vote against the motion that I submitted, for I cannot conceive it possible that, without some belief of that kind being instilled into their minds by the confidence they have in the hon. gentleman, such a vote could possibly have been obtained.

An HON. MEMBER. Order.

Mr. MACKENZIE: I am in order; I am giving my reasons for making the motion. I am here as an aggrieved member of the House of Commons. I want your ruling, Mr. Speaker.

Mr. SPEAKER. It is too late to raise the point of order now, but as the hon. gentleman has asked for my ruling, it is this: According to *May*, a Minister of the Crown is not at liberty to read or quote from papers not before the House. I did not see that any hon. gentleman read or quoted from any document. Besides, I do not see any objection to a member referring in general terms to what is mentioned in the motion of the hon. member for Lambton, or characterising or qualifying some of his statements by referring generally to documents or papers asked for. I think the point of order is not well taken.

PROPOSED LINE TO SAULT STE. MARIE.

Mr. MACKENZIE, in moving for copies of all offers made to the Government for the construction of a line of railway from any part of the proposed Canada Pacific Railway line to Sault Ste. Marie, said: I have only to say that I have heard that some offers have been made, and I hope they are not made by parties who are in danger of failing, because, in

that case, according to what has passed, we are not to expect any information. I move this motion, hoping that the Minister will not choke off inquiry any further in relation to such matters.

Sir CHARLES TUPPER. I am sorry to find that so great a stickler for order as the leader of the late Government should, in making his motion, violate that point of order which declares that no reference shall be made to a previous debate.

Mr. MACKENZIE. I made no reference to a previous debate.

Sir CHARLES TUPPER. The hon. member referred to the debate that has just closed.

Mr. MACKENZIE. I made no reference to a previous debate. I said I hoped the parties were not likely to fail.

Sir CHARLES TUPPER. Did not the hon. member refer to choking off?

Mr. MACKENZIE. Certainly, that was by the division.

Sir CHARLES TUPPER. I may say, with reference to this, that I am not aware exactly of any offers having been made for the construction of the road to Sault Ste. Marie. There are applications in connection with that work for subsidies. I shall be very glad to bring any papers down that have reference to that project in any shape.

Mr. MACKENZIE. I wish to ask if the hon. gentleman will bring down a statement of the expenditure upon the Pacific Railway, before this debate upon the motion commences?

Sir CHARLES TUPPER. Yes.

Motion agreed to.

PACIFIC RAILWAY COMMISSION.

Mr. MILLS, in moving for an address to His Excellency the Governor General for a copy of the Royal Commission issued to Messrs. Clarke, Keefer and Miall, to enquire into certain public matters, together with any instructions reduced to writing, relating to the same; also the salaries allowed to the said Commissioners, the amount so far paid to each, and the cost of the Commission up to date, said: I observe, with regard to the Commission, statements made by the hon. the Minister of Railways, and by some of his colleagues, that seem to me at variance with our constitutional rights, and with the law of the land. I notice that those hon. gentlemen lay down propositions broadly that they are at liberty to enquire into any public matters, that they can appoint a Commission to enquire into the conduct of Ministers of the Crown, that they can enquire into the conduct of persons who have been Ministers of the Crown in their official relations, and that they can enquire into matters which have already attracted the attention of Parliament. Now, it seems to me that these practices are wholly at variance with the well known principles of parliamentary government. If the report which appeared in the newspapers is correct, the hon. the Minister of Railways informed the people at a public meeting that this Commission had been issued at his instance, that certain charges had been made against himself, and that the Commission was appointed for the purpose of enquiring into them. Well, it seems to me that when a Minister of the Crown advises His Excellency to issue his Commission for the purpose of enquiring into charges which have been made against such Minister, he is violating the first principles of law which forbid any man being a judge in his own case, or appointing a party by whom he is to be judged. That is what the hon. gentleman has done, and precisely the same objections can be raised against this Commission as were made from this side of the House some years ago to the appointment of a Commission to enquire into certain corrupt practices which were alleged to exist in connection with the granting of a former charter for the Pacific Railway. A copy of that Commission has appeared in the public press, and it refers to certain charges made against the hon. gentleman on the floor of the House as one of the grounds assigned for the issuing of the Commission. Now, I beg to call the attention of the House to a rule of parliamentary law of long standing, but which has as much force as it had at the time it was first declared in the House of Commons. In the remonstrance of the Commons to Charles I., 15th December, 1641, it was declared:

"That it is their ancient and undoubted right and privilege that Your Majesty ought not to take notice of any matter in agitation or debate in either of the Houses of Parliament, but by their information or agreement."

This resolution was carried against the interference with the privileges of the House of Commons by the King, who had taken cognizance of what was passing in the House. When he demanded what had been said by certain members the Speaker informed him that he could give him no information in regard to them, that he had no eyes for the purpose of seeing anything that transpired in the House except what the House brought especially under his notice. The doctrine laid down in this resolution is, I contend, that the Crown can possess no information with regard to any statement made in this House unless the matter is specially referred to the Crown. If any charge were made against the hon. gentleman or against any member of the Government or of this House, whether on this side or that, it is competent for this House to investigate that charge, but it is not competent for the other House or for the Crown to do so. I know that the terms in which the power of issuing commissions are referred to in the Act are very broad, but I submit they will not at all bear the construction which the Government have put upon them. The provisions of this Act are to be interpreted with reference to the law of the land, and the powers that are conferred are to be confined within those limits which it was the obvious intention of Parliament should not be overstepped by any inquiry made at the instance of the Government. It is perfectly clear that the Crown would have no power to issue a Commission to inquire into any criminal act; it is perfectly clear that the Crown will issue no commission to inquire into anything that properly comes before any legal tribunal of the country. If we are to construe this Act, broad as are its terms, so as to prevent the Government from issuing a commission to usurp those functions that belong to any court for the administration of jurisprudence, it is equally clear that we are so to construe the Act that the Government shall not trench upon the powers belonging to the High Court of Parliament. The words are these:

"Whenever the Governor in Council deems it expedient to call an inquiry to be made into and concerning any matter connected with the Government of Canada, or the conduct of any part of the public business thereof, and such enquiry is not regulated by any special law, the Governor may, by the Commission in the case, confer upon the Commissioners power to do, &c."

I contend this is a matter that is regulated by a special law of Parliament. It is the law of Parliament that any charge made against a Minister of the Crown in his capacity as such, should be investigated at the instance of the House of Commons, and not at the instance of any other body. Nothing could be more monstrous than when a charge is made against a Minister of the Crown to have the investigation conducted by a person appointed by the Minister himself. It is laid down in Herstlet's Precedents that the House of Commons, as the grand inquest of the nation, may examine into the conduct of any public official or officer on mere common fame. It is not necessary that any charge should be especially formulated. If any rumor has gone abroad affecting the public conduct of a Minister of the Crown, or of a Member of Parliament, it is competent for the House of Commons upon that to base an enquiry. To show that the rule in England is not the one upon which the hon. gentlemen opposite have acted, and that they have no right

whatever to exercise powers under the provisions of this Act relating to any matter which comes under the purview of Parliament, I need only refer to a few instances. Some years ago certain charges were made with reference to mail contracts entered into by the Postmaster General. A committee was appointed to enquire into the conduct of the Minister and of the parties who had made tenders for the contract, and on that occasion the Government declined to take any action in the appointment of the committee. Mr. Gladstone said, when the matter was first brought before Parliament, that the Government should take as little part as possible, and should be guided by the general feeling of the House in the matter, that whatever way the House proposed to conduct the enquiry the Government would assent to. At a later period Mr. Gladstone said: "He should have been glad if there had been such an indication of opinion on the part of the House as to have enabled the Government to judge what was the prevailing sense of the House, and if that had been expressed the Government would have been guided by it." Now, what was the rule laid down by Mr. Gladstone? It is obviously this: that when any charges are made affecting the conduct of a Minister, the Government will allow the House to appoint a committee to investigate the same, and if the House indicates the manner in which it desires that committee to be appointed, the Government will forward the wish of the House in the matter, but will take no part themselves in the constitution of a tribunal which is to enquire into their own conduct. Then we find that, at a former time, when Parliament had asked the Crown, and had, in fact, passed an Act requiring an investigation into the conduct of a certain constituency where corrupt practices existed, and when the Bill was first brought down, it was proposed to give the Crown power to appoint the Commissioners to make the enquiry. The Earl of Derby objected to that. He said in relation to the enquiry asked for into the conduct of the electors in the constituency, or of the candidate, that the Crown did not appoint the Commissioners by by whom the enquiry was to be made; and the Bill, as it was carried through Parliament provided that when a petition was submitted to Her Majesty, asking that a Commission should be appointed to enquire into the conduct of parties at an election of the House of Commons, they in their petition should name the parties whom they desired to be appointed as Commissioners. In the Lancaster election case in 1867, Mr. Darby Griffith complained that the Government had not asked for a Commission to enquire into the corrupt practices that prevailed in that constituency. But, in reply to him, Sir George Grey said, that it was open to any member of the House to present a petition with a view of having it presented to Her Majesty, asking for an investigation, and to have himself named the Commissioners if the House chose to consent. In 1869 there were two important cases bearing upon this point. In one instance (Norwich election case) the Attorney-General presented a petition to name Commissioners; and at a later period, in the Dublin election case, Mr. O'Reilly made a motion in favor of a petition to the Crown, in which he named the Commissioners whom the Crown were to appoint to investigate a particular election. The principle observed in that case is one that lies at the basis of our own political system—namely, that no one should be appointed to enquire into his own conduct, or the conduct of those to whom he stands directly opposed. My objection to the Commission under consideration is, first, that it was appointed by the gentlemen who were themselves interested in the enquiry, for the purpose, if possible, of blackening their opponents and vindicating themselves; and, further, it was a Commission to enquire into matters of which Parliament alone, as the grand inquest of the nation, could take cognizance, for they were matters of public policy in which the Crown had no right to interfere in any way. If the provisions of the Act are broad enough to interfere with the law of Parliament, they are broad enough to interfere with the ordinary administration of justice. They are no more limited against the administration of justice and the trial of parties for ordinary crimes than against the investigation of charges against a member of this House or a Minister of the Crown by a Commissioner appointed by that Minister himself. This whole question was raised in a very full and elaborate discussion which took place some years ago in reference to the Belfast riots. The Government issued a Commission to enquire into the origin of these riots, and the conduct of the police, with a view of ascertaining if the police were numerous enough to secure a due observance of the law and the preservation of the peace. The investigation was held with a view of further legislation and the rendering of the ordinary administration of the law more efficient than it had been up to that time. But in the course of the enquiry many matters were brought out incidentally which affected particular individuals, and it was held by some of the Judges that the publication of reports of the evidence and of the documents was not privileged, and that the parties who were injuriously affected by the publication would have redress against the Commissioners and parties who published the document. When Mr. O'Connell was a member of the Irish Bar, the House of Commons appointed a Commission to enquire into the corporations of Ireland, and in the course of the enquiry, certain charges were incidentally made against the Mayor of the City of Cork. The Commission asked a witness, if there was anything else he had to say, and the witness replied: "I have an instance of a £10 note slipping into the Mayor's pocket from off the Board room table of the House of Industry, and it never slipped out since." This was a statement made before a Commission. The Mayor was advised by eminent counsel to prosecute the party who gave the evidence for libel. The point was argued by Mr. O'Connell and Mr. Holmes, and it was insisted by counsel for the prosecutor that there was no power in the Crown to issue such a Commission, and that even an address of the House of Commons would not give it any validity. The case came by appeal to England, and the Lord Chief Justice of the day, in delivering judgment, said that it was contended that a right existed to report truly the proceedings of a court of justice; but that principle was not applicable in the present case, because this was a commission of enquiry and not a court of justice; it had not the characteristics of one, but was preparatory to some ulterior measure and for the purpose of enquiry merely. The evidence was entirely *ex parte*, and the proceedings bore less analogy to those of a court of justice than to those of a police magistrate or at a coroner's inquest. If, therefore, those proceedings were defamatory they might tend to prejudice the public mind and to defeat the ends of justice if the case were brought to trial. And Mr. Justice Burton said that it was impossible to say that those proceedings took place before a tribunal which had any analogy to a court of justice, for a court of justice had authority to hear and determine cases, whereas the tribunal in question could hear merely; the Commissioners were only to enquire into certain facts; they could not give an acquittal; they were empowered to hear evidence and that *ex parte*—not for the purpose of being communicated to the public, but of being returned to another place. He then said, that anything which might inflame the public mind when a man was likely to be tried, was a high crime and misdemeanour. There was another case—that of Mr. Balfe, in which the same principles were involved; and it was laid down by Lord Cairns, that it was an improper proceeding for the Crown to investigate any matter which properly belonged to Parliament, or could properly be referred to the ordinary tribunals of the country. Now, if the Commission in question is of such a character as it is represented to be, and if it was issued, as the hon. gentleman says, because certain

charges were made against himself, with a view of vindicating his character against those charges, then it is not within the powers conferred by statute, and is in contravention of the law of Parliament, and the elementary principles of law and justice. I ask that the information may be brought down at an early day, in order that a motion may be founded upon the subject and the views of Parliament taken upon it.

Sir CHARLES TUPPER. I merely rise for the purpose of asking the hon. gentleman to correct the statement he has just made; that is, that I stated that the Commission was issued for the purpose of defending myself against charges made against myself. I never made any such statement.

Sir JOHN A. MACDONALD. This is an old friend with a new face, and I am glad to see it again. It will answer, however, no good purpose to discuss the matter until the papers are brought down. They will be brought down at once. I do not remember the terms of the Commission. Every hon. member ought to have the Commission and the Act before him and see whether the Commission is in accordance with the Act, with the powers given by the Act or not. We will all have, when the papers are brought down, an opportunity of considering the able speech of my hon. friend from Bothwell on the subject.

Motion agreed to.

THE CONSOLIDATED FUND.

Sir RICHARD J. CARTWRIGHT moved for a return of receipts and expenditures, in detail, chargeable to the Consolidated Fund, from 1st July to 1st December, in the year 1879 and 1880 respectively.

Motion agreed to.

EXPORTS AND IMPORTS.

Sir RICHARD J. CARTWRIGHT moved for a return of exports and imports, in detail, from 1st July to 1st December, in the years 1879 and 1880 respectively; showing the countries whence and to which the same were respectively exported or imported.

Mr. BOWELL said it would be impossible to produce the return asked for until a very late period of the Session. He suggested that instead of 1st December, the final date be 31st December.

Sir RICHARD J. CARTWRIGHT accepted the suggestion, and the motion thus amended was agreed to.

CATTLE AND SHEEP EXPORT TRADE.

Mr. DOMVILLE, on rising to move for a Select Committee to enquire into the export trade of cattle and sheep from Canada to Europe, and how it can be further developed and fostered, said: Since putting this notice on the paper, I have learnt it would be more acceptable to have referred the matter to the Immigration and Colonization Committee. I did not think so in entering the motion, because I thought it was a subject that might be kept entirely clear of other questions, in order that information might be obtained in as practicable a shape as possible for the benefit of the cattle and sheep traders throughout the Dominion, especially in the Lower Provinces, where the feeling is, that if this subject were given some consideration we, being nearer the sea than other portions of the Dominion, and having less distances to drive our cattle and sheep in order to reach the sea-board than have the graziers in the far west, were in a superior position to do the trade, and only required some information and encouragement to make better use of our facilities. We need a line of steamers for the trade, and I thought by bringing up the subject before the House, the Government would, on acquiring the needed information, lend us some assistance in the development of the trade; but as I am told it would be far better the subject should go before the Committee of Immigration and Colonization, I beg to withdraw the motion.

Mr. ANGLIN. Before the hon. gentleman obtains leave to withdraw the motion I would suggest to him to consider whether it would not be better to bring the subject before the House in some other form. If the matter is referred to one of the large committees, the chances are we shall not have a report until the end of the Session, when it will be too late for the House to take any action. The hon. gentleman could tell the House how much the persons engaged in that trade in the Lower Provinces have suffered during the past season, through being obliged to transport their cattle to Quebec, where they are received on board the steamers. I trust the hon. gentleman will give the matter such consideration as will lead him to bring the subject before the House in another form. A resolution, asking the opinion of the House, asking the House to declare that it was but just and reasonable that the Government should render such assistance to the lower ports in this matter, as would enable them to establish lines of steamers for the purpose of carrying on this cattle trade, and other trades now awaiting development, would be, perhaps, the most feasible way of arriving at a satisfactory result. I only throw out the suggestion; I do not want to interfere in the matter.

Sir JOHN A. MACDONALD. It seems to me the hon. member for King's (Mr. Domville) has taken the right course. It would be better to get the evidence first before the Committee and then introduce resolutions founded upon the evidence. It is quite true that the final reports of Standing Committees are brought in late in the session, but the committees have power, in the meantime, to report from time to time, and I have no doubt this is a question in which the Committee will appoint a sub-committee to take up, and report upon, early in the Session. My hon. friends, the members for King's and Gloucester, could be put on the Standing Committee so as to form part of the sub-committee appointed to enquire into this question.

Motion withdrawn.

WRECKAGE IN CANADIAN WATERS.

Mr. ROSS (Middlesex), moved for all the evidence collected in regard to wreckage in Canadian waters, particularly on the shores of Lakes Erie, Ontario and Huron, and rivers St. Clair and Detroit; also, a statement of the money expended and to whom paid for collecting the same.

Mr. BOWELL. If the hon. member had stated what he expected to obtain by this motion, I should have been better able to inform him as to whether there was any information in the department. I am not aware of any information, or any statement of expenses incurred in connection with wreckage, other than what was laid before the House last Session.

Mr. ROSS (Middlesex). I understood that a gentleman was appointed for the purpose of travelling along the frontier, on the Canadian side, and collecting information as to the number of wrecks which have taken place within the last eight or nine years. It is of great importance that the inland navigation of the country, which forms a large part of our commerce, should be adequately protected, and it was with the view of learning what information had been collected, bearing on the prevention of wrecks, that I put my motion on the paper.

Mr. BOWELL. It is true that a gentleman was appointed to make enquiry as to the number of wrecks along the shores of Lake Erie and the head of Lake Ontario. His report was presented to the House, I think, last Session. The only information asked for in this motion which was not laid before the House, was a statement of the expense, which I will bring down.

Mr. PATTERSON (Essex), said the return might include any correspondence which had taken place between the authorities at Washington and the Dominion Government, on the subject of wreckage.

Sir JOHN A. MACDONALD suggested that such correspondence should be made the subject of a separate motion.

Motion agreed to.

PRINTING OF PARLIAMENT.

Mr. ROSS (Middlesex), moved for copies of all contracts or agreements made for the printing of Parliament during the recess, together with all correspondence and papers connected therewith.

Motion agreed to.

ACCIDENT ON THE LACHINE CANAL.

Mr. DESJARDINS, in moving for copies of all correspondence, protests or reports of engineers, in relation to the accident which has recently occurred in section No. 11 of the Lachine Canal, now under contract, said: Before moving this motion, I desire to offer a few remarks. The attention of the public has several times been called to the accidents that have occurred in the construction of the Lachine Canal. Last year I accompanied the hon. Minister of Railways and Canals on a visit to section 11, for the purpose of ascertaining what had caused a suspension of the work there, and the throwing out of employment of two or three hundred laborers in the midst of a severe winter. Recently another accident occurred in that section, having the effect again of stopping the operations of the contractors until next Spring. It is evident if these accidents occur very often, when the work is delivered up, the Government will have to pay heavy damages every year. The particular work in progress there at present is a long pier running from the opening of the canal about a mile up the stream. It is intended to build it water tight, so as to keep the water at the proper level in the basin, and is of the nature of construction called cofferdam. After the last accident, I went to examine that pier and found that, although yet under construction, it looked really in many parts like a ruin. The clay chamber, which had been intended originally to be four or five feet wide, had become in some places ten or twelve feet wide. The weight of clay had evidently canted the crib work towards the basin, so that the contractor had to prop it up with beams and other supports. It has been said, with reference to the works already completed on the Lachine Canal, that their actual want of repairs there was evidently some defect in the original plan. Last year we were called on to vote $10,000 to repair the dry walls which had been built along the banks of the canal, and it is estimated that not less than $100,000 more will be required to make the necessary changes, so as to give the works the proper solidity. I think the facts should be enquired into, with the view of ascertaining whether the fault rests upon the Chief Engineer in charge of the work or not. It is very well known that he has not been very happy in his inventions lately. We know he is putting up gates just now that will require all the strength of a man during twelve minutes to open, while the old ones require only one minute. Now we have that one pier that shows manifest defects. I do not know that the responsibility can be put on the shoulders of the contractors, who seem to have done all they could to properly complete these works. Therefore, I think an enquiry should be made, and my motion has that end.

Sir CHARLES TUPPER. I am very sorry that the hon. gentleman, in making his motion, to which, of course, there is no objection, the Government being ready to bring down all the papers that can throw any light on the subject, should have felt it his duty to animadvert with so much severity upon the standing and conduct of the Chief Engineer of Canals. I think I may say that if there is a public officer in the country who stands high, and deservedly high, in its estimation, it is this gentleman. It would require a much cooler statement than that just made by my hon. friend, at all events, to shake my confidence materially in that public officer, and lead me to the conclusion that the accidents that occurred are traceable to the neglect of duty of that officer and to his inability. Every person familiar with contracts knows that difficulties constantly arise in carrying them to completion, and that the contractor at any rate forms a strong opinion that he is not at fault. Of course, the responsibility and expense of those accidents falls on the contractor, who undertakes to do a certain amount of work for a certain sum. To be sure if it can be shown there has been anything defective in the plans or directions given to the contractor, the question will arise as to how it should be dealt with. I shall not hastily conclude that all the strictures made on that officer are entirely deserved until I am able to examine the case more closely.

Mr. MACKENZIE. I am very glad to hear the hon. gentleman opposite make such remarks with regard to Mr. Page, who, I think, is entitled to them. I am quite sure that in the matter of hydraulic engineering we have no man to compare with him in the Dominion. I would be exceedingly glad if the hon. gentleman (Sir Charles Tupper) would always act on his advice for, although he happens to be right in this case, as to the Lachine Canal, he was quite wrong as to the Carillon Canal last year.

Sir CHARLES TUPPER. I will be quite prepared to discuss that subject, exhaustively, with my hon. friend when the proper time comes.

Motion agreed to.

IMMIGRATION TO MANITOBA AND THE NORTH-WEST.

Mr. IVES, in moving for a statement of the number of immigrants who have gone into Manitoba and the North-West Territories for the year ending October 31st, 1880; the number of persons who have purchased lands; the number of persons who have taken homesteads and pre-emption rights; the number of acres sold, the total number of acres taken up and purchased; the total receipts for lands sold or taken up during that period, and the amount hereafter to be received, said: I have not had an opportunity of seeing the return brought down by the Minister of the Interior. I did not know, when I put the notice on the paper, that it was his intention to bring down such a return, nor did I know that a motion was made last Session by the member for Gloucester on the subject. I apprehend the return will not cover the period aimed at in the motion.

Mr. BLAKE. I observe the return just brought down does not specify the period over which it runs; I fancy it runs over more than one year—the return brought down in answer to the motion of the member for Gloucester (Mr. Anglin). I think it would be quite convenient if we had a uniform statement on this subject. I suppose the reason why the hon. gentleman mentions the 31st October is that it marks the limit of the departmental year, which ends on that day. I suppose that covers the period not covered by the preceding return. It does not state how long it runs. It would be very important if the usual digest form were given with a yearly return that would convey full information on this subject. I think a distinction between Manitoba and the rest of the North-West would also be useful. Suppose the facts were given showing those who emigrated to Manitoba and left it, and those who have gone thither and settled in that Province.

Sir JOHN A. MACDONALD. I did not look at the return laid on the Table, but I assume it was made in strict response to the motion. I think it would be well were that

statement, already prepared, supplemented in accordance with the motion of my hon. friend (Mr. Ives). I quite agree with the hon. member for West Durham that it would be well to have a statement showing year by year the amount of land sold, the money received, the amount of scrip, and the expense of surveys and so forth. I have already given orders for such a statement.

Mr. MACDOUGALL. I hope the hon. mover will permit a slight amendment in regard to his return. I do not see that it provides for showing the quantity of land that may be sold to any individual. It is said that some very large purchases have been made by individuals. I think a return showing the properties sold to individuals would be information useful to the House. The return now proposed does not provide for that information.

Motion agreed to.

HOMESTEADS AND PRE-EMPTION RIGHTS IN THE NORTH-WEST.

Mr. IVES moved for a statement of the total number of acres of land sold and taken up as homesteads and pre-emption rights from the acquisition of the North-West up to the 31st October last; the total amount received in money therefrom, and the amount which should thereafter be received.

Sir JOHN A. MACDONALD. I would suggest that it be amended so that the returns shall be made year by year.

Mr. IVES. With the permission of the House I will amend it so that the return may be an annual one, distinguishing one year from another.

Mr. ANGLIN. The returns brought down this afternoon contain all the information the hon. gentleman asks for up to the 31st December last. I have some recollection that towards the close of the last Session the right hon. leader of the Government stated in the House that some such report as this would be laid upon the Table annually, and that some regulations to that effect were brought down and adopted by the House.

Sir JOHN A. MACDONALD. I think the conversation arose from an enquiry made by the hon. member for Centre Huron (Sir Richard J. Cartwright) as to the advisability to bring down the account from the beginning, and some time ago I gave orders that the report should be prepared.

Mr. BLAKE. It was in connection with the proposition that we ought to know the expenditure year by year in connection with the surveys and administration of these lands, and also the returns, because it was said that inasmuch as you are taking as capital account $300,000 for surveys, it is important to see year by year that it is repaid.

Sir RICHARD J. CARTWRIGHT. The matter was brought up upon a motion of mine to make certain returns standing orders. That, upon consideration, was withdrawn. The First Minister said it was too grave a matter to be adopted off hand. I think what the hon. member for Gloucester (Mr. Anglin) referred to arose later in the Session in connection with the discussion on the Estimates, and more particularly with the appropriation of $300,000 for service which was to be charged to capital account instead of, as heretofore, to ordinary income.

Mr. MILLS. It seems to me this information ought to be given every year in the annual return of the department. We have in the Trade and Navigation Returns statements with regard to the condition of trade, and all the information required in that particular branch; but with regard to the Crown Lands sold, the amount of money received during the year, and the like of that information, might be given by the Minister of the Interior in that part of his report relating to the management of the Dominion Lands.

Motion, as amended, agreed to.

Sir JOHN A. MACDONALD.

SELECT STANDING COMMITTEES.

Sir JOHN A. MACDONALD moved that a Special Committee of seven members be appointed to prepare and and report, with all convenient speed, lists of members, to compose the Select Standing Committees, ordered by the House on Thursday, the 9th instant, and that Sir John A. Macdonald, Sir Leonard Tilley, Sir Charles Tupper, Messrs. Langevin, Mackenzie, Blake and Laurier do compose the said Committee.

Motion agreed to.

THE PACIFIC RAILWAY RESOLUTIONS.

Sir CHARLES TUPPER moved that the House do go into Committee of the Whole, on Tuesday next, to consider the following resolutions:—

1st. That it is expedient to grant and appropriate twenty-five millions of dollars according to the terms of the contract relating to the Canadian Pacific Railway transmitted to this House by His Excellency the Governor General, by his Message dated December 10th.

2nd. That it is expedient to grant and appropriate twenty-five millions of acres of land in the North West Territories according to the terms of the said contract so transmitted as aforesaid.

Mr. BLAKE. I had really hoped that the Government would make a different response to the appeal which was made at the earliest moment it could be made, not to proceed with the discussion of this enormous question until due time had been given for consideration by the House and the country. I think that all the arguments which, in ignorance of the precise details of the contract, were advanced in favor of that view, as to any contract which could raise questions of such practical novelty and magnitude as this, are increased in importance by the contract which has been brought down. I am not about to discuss the contract, but I think it is fair to make the observation that there are in it provisions of various kinds which were certainly not contemplated by members of this House, or by the public. I think it is fair to say that such lights as we have had upon the subject have been misleading lights, and that the public has—I do not mean by the Ministers, but by those who assume to speak with some degree of authority as being the organs of the Ministers—these organs have been not merely not well informed, but absolutely misinformed. The importance and the gravity of this question, as the hon. member for Lambton (Mr. Mackenzie) observed at an earlier period of the day, transcends that of any question which could be submitted to Parliament. It is of the very greatest magnitude, and the decision of it will materially affect our interests financially. It will affect the interests of the North-West vitally for twenty years to come, at least, and perhaps for ever. The country has had no opportunity of being aware of the proposals of Ministers. The House had no opportunity of being aware of those proposals until late on Friday night, and it is proposed to commence the discussion of them on Tuesday, with the avowed object of, if possible, proceeding *de die in diem*, and of bringing the subject to a conclusion before Christmas. The hon. leader of the Government stated that there was no intention to force a decision before Christmas, but the intention is to force it with the utmost expedition, and if it may be, before Christmas. Now, I say the discussion ought not to be commenced before Christmas. I say time is required for consideration by members and the country, with a view to the formation of a just and proper opinion outside as well as inside of this House, before we can be called upon to decide. The subject is of such importance, the question is so unusual, so unprecedented, and the results will be so grave, that I think it my duty to mark, in the most signal manner, the opinion that there ought to be an interval for reflection, consideration, and the formation of opinion outside as well as inside of this House before we are called upon to deliberate and decide. With that view, without protracting the dis-

cussion at this hour of the afternoon, I move in amendment to leave out the words "the House do resolve itself into a Committee of the Whole on Tuesday next" and to substitute the following:—

"In view of the magnitude and gravity of the questions presented, and in order to give time for consideration by the House and country, the House do resolve itself into a Committee of the Whole on Wednesday the fifth day of January next."

Sir JOHN A. MACDONALD. The objection to this resolution, in my opinion, is that it is altogether premature. Granting the premises of the hon. gentleman, granting the great gravity of the question, granting the immensity of the interests involved—all these being granted, there is still greater reason that the discussion should go on at once. The contract is before the House and the country. It has reached from one end of the Dominion to the other. The people of British Columbia know every word of the contract and the schedule just as well as we do; and what the whole country wants and is waiting for, and will insist on having, is to obtain as soon as possible the reasons for and against the contract, for and against the measure which the Government has thought proper to bring down. After it has been fully discussed, after the Government has been heard as to their policy, after the objections which may be taken by any hon. member have been fully laid before the House and the country—if then it be the will and voice of Parliament that delay shall be granted and an extension of time shall be granted, we are, of course, the servants of Parliament, and must yield; but we desire and claim, as a matter of right, as a Ministry, taking the responsibility of submitting this large measure, to lay, as soon as possible, before the House, the reasons for our action.

After a division had been called,

Sir JOHN A. MACDONALD rose and said: I omitted to state—I do not know it is necessary, because it is conveyed to us by a Message—but I wish to say that these resolutions have been submitted to His Excellency, and I have received his sanction to submit them to Parliament.

House divided. Amendment negatived. Yeas 51, nays 104.

YEAS:

Messieurs

Anglin,	Geoffrion,	Mills,
Bain,	Gillies,	Olivier,
Blake,	Gillmor,	Paterson (Brant),
Borden,	Glen,	Pickard,
Bourassa,	Gunn,	Rinfret,
Burpee (St. John),	Haddow,	Robertson (Shelburne),
Burpee (Sunbury),	Holton,	Rogers,
Cameron (Huron),	Huntington,	Ross (Middlesex),
Cartwright,	Killam,	Rymal,
Casey,	King,	Skinner,
Casgrain,	LaRue,	Smith,
Charlton,	Laurier,	Snowball,
Cockburn (Muskoka),	Macdonell (Lanark),	Thompson (Haldimand),
Dumont,	Mackenzie,	Trow,
Fiset,	McCallum,	Weldon,
Fleming,	McIsaac,	Wheler,
Flynn,	Malouin,	Wiser.—51.

NAYS:

Messieurs

Beaty,	Grandbois,	Mousseau,
Beauchesne,	Hay,	Muttart,
Benoit,	Hesson,	Orton,
Bergeron,	Hooper,	Patterson (Essex),
Bill,	Houde,	Perrault,
Bolduc,	Ives,	Pinsonneault,
Boultbee,	Jones,	Platt,
Bowell,	Kaulbach,	Plumb,
Breckea,	Keeler,	Pope (Compton),
Brooks,	Kirkpatrick,	Pope (Queens),
Bunting,	Kranz,	Richey,
Cameron (Victoria),	Landry,	Rochester,
Caron,	Lane,	Ross (Dundas),
Cimon,	Langevin,	Rouleau,
Colby,	Lantier,	Routhier,
Connell,	Little,	Royal,
Costigan,	Longley,	Ryan (Montreal),
Coughlin,	Macdonald (Sir John),	Sproule,
Coursol,	McDonald (Cape Breton)	Stephenson,
Cuthbert,	McDonald (Pictou),	Strange,
Daly,	McDonald (Victoria, N.S.	Tasse,
Daoust,	Macmillan,	Tellier,
Dawson,	McCuaig,	Tilley,
Desaulniers,	McDougall,	Tupper,
Desjardins,	McKay,	Vallee,
Domville,	McLennan,	Vanasse,
Drew,	McLeod,	Wade,
Elliott,	McQuade,	Wallace (Norfolk),
Farrow,	McRory,	Wallace (York),
Fitzsimmons,	Manson,	White (Cardwell),
Fortin,	Massue,	White (Hastings),
Fulton,	Merner,	White (Renfrew),
Gault,	Methot,	Williams,
Gigault,	Mongenais,	Wright.—104.
Girouard (Kent),	Montplaisir,	

House adjourned at 6.20 p.m.

HOUSE OF COMMONS,

TUESDAY, 14th December, 1880.

The SPEAKER took the Chair at Three o'clock.

PRAYERS.

COMMITTEES APPOINTED.

Sir JOHN A. MACDONALD reported lists of Members to compose the Select Standing Committees of the House, from the Special Committee appointed to prepare said lists.

Ordered, That the said Report be concurred in.

The following Committees were also appointed:—

Select Committee to assist Mr. Speaker in the direction of the Library of Parliament, so far as the interests of this House are concerned, and to act as members of a Joint Committee of both Houses on the Library.

Ordered, That a Message be sent to the Senate requesting that their Honors will unite with this House in the formation of a Joint Committee of both Houses, on the subject of the Printing of Parliament; and that the members of the Select Standing Committee on Printing will act as members of the said Joint Committee on Printing.

MESSAGE FROM HIS EXCELLENCY.

Sir JOHN A. MACDONALD presented a Message from His Excellency.

Mr. SPEAKER read the Message as follows:—

Lorne.

The Governor General transmits to the House of Commons, in accordance with the Act 34 Victoria, Chapter 6, Section 10, three approved Minutes of Council, relating to the administration of Savings Banks, and to the computation of the rates of Interest allowed on Deposits in such Banks, etc., etc.

GOVERNMENT HOUSE,
OTTAWA, December 14th, 1880.

Sir RICHARD J. CARTWRIGHT enquired whether it had been usual to bring down a message on the subject of Savings Banks, as he did not remember any such course having been previously adopted.

Sir LEONARD TILLEY said a Message had not been brought down before, the fact that the Savings Bank Act required it having been overlooked by his predecessors in office, and by himself for the past two sessions.

Mr. MACKENZIE asked if the Act required that a Message should be brought down.

Sir LEONARD TILLEY said he thought it did; and the Government thought it desirable that that course should be followed.

REPORTS AND PAPERS.

Mr. SPEAKER presented a statement of the Receipts and Disbursements of the House of Commons.

Sir LEONARD TILLEY laid on the Table the annual Report of the Auditor General.

Sir CHARLES TUPPER laid on the Table a return showing the expenditure on the Canadian Pacific Railway down to 30th November, 1880; also an estimate of the Chief Engineer of that railway of the amount which will be required to complete all the works that under the proposed arrangement are handed over to the Syndicate.

CANADIAN PACIFIC RAILWAY.

On the Orders of the Day being called.

Sir CHARLES TUPPER rose and said: I move, Mr. Speaker, that you do now leave the Chair, and that the House do now resolve itself into a Committee of the Whole for the purpose of considering the resolutions on the Orders for to-day. I think, on the present occasion, it will be more convenient to take the discussion in Committee, where there will be the fullest opportunity for a free interchange of opinions and explanations from time to time as the question may seem to demand.

Mr. BLAKE. Does the hon. gentleman propose, by the House going into Committee, to make a full statement of the question?

Sir CHARLES TUPPER. Yes.

Mr. BLAKE. As a rule, I have supposed that it was generally deemed more convenient that there should be a general statement of a question with you, Mr. Speaker, in the Chair, and that we should so reach a conclusion upon the question as to whether we should go into Committee. It does seem to me that this is an occasion, of all others, upon which the usual practice should not be departed from. This is a case of the utmost gravity, and I think the explanations should be made with the Speaker in the Chair.

Sir JOHN A. MACDONALD. I think the principle is the other way. Great measures like this can only originate by resolution, and it is obvious the resolution must be discussed in the proper place. My hon. friend's motion is this, that the House do now resolve itself into a Committee of the Whole to consider the propriety of these resolutions. As for the practice, it is simply a matter of convenience, and my hon. friend thinks it is more convenient to discuss it in Committee. I think in a measure containing so many details this course is much more convenient, and it must be obvious to the minds of everybody that the discussion should be in Committee, where every question can be discussed in detail, rather than by a series of formal speeches with the Speaker in the Chair, to be renewed over and over again in Committee of the Whole.

Motion agreed to.

House resolved itself into Committee of the Whole.

Sir CHARLES TUPPER. Mr. Chairman, it affords me very much pleasure to rise for the purpose of submitting a motion to this House in relation to the most important question that has ever engaged the attention of this Parliament—a motion which submits for the approval of this House the means by which the great national work, the Canadian Pacific Railway, shall be completed and operated hereafter, in a way that has more than once obtained the approval of this House, and the sanction of the people of this country, and upon terms more favorable than any that have ever previously been offered to the House. I shall be obliged, Mr. Chairman, to ask the indulgence of the House while at some considerable length I place before it the the grounds upon which I affirm that this resolution embodies the policy of the Parliament of Canada as expressed on more than one occasion, and that these resolutions present terms for the consideration of this Parliament, for the completion of this work, more favorable than any previously submitted; and, Sir, I have the less hesitation in asking the indulgence of the House, because I ask it mainly for the purpose of repeating to the House statements made by gentlemen of much greater ability than myself, and occupying positions in this House and country second to no other. But for what took place here yesterday I would have felt warranted in expressing the opinion that the resolutions, grave and important as they are, would receive the unanimous consent of this Parliament.

Mr. BLAKE. Hear, hear.

Sir CHARLES TUPPER. I would, I say, have been warranted in arriving at that conclusion—but for the very significant indications that were made from the other side of the House—because these resolutions only ask hon. gentlemen on both sides of the House to affirm a proposition to which they have again and again, as public men, committed themselves. I need not remind the House that when my right hon. friend, the leader of the Government, occupied in 1871 the same position which he now occupies, the policy of constructing a great line of Canadian Pacific Railway that would connect the two great oceans which form the eastern and western boundaries of the Dominion of Canada, received the approval of this House. Not only did the policy of accomplishing that great work receive the endorsation of a large majority in the Parliament of the country, but in specific terms, the means by which that work should be accomplished were embodied in the form of a resolution and submitted for the consideration of Parliament. It was moved by the late lamented Sir George Cartier,

> "That the railway referred to in the Address of Her Majesty concerning the agreement made with British Columbia, and adopted by this House, on Saturday, 1st April next, should be constructed and worked by private enterprise, and not by the Dominion Government; and that the public aid to be given to secure the undertaking should consist of such liberal grants of land and such subsidy in money, or other aid, not unduly pressing on the industry and resources of the Dominion, as the Parliament of Canada shall hereafter determine."

Mr. BLAKE. That was the resolution first brought down.

Sir CHARLES TUPPER. That was the first resolution, and it was amended to state more strongly that the work should not involve an increase in the existing rate of taxation. I was under the impression that the resolution I had in my hand was the original motion as carried. The hon. gentleman will agree with me that it embodies the mode upon which the road should be constructed. Now, Sir, although hon. gentlemen in this House, although the two great parties represented in this House may entertain differences of opinion as to the construction of the Railway, and the means that may be adequate to its accomplishment, the House was unanimous in that; because the hon. gentlemen then representing the Opposition in this House supported a resolution introduced as an amendment to ours, by the present Chief Justice Dorion, declaring that the road should be constructed in no other way, adding to the resolution the words "and not otherwise," the object of which was to make it impossible for any Government to secure the construction of the road in any other mode than through the agency of a private company aided by a grant of lands and money. And while the resolution moved by Sir George Cartier, declaring that the work should be constructed in that way, received the support of every gentleman on this side of the House, the still stronger affirmation moved by Mr. Dorion, that the work should not be done in any other way, received, I believe, the support of every gentleman on the other side of the House. Therefore, I think, I may say that the policy of Parliament—not the policy of any one party—was distinctly approved in the resolutions placed upon the Journals in 1871. Well, Sir, in 1872 it became necessary to state in distinct terms what aid the Government proposed, under the authority of that resolution, to offer for the construction of the Railway. The Journals of 1872 will show that Parliament, by a deliberate vote, and by a very

large majority, placed at the service of the Government $30,000,000 in money, and 50,000,000 acres of land, for the construction of the main line; and an additional amount of 20,000 acres of land per mile for Pembina Branch of 85 miles, and of 25,000 acres of land per mile for the Nepigon Branch of that line. Sir, I may remind the House that it was expected—as possibly may prove to be the case yet—that the line of the Canada Pacific Railway from Nipissing westward would run to the north of Lake Nepigon, and provision was therefore made for a branch, by a vote of twenty-five thousand acres of land per mile, for 120 miles, to secure connection between Lake Superior and the main line. Now, Sir, these terms became the subject of very considerable discussion in this House and out of it. And the Government having been sustained by a majority, placing at their disposal that amount of money and that amount of land to secure the construction of the Canadian Pacific Railway, and the term of Parliament having expired, Parliament was dissolved and the country appealed to, and after that question was placed before it a very sufficient working majority was returned to support the Government and confirm the policy which the House had adopted, both as to the mode in which the work was to be constructed and as to the public money and public lands which the Government were authorized to use for the purpose of securing the construction of this work. Well, Sir, under the authority of this House, in 1872, and under the authority of the people of this country, confirming what the House had done, the Government entered into a contract with a number of gentlemen, who subsequently selected Sir Hugh Allan as the President of the Company, for the purpose of constructing the Canadian Pacific Railway on the terms that I have now mentioned to the House, and that gentleman, with some of his associates—and I need not at this period remind the House that that Company embraced a number of the most able, leading and influential men in the country, financially and commercially—proceeded to England, at that time, at all events, the great money market of the world, I might almost say that it was then the only money market in the world, and exhausted every means in their power to obtain the support of financial men in such a way as to enable them to carry that contract to completion. If my recollection does not fail me, the hon. leader of the late Government, on more than one occasion, expressed the hope that it would be successful. He always expressed his strong conviction that the means were altogether inadequate to secure the object in view, but I think that, on more than one occasion, he expressed the patriotic hope that these gentlemen would succeed in obtaining the capital required upon those terms. But, Sir, they did not succeed, as every person knows. After having exhausted every effort in their power, they were obliged to return and surrender the charter under which they received authority to endeavor to obtain money for the construction of this great work. Well, Sir, a very unpleasant result followed. The then Government of this country met with a like defeat; and the means placed at their disposal for the construction of the great work which these gentlemen had in hand having proved inadequate, the Government also succumbed to the pressure from hon. gentlemen opposite. It is not a pleasant topic, and I will not dwell any longer upon it than is absolutely necessary to introduce the Administration which followed us, ably led by the hon. member for Lambton. Now, Sir, I have said, on more than one occasion, that in my judgment, inasmuch as the only authority which Parliament had given for the construction of the Canadian Pacific Railway required that it should be done by a private company, aided by a grant of land and money, and inasmuch as the resolution embodying that statement, as the hon. leader of the Opposition has correctly reminded me, also embodied the statement that it should not increase the existing rate of taxation, and inasmuch as the Finance Minister of the Government at once announced to Parliament the fact that there was a great impending deficiency between the revenue and expenditure, it therefore became apparent that no progress could be made except in contravention of both these propositions. I have said before, and I repeat now, that in my judgment the hon. leader of the then Government would have been warranted in stating that he was obliged to leave the question of the Canadian Pacific Railway in abeyance. The present hon. leader of the Opposition differed with me on that point, as occasionally we are compelled to differ on matters which are submitted for the consideration of this House, and I am free to confess that, although I do not hold so strongly as the present leader of the Opposition opinions as to the duty which devolved upon the hon. member for Lambton, as leader of the Government in 1874, the opinions he formed, the policy he adopted, and the statements he made in and out of this House, as to his position regarding the construction of the Canada Pacific Railway, were eminently patriotic, greatly to the credit of that hon. gentleman. But, Sir, he did commit himself in the most formal and authentic manner to the construction; notwithstanding the difficulties which had occurred, notwithstanding the apparently insuperable difficulties which presented themselves, the hon. gentleman went to his constituents—I will not say he went to his constituents—he appealed to all Canada, he appealed to the people of this country in the most formal manner in which it is possible for a First Minister to state his policy, and that was by a manifesto over his own signature. The House will, perhaps, allow me to draw attention to some very important statements contained in this manifesto. The hon. gentleman said:

"We must meet the difficulty imposed on Canada by the reckless arrangements of the late Government with reference to the Pacific Railway, under which they pledged the land and resources of this country to the commencement of that gigantic work in July, 1873, and to its completion by July, 1881."

The hon. gentleman will see that the term very reckless arrangements is limited by the hon. gentleman to the short time which we had allowed ourselves for the construction of the work, and not to the work itself. The hon. gentleman further said:

"That contract has already been broken; over a million of dollars has now been spent in surveys, and no particular line has yet been located. The bargain is, as we always said, incapable of literal fulfilment. We must make arrangements with British Columbia for such a relaxation of the terms as will give time for the completion of the surveys, and subsequent prosecution of the work, with such speed as the resources of the country will permit, and without largely increasing the burden of taxation upon the people."

Mr. MACKENZIE. Hear, hear.

Sir CHARLES TUPPER. Hear, hear. The hon. gentleman went on to say:

"They must, in the meantime, obtain some means of communication across the continent, and it would be their policy to unite enormous stretches of magnificent water communications with lines of railway to the Rocky Mountains, thus avoiding, for the present, the construction of 1,300 miles of railway, costing from sixty to eighty millions of dollars, and rendering the resources of the country available for the prosecution of these links, and they should endeavor to make these great works auxiliary to the promotion of immigration on an extensive scale, and to the settlement and development of those rich and fertile territories on which our hopes for the future of Canada are so largely fixed."

Now, Sir, I am sure that the House will excuse me for placing before them, in the strong and emphatic and eloquent terms of the leader of that Government, the opinion he entertained as to what was incumbent upon the Administration, and what was likely to be attained by pursuing that course. Then, Sir, the hon. gentleman, in a speech at Sarnia, followed up the policy here foreshadowed still more emphatically, still more strongly, than he had done in his manifesto. He said:

"You are aware that during the discussions on the Bill, I objected to the provisions as to the building of the railway within ten years. Nearly three years of that time had been then exhausted, and he being bound by a contract to finish it within seven years and three months. It was essential for the settlement for the purpose of opening up the districts where we have great riches undeveloped."

I presume that he was referring to the undoubted mineral districts of British Columbia.

"Without that communication, great development cannot take place. It will be the duty of the Administration, in the first place, to secure the opportunity for communication from Lake Superior to the Rocky Mountains, and, at the same time," and this speaks for itself, "and thence to the Pacific Ocean and the Western slope.

"If we wish to make these regions accessible, that is British Columbia and the North-West Territory, we must effect this communication."

I do not think it requires any argument to shew that the hon. gentleman proposed to construct a road in British Columbia and one on this side of the Prairie, and that there would be no difficulty in the construction of the communicating sections. He says:

"It will be necessary to complete our great national highway across the continent, and I think it will be the duty, as it will be the desire, of the Government to develop any plan by which these results can be accomplished."

Now, Sir, there are other means of obtaining the policy of an Administration besides the expressions of the leading members of that Administration, and one is the authentic declaration of the organ of the Administration. If my hon. friend, the leader of the Opposition, will not permit me to construe the language of the then leader of the Government, perhaps he will not object if I show here what construction the organ of that Government placed upon the words of their leader. I read, in an editorial in the Toronto *Globe* newspaper, that it had been asserted:

"That Mr. Mackenzie's Cabinet have abandoned the Canadian Pacific Railway. Nothing can be further from the truth. Mr. Mackenzie's speech at Sarnia intimated distinctly what was the course which he proposed to pursue, and subsequent statements have all explained and developed the ideas then suggested. There is no question as to whether the Pacific Railway is to be built or not. That question has been settled irrevocably in the affirmative, and there is no statesman in Canada who would commit himself to any negative on such a point. On this all are agreed. Canvass the Dominion over and two things will be proved as settled points. One is that the railway must be built at as early a period as possible, and that everything that can reasonably help that railroad to a completion must be done and given. These two points are emphatically endorsed by the new Ministers, and entirely removed from the region of controversy."

Now, Sir, I have shown not only that the House affirmed that we should have a Canadian Pacific Railway, not only that the House decided as to the mode in which it desired the Pacific Railway to be constructed, but I have also shown that the Government that succeeded that of my right hon. friend committed themselves in the fullest and most complete manner, not only to the construction of that great work essential to the development of our country, but to its construction as rapidly as it was possible, within the means of the country. The hon. gentleman himself, on the floor of the House, stated:

"Let me say, so far as the work is concerned, that I have always been an advocate of the construction of a railway across this continent, but I have never believed it was within our means to carry it out in anything like the period of time to which the hon. gentleman bound Parliament and the country. I think that the work ought to be prosecuted in the most vigorous form; but time is an important element."

I have given the House some of the extra parliamentary utterances of the hon. gentleman, and I propose now to invite its attention to some still more formal and distinct statements of policy in regard to this important question, statements made in the capacity of Prime Minister of the country on the floor of Parliament. In 1874 the hon. gentleman introduced a bill for the purpose of providing for the construction of the Canadian Pacific Railway, and, in the course of a very able and a very exhaustive speech, he placed very fully on record the opinions which he held, and which embodied the opinions of the Government at that time. He stated, as will be seen on reference to *Hansard* of May 12th, 1874:—

"The duty was imposed upon Parliament of providing a great scheme for carrying out the obligations imposed upon us by the solemn action of Parliament in this matter. The original scheme was one that I opposed at the time of its passage here as one that in my mind then seemed impracticable within the time that was proposed, and impracticable also with the means proposed to be used to accomplish it."

I wish to invite the attention of the House to the formal declaration made on the floor of Parliament by the late Prime Minister, that the means that Parliament had placed at the disposal of the Government of their predecessors, $30,000,000 in money and 54,000,000 acres of land, were utterly inadequate to secure the construction of the work. Then the hon. gentleman continues:

"I have not changed that opinion, but being placed here in the Government, I am bound to endeavor, to the utmost of my ability, to devise such means as may seem within our reach to accomplish, in spirit, if not in the letter, the obligations imposed upon us by the treaty of union, for it was a treaty of union with British Columbia."

I am sure that British Columbia will be very glad to be again reminded that the leader of the Opposition maintained that this was an absolute treaty of union with British Columbia. Then he continues:

"We had to undertake to vindicate the good faith of the country and do something which would enable this Parliament to carry out, in spirit, if not in letter, the serious undertaking of building the railway as far as the shores of British Columbia. The legal terms are exact, we are bound within a specific time to construct a road to connect with the railway system of Ontario on the east, with the Pacific coast on the west. There is a moral obligation as well as a legal obligation. We thought, in the first place, that after having had time to consider what should be done, that, the best course to pursue, in the meantime, would be to confer with the Local Government of British Columbia, and endeavor to ascertain from them, if any means could be arranged whereby an extension of time could be procured for the prosecution of the work which we were bound to undertake.

"With that view, a gentleman was sent as a representative of this Government, to that Province, and in the course of his negotiations with the Local Government, it became apparent, as it had been apparent in this House from several members from the Island of Vancouver, that it was an exceedingly important matter in their estimation that the road should be commenced at once at Esquimalt, and traverse the Island to that point where the crossing of the Narrows was ultimately to be. I, for one, was quite willing, if the Local Government were disposed, to make some terms for the extension of time, to undertake the construction of the Island portion as rapidly as possible; but, if it became apparent that the local authorities were determined to adhere rigidly to the Terms of Union, and demand the whole terms and nothing less, this House and the Dominion of Canada, I was and am strongly of opinion, would, on their part, concede to them the terms and nothing more. Proceeding upon the belief that this was a fair representation of the opinions of the country, which had to pay for the construction of this enormous work, we instructed Mr. Edgar, who was appointed to represent the Government in the matter, to say that the Government would be prepared to undertake immediately the commencement of the work upon the Island, traversing it northwards in the direction of the point of crossing, prosecute the surveys on the mainland, construct a passable road along the ridge, erect a telegraph line along the road, and, as soon as the work could be placed under contract, we would expend a million and a half a year within the Province. I do not know whether the offer will be accepted or not, and, in the meantime, it is absolutely necessary that Government should have authority to proceed with the commencement of the works in such a way as they think will meet with the acceptation of the country generally, and the reasonable people in British Columbia."

Now, I need not remind the House that this question was made the subject of reference by British Columbia to the Imperial Government, and Lord Carnarvon submitted, for the consideration of this Government, his view of what should be done; that was, that not less than two millions, in addition to the railway on Vancouver Island, the telegraph line, the waggon road, and all those other considerations, should be expended annually by the Government within the Province of British Columbia. When the hon. gentleman submitted his resolutions in 1874, as I am now submitting my resolutions, he said:

"We propose in these resolutions to ask the House to agree to these general propositions. In the first place, we have to ask the House for complete power to proceed with the construction of the road under the terms of the Union with British Columbia, because we cannot throw off that obligation except with the consent of the contracting parties, and we are therefore bound to make all the provision that the House can enable us to make, to endeavor to carry out in the spirit, and as far as we can, in the letter, the obligation imposed on us by law. The British Columbia section will, of course, have to be proceeded with as fast as we can do it, for it is essential to keep faith with the spirit and, as far as

possible, with the letter of the agreement. I attribute a very great deal of importance, indeed, to being able to throw in settlers to all parts of the country, and filling it with population, which is the only thing which can give ultimately commercial value to the road or prosperity to the country. It will be observed, Sir, that in the resolutions, as I have mentioned, the Government provides for the submission of these contracts to Parliament. They provide also, that in case we receive no proposals for the building of what are called the sections in the Bill, that is of the four great divisions, the Government take power to issue proposals to build the road by direct Government agency." * * *

The hon. gentleman said that the Canadian Pacific was only to be built by direct Government agency; in the event of there being no proposals, and of there being a failure in carrying out the policy of Parliament, that it should be done by private enterprise, aided by a grant of money and lands. In 1875, the hon. gentleman having had an opportunity of considering the proposals which were embodied in his bill, to which I shall invite the attention of the House more specifically, at a later period, obtained authority from the House to go on with the immediate construction of the Railway by the direct agency of the Government, for he could not obtain it in any other way. Having obtained power from the House to give not only ten thousand dollars of money per mile for every mile between Lake Nipissing and the shores of the Pacific, and twenty thousand acres of land per mile, but also he gave $10,000 in cash per mile for the branch, eighty-five miles long, to Pembina, and 20,000 acres per mile, and $10,000 and 20,000 acres per mile for the Georgian Bay branch, of eighty-five miles long; and also, he gave the further sum of four per cent. interest for twenty-five years upon such sum as might be necessary in order to secure the construction of the work. Now the hon. gentleman, the leader of the late Government, stated frankly to the House at the outset that the terms previously provided in 1872, and embodied in the contract made with the Allan Company in 1873, were utterly inadequate, and that it was necessary to the good faith of the country, and that its honor and interests demanded that the Railway should be proceeded with. He asked and obtained from Parliament a large addition to the means that had been previously passed by Parliament for the construction of the work. In 1875, after having had a year's experience, he came to the House and said:

"We only let the grading upon this line (Pembina Branch) because we thought it advisable, while proceeding thus far, not to proceed any further until we could get a general contract let for the entire line where we propose to build it now, which would cover all the more expensive parts of construction. For the same reason, we are only letting the grading and bridging from Fort William and Shebandowan, and the same from Rat Portage to Red River."

Again, it will be seen that the hon. gentleman puts forward as his policy, and the policy of the Parliament of 1874, as it had been the policy of the Parliament of 1871 and 1872, that the work should be prosecuted by the agency of a private company, aided by a grant of money and land. As I have already stated, the subject was made a matter of reference, in 1875, to Lord Carnarvon, and he proposed that $2,000,000, and not $1,500,000, should be the minimum expenditure on railway works within the province, from the date at which the surveys are sufficiently completed to enable that amount to be expended on construction. In naming this amount, His Lordship understood, in the language of the memorandum:

"That it being alike the interest and the wish of the Dominion Government to urge on, with all speed, the completion of the works now to be undertaken, the annual expenditure will be as much in excess of the minimum of $2,000,000 as, in any year, may be found practicable. Lastly, that on or before the 31st of December, 1890, the railway shall be completed and opened for traffic from the Pacific seaboard to a point at the western end of Lake Superior, at which it will fall into connection with existing lines of railway, then by a portion of the United States, and also with the navigation on Canadian waters."

These terms included, it is true, a considerable extension of the time within which the road was originally to have been completed, but they fixed a definite and distinct limit within which a large portion of the Pacific Railway should be constructed and put in operation. The hon. gentleman himself, in referring to these terms, used this language:

"We shall always endeavour to proceed with the work as fast as the circumstances of the country—circumstances yet to be developed—will enable us to do, so as to obtain, as soon as possible, complete railway communication with the Pacific Province. How soon that time may come I cannot predict, but I have no reason to doubt that we shall be able to keep our obligation to British Columbia, as now amended, without seriously interfering with the march of prosperity."

That is, that by 1890 the hon. gentleman hoped to complete it, "without seriously interfering with the march of prosperity." I am glad, notwithstanding the difficulties which the hon. gentleman encountered, to be able to submit to his consideration the means by which we are to do that to which he pledged himself, and pledged the honor and faith of his Government and his party, so far as the leader of a great party can pledge that party to the accomplishment of a great national undertaking. But, Sir, I am glad to be able to give, not only the authority of the leader of the late Government, but that of the hon. and learned gentleman who is leader of Her Majesty's Constitutional Opposition at the present moment. That hon. gentleman is reported in *Hansard* of March 5th, 1875, to have used these words:

"The general policy of the country upon the subject of the Pacific Railway was spread before this country anterior to the late general election, and practically and fairly stated."

I have read to the House the words which the Premier of that day, as the hon. gentleman said, "practically and fairly" stated his policy, and I quite agree that it was so stated. The hon. member for South Durham continued:

"In some of the minor details of that policy the hon. member for Cumberland has indicated more or less of change, but the broad features of that policy were, as I have said, plainly stated to this country anterior to the late general elections; the verdict of the country was taken upon it and the result was a decided acceptance of it. It is not reversible by us. We have no mandate to reverse it. Upon the most enlarged consideration of the rights of members of Parliament, I cannot conceive that we could have the right at all to listen to the appeal of the hon. member for Cumberland, and to enter into a consideration whether that policy upon which the country's opinion was asked and taken, and which opinion we were sent here to enforce, should be altogether reversed. I do consider it would be unwise for an instant to consider any such proposition. I do not believe that any other policy in its general effects than that which was so proposed and so accepted is at all feasible."

Now, Sir, I ventured to say, at the outset of my remarks, that we had the means of showing to the House, not only that Parliament, on both these great occasions, had distinctly declared the policy of constructing the Canadian Pacific Railway, but that the people, as stated by the present leader of the Opposition, had given an affirmative to that proposition, and had, as that hon. gentleman averred, put it without the power of this Parliament to change that policy. I must remind the House that the circumstances of the country were very different in 1875 from the circumstances of the country at the time at which the previous Government undertook the construction of the Canadian Pacific Railway; but notwithstanding that changed condition of circumstances, notwithstanding that the hon. gentleman's Finance Minister was compelled to come to Parliament year after year and ask permission to increase largely the taxation of the country in order to meet the ordinary expenditure; notwithstanding all this, the hon. gentleman held that the honor and good faith of the country were pledged to the construction of this great work, and he came to this House and asked the authority of Parliament for the prosecution of his scheme. In 1876, after longer experience, after having found that the financial difficulties of the country had certainly not decreased, the hon. gentleman was still undismayed, for, in 1876, from the high and authoritative position of a Prime Minister submitting the policy of his Government to the country, after full and deliberate consideration, he enunciated the following views:

"We have felt, from the first, that while it was utterly impossible to implement to the letter the very agreements entered into by our predecessors, the good faith of the country demanded that the

Administration should do everything that was reasonable in their power to carry out the pledges made to British Columbia, if not the entire obligation, at least such parts of it as seemed to be within their power, and most conducive to the welfare of the whole Dominion, as well as to satisfy all reasonable men in the Province of British Columbia, which Province had fancied itself entitled to complain of apparent want of good faith in carrying out these obligations. In endeavouring to accomplish this result we have had serious difficulties to contend with, to which I shall presently allude. * * * The Act of 1874 prescribes that the Government may build the road on contract in the ordinary way, or it may be built on the terms set forth in Section 8, which provides that the Government may pay $10,000 in money and grant 20,000 acres of land per mile, with four per cent. for 25 years upon any additional amount in the tenders, to a company to construct portions of the line. The intention of the Government was, as soon as the surveys were in a sufficiently advanced state, to invite tenders for the construction of such portions of the work as, in the judgment of Parliament, might be considered desirable to go on with, and that in the meantime the money that has been spent in grading should be held to be a part of the $10,000 a mile referred to in Section 8. Whether the Government would be in a position during the coming season to have contracts obtained, and submitted to Parliament, for the whole line, at its next session, is perhaps problematical."

So that the hon. gentleman, in 1876, not only contemplated going on steadily with the prosecution of the work, or very important sections of the work, but he had it in contemplation to invite tenders for the construction of the whole Canadian Pacific Railway, on terms which as I shall show more specifically hereafter, were largely in excess of any authority we ever obtained from Parliament, and terms that, as I have said before, he himself held, and I suppose conscientiously held, to be utterly inadequate.

"If we are able to commence the work of construction this coming year in British Columbia, these rails would be required. It may be said to be impossible to commence the construction of the road in British Columbia without having rails on the spot."

And in that I concur with the hon. gentleman.

Mr. MACKENZIE. The concurrence comes very late.

Sir CHARLES TUPPER. The hon. gentleman will not, I think, find any ground for making that statement. I think he will, perhaps, allow me to interject that they would have been equally useful if they had not lain quite so long in British Columbia. The hon. gentleman further said:

"There are five thousand tons in British Columbia, and if we erred in sending them there, we have simply erred in our earnest desire to show the people of British Columbia that we are desirous of keeping faith with them, that our speeches were not mere empty promises, and that we were resolved to place ourselves in a position they could not misunderstand."

Well, Sir, in 1877, after another year's experience, the hon. gentleman again stated the policy, that still was the policy of his Administration, in reference to this work. He said:

"The late Administration, in entering into the agreement for bringing British Columbia into the Confederation, had an express obligation as to the building of the railway across the continent from Lake Nipissing on the east to the Pacific Ocean on the west, within a specified number of years. When the present Administration acceded to power, they felt that this, like all treaty obligations, was one which imposed upon them certain duties of administration and government which they had no right to neglect, and that they were bound to carry the scheme practically into effect to the extent that I have indicated. The whole effort of the Administration, from that day to this, has been directed to the accomplishment of this object in the way that would seem to be most practical and most available, considering the difficulties to be encountered and the cost to be incurred. * * * The Railway Act of 1874 provides that 20,000 acres of land should be given absolutely as part consideration for the contract, and $10,000 per mile of actual cash—the land to be subject to certain regulations as to two thirds of it which are provided for in the Act—and that tenderers should be invited to state the additional sum, if any, upon which a guarantee of 4 per cent. should be given by the Dominion for 25 years afterwards. * * * I mentioned last year, in introducing this item to the Committee of Supply, that we had then advertised, or proposed to advertise—I forget which—in English and Canadian papers, that we hoped, about January, 1877, to be able to advertise for tenders and to supply complete profiles of the line. * * * I think, quite early in July, or earlier. I think it must have been in June. At all events, we desired to send that advertisement to the public in order that it might invite intending contractors to visit the country for themselves. I was personally satisfied that an examination of the prairie countries, if not the country east of the prairies to Lake Superior, would show to intending contractors, in the first place, that there was a large quantity of good land, and, in the second place, that the physical difficulties to be overcome were not so serious as people might reasonably anticipate to exist in the centre of the Continent. I do not think the advertisement produced very much of that particular result. Some parties, I believe, have visited the country; the agents of some. English companies have visited Ottawa; some have visited the agency of the Government in London, with a view to examine the plans and profiles, and the Railway Act under which the contracts will be let; but the season was an unfavorable one in consequence of the difficulties attending railway enterprise all through the world, and can perhaps, be fairly considered as one not very fortunate for issuing or proposing the prospectus of a huge enterprise like this, in a comparatively unknown country, or, I might say, a wholly unknown country. The Government were not able, as I stated, to have the profiles all ready in January. They were, however, despatched in sections as soon as they could be completed, to the Railway Office in London. They have been on exhibition in the Railway Office here for many months, and the whole of the profiles from Lake Superior to the Western Ocean is, I presume, either completed or very near it, at the present moment; that is, taking the two routes already completed through British Columbia. The Government proposed, as soon as these are entirely completed, to have advertisements issued calling for offers, giving ample time, so that tenders that are received may be received shortly before the opening of Parliament at its next session, in order that Parliament may have an opportunity of deciding upon whatever scheme may be then proposed by the Government under the offers to be received."

So that, down to 1878, the House will see, the hon. gentleman still remained true to the obligation of the rapid construction of the Canada Pacific Railway, and of its construction by the agency of a private company, and by a grant of land and money. In 1878, the last occasion on which the hon. gentleman, with the authority of Prime Minister, discussed the question, he said:

"There can be no question of this, that it was in itself a desirable object to obtain railway communication from one end of our Dominion to the other, traversing the continent from east to west. So far as the desirability of obtaining such a communication may be concerned, there can be no real difference of opinion between any two parties in this country, or amongst any class of our population."

I am very glad on this important occasion, in submitting resolutions of such magnitude for the consideration of this House, to have the authority of the leader of the late Government, after years of close and careful examination of this question, given to the House and the country, that it was a matter, not only of vital importance to the country, but upon which both parties were agreed, not only in this House, but in the population outside of it. In 1878, the hon. gentleman also said:

"I have to say, in conclusion, that nothing has given myself and the Government more concern than the matters connected with the Pacific Railway have given. We are alive to this consideration, that it is of vast importance to the country that this road should be built as soon as the country is able to do it without imposing burdens upon the present ratepayers which would intolerable."

I quite agree with the hon. gentleman in that statement, and I am proud to be able to stand here to-day and offer for the hon. gentleman's consideration, and, I trust, after full consideration, his support, a proposition that will secure the construction of that which he has declared to be not only a matter of honor to which the country was bound, but a matter of the deepest necessity to the development of this country, upon terms that will not impose any intolerable burdens on the ratepayers.

Mr. MACKENZIE. I shall consider it by-and-by.

Sir CHARLES TUPPER. The hon. gentleman continued:

"On the other hand, it is tolerably evident that the wealth of the country will be much more rapidly increased if we are able to throw a large population into those hitherto deserted plains, which contain so much land fit for habitation, and which have been wholly unproductive in the commercial interests of our country."

Again I invite the hon. gentleman's attention to the obligation that rests upon him to support a plan by which what he designates "deserted plains" may become the abode of an industrious population, not only furnishing a comfortable living to themselves and their families, but increasing greatly the national wealth of Canada, and upon terms which come quite within those which he has approved as offering no obstacle to the progress of this work. And then the hon. gentleman added:

"And so with regard to this western and more gigantic work,—a work which cannot be estimated unless we have given some thought to its—such is its magnitude—a road which is four times the length of the Grand Trunk, from Montreal to Sarnia, which is five times the length of the road from Edinburgh to London, which traverses our whole territory. Nothing

can possibly exceed the importance that is to be attached to the building of such a gigantic work, either as regards the ultimate prosperity of the country, or its bearing upon our several relations to each other in the united provinces."

It requires no comment of mine, Sir, to cause a statement from such an authentic source to carry conviction to the mind of every hon. gentleman present as to the obligation that rests upon all parties, both in the House and out of it, to realize what the hon. gentleman has indicated could be realized by the construction of this work. That, Sir, as I have said before, was,—the hon. gentleman thinks, no doubt, unfortunately for the country,—the last occasion on which it became his duty to speak with the authority of the First Minister of Canada in relation to this great question. But as the hon. gentleman stated, the question of construction, the question of the steady prosecution and completion of the Canada Pacific Railway, was not an issue that went to the country at the last election. That had been submitted on two occasions by two First Ministers, representing both the great parties of the country, and on both occasions had received the affirmation of a very large majority of the people; but as is well known, a change of Administration took place in 1878, and the hon. gentleman was called again upon to deal with the question. He had that test of patriotism applied to him, which is involved in considering a policy from the Opposition benches as well as from the Government benches, and I will read to the House the remarks which the hon. gentleman, as leader of the Opposition, made to this House after the change of Government in 1879. He said:

"We recognize the obligations resting upon us as Canadians, and, while I assert, in the most positive manner, that nothing could have been done by any Administration during our term of office that we did not do, or try to do, in order to accomplish, or realise those expectations which were generated by the Government of hon. gentlemen opposite, in their admission of British Columbia into the Confederacy, I say, at the same time, that we endeavoured, not merely to keep the national obligations, but we ventured, to a great extent, our own political existence as administrators; we risked our political position for the sake of carrying out to completion, in the best way possible, the course which hon. gentleman opposite had promised should be taken."

The hon. gentleman also declared after his five years' term of office had ended, that nothing that had been in the power of the Ministry, of which he was the head, to do, had been left undone to carry to successful completion the policy to which his predecessors had committed the House and the country. He said:

"Our proposal was this: We endeavoured, in the first place, to obtain some modification of the terms. We despatched an agent to British Columbia, and Lord Carnarvon ultimately offered his good services, in order to arrive at some understanding with that Province; and we reached the understanding that we would endeavour to build a railway from Lake Superior to the Pacific Ocean by 1890; that we should expend a certain amount per annum in British Columbia, after the surveys were completed and line adopted. The line never was surveyed sufficiently to enable us to reach that conclusion till last year, and, as soon as we had information sufficient to guide us, we adopted the Burrard Inlet route, and immediately advertised for tenders for the construction of that line. The hon. the Minister of Public Works has spoken of our departure from the former terms of the construction of this road. Now, what was this departure? We had precisely the same provision of land, and equivalent as to money; only, instead of $30,000,000, we named $10,000 a mile, which would have amounted to $26,000,000, and two-thirds of the land was to be controlled by the Government in respect of sales and management. We also then provided that, in asking for tenders, we should invite tenderers to say upon what additional amount they would require a guarantee of four per cent for 25 years."

The hon. gentleman also proceeded to say:

"While we let out contracts between Thunder Bay and Selkirk, with a view to get a road opened into that country, it was with the determination to adopt this method, and I explained this several times during my administration. We intended, when we had obtained a full completion of the surveys, and finally adopted the route to the ocean, through British Columbia, to endeavour to place the entire work from Lake Superior westward under contract—the contractors assuming the expenditure already incurred, and allowing themselves to be charged with it as part of the $10,000 a mile to be paid to them on the contracts for the entire line. The hon. gentlemen opposite, and the whole country, are aware that we solicited tenders in England for some months upon this ground, before hon. gentlemen opposite came into office; also that Mr. Sandford Fleming, the Chief Engineer, was instructed, while in London, to place himself in communication with contractors and financial men, and also to obtain the assistance of Sir John Rose, who, in many things, had been the active, energetic and patriotic agent of the Dominion, with a view to the carrying out of this scheme."

I may mention incidentally, that, while I entirely approve of all these efforts, the hon. gentleman was, I think, never called upon to lay upon the Table of the House any correspondence that took place between his Government and these capitalists and contractors, and which did not result in their obtaining a contract.

Mr. BLAKE: Did he ever refuse?

Sir CHARLES TUPPER: He never was asked anything so utterly at variance with the first principles of Government, as to bring down correspondence that could be attended with no possible benefit to the Government, but be extremely embarrassing to the Government in its future operations.

Mr. BLAKE. That is the true reason.

Sir CHARLES TUPPER. I do not hesitate to say that a more unfortunate precedent, in my judgment, could not be set than for a Government to enter into negotiations with capitalists to ascertain how far they would be prepared to take up a great work and carry it to completion, and then bring down the correspondence which could only reflect on the character and standing of the gentlemen interested, and render gentlemen in future, in similar cases, cautious how far they would discuss negotiations with a Government which would later give publicity to those negotiations. The hon. gentleman further said:

"But I am informed that, notwithstanding all our efforts, we signally failed in obtaining one single offer (there was one imperfect offer made) for the construction of the railroad on those terms, which were the grant of 20,000 acres and $10,000 cash, per mile, with a guarantee of 4 per cent. upon such balance as might be represented as necessary. No terms could be more explicit; it would be difficult to mention terms more favorable, and yet the hon. gentleman seems to expect, by his speech, that the colonization scheme, with the 100,000,000 acres instead of the 50,000,000 acres and $30,000,000 current money, is somehow or other to succeed in getting this road built. His own remarks showed to-day that it is utterly useless at present for him to expect British railway contractors, or great financial firms to engage in any railroad enterprise on this continent. Much of this is due to the want of confidence which he tells us is experienced in financial circles in Britain, and a great deal is due to the unwise legislation in Canada and the Provinces, with respect to railway lines, and to the fact that foreign capitalists have obtained little or no return for the money they have laid out in this country. I have made up my mind long ago that it will be exceedingly difficult for a population of 4,000,000 so to conduct financial transactions connected with the building of that railroad of 2,600 miles, across an unknown and almost untrodden continent, in many places extremely difficult. I frankly say now, after my experience in endeavoring to accomplish something in that direction, that I fear we shall be incapable of accomplishing anything in that direction at present.

I need not say to the House that, in what he said and anticipated, the hon. gentleman, I suppose, was sincere. I suppose when he made this utterance it was made in all frankness. The House will readily understand the gratification I expected to see spread over the hon. gentleman's countenance on learning that all that he lamented he had been unable to accomplish in the official position he occupied in this House, his successors were in a position to present for the consideration of Parliament. I frankly concede, and in doing so I only do justice to the sincere, able and energetic efforts of the hon. gentleman, that he did all that lay in his power during his term of administration to put this great work upon the foundation on which Parliament, on two separate occasions, and the people had affirmed it should be placed, namely, that the work should be done by a private company aided by grants of land and money. But, Sir, the hon. gentleman stated, on another occasion, that:

"It would have been very easy to commence to grade the road, and so keep within the terms of the Union Act; but I scorned to practice any deception in the matter."

I assume, throughout, that the hon. gentleman was acting with entire sincerity, that in all those statements made to the House as to his great desire to advance this great

national work, he was giving candid utterance to his sincere opinion—to the opinion that, whether sitting on one side of the House or the other, he would be prepared to give an equally zealous and hearty support to this policy. But in 1878 there was a general election, the result being that my right hon. friend beside me was again charged with the important duty of administering the public affairs of this country and again brought face to face with this great national work, this gigantic undertaking, that for five years, had, notwithstanding the efforts of our predecessors, made no very great progress. We found ourselves, then, in this position, of being called upon to deal with the question of the great Canadian Pacific Railway, upon which a large amount of public money had been expended, and in a way that would prove utterly useless to the country unless measures were taken, promptly to carry, at all events, the work under construction to completion, and so supplement it as to make it effective for the promotion of the objects for which it was designed. We, therefore, were not in a position to effect any change of policy as hon. gentlemen opposite will see. But we came to Parliament to reaffirm the policy with which we had started at the inception of that great work, the Canadian Pacific Railway, involving the policy of utilizing the lands of the great North-West for the purpose of obtaining the construction of that vast work. There was every reason in the world why we should adopt that policy in the first instance, and return to it afterwards. Every person knows that the development of this great territory was concerned in this policy; that day by day it was becoming better known and better understood by people whose interest would be promoted by the carrying out of the designs involved in this gigantic undertaking; that, irrespective altogether of the vital political question of the connecting British Columbia with the rest of the Dominion, the progress and prosperity of Canada were to be promoted to an extent otherwise unattainable by the construction of the Canadian Pacific Railway. We also felt that inasmuch as those lands were, as the leader of the late Government truly stated, desert lands, notwithstanding their fertility and enormous extent, and practically as useless as if in a foreign country, so far as Canada was concerned, unless they were developed, and, as it was stated their development could only be accomplished by completing this great national work, we should come back to the House with our original policy. We were compelled to take it up as we found it, and go on with it as a Government work to make the work, upon which so much had already been expended, of use to the country. But we asked the House to place at our disposal 100,000,000 of acres for the purpose of covering the expenditure in connection with the Canadian Pacific Railway. We felt that, by that means, we should again place ourselves in a position to save the older and outlying Provinces, ultimately, from additional taxation. We desired, by utilizing the lands of the North-west, to obtain the means of recouping to the Treasury every dollar expended, or likely to be expended, on this work. Hon. gentlemen also know that, in the development of that policy, we proposed to obtain the co-operation of the Imperial Government. The hon. leader of the Opposition occasionally indulges in a quiet sneer at the result of the efforts of this Government to interest the Imperial Government in this enterprise. Now, it is very well known that, armed by this House with the power of utilising 100,000,000 acres in the North-West, if we could so secure the construction of the Canadian Pacific Railway, my right hon. friend the First Minister, the Minister of Finance and myself went to England in 1879. I do not intend to lay claim to any great results from our mission as regards the Railway, but I think I may claim credit for a fair measure of success that attended our efforts, if not our joint efforts, in regard to the business of our respective Departments. We found the press of England indifferent, if not hostile, to Canada; where it was not hostile it was indifferent, in contradistinction to its spirit in dealing with Australia and the other colonies. Indeed, in many cases, Canada was treated with marked hostility. Very suddenly, however, a very striking, a very marked change, took place. When? When Earl Beaconsfield, the Prime Minister of that day, stated openly, or in public, the enormous value of the great North-West of Canada. I do not mean to say he was entirely accurate in all his statements: but, at all events he was quite correct in the remark that the the most lively imagination could hardly over-estimate the enormous value of the great North-West and the inviting character of the field it presented to the agriculturists in every part of the world desiring to emigrate. From that day to this every person knows the marked and instantaneous nature of the change that took place in English public opinion, especially in the views of every important paper in the British Islands, and in many in this country as well as in the United States, and also in the amount of attention and interest concentrated on the North-West. The people of this country owe to my right hon. friend this great beneficial change brought about through his personal communication with the Prime Minister of England, and the use made of it in dealing with the people of Great Britain. Hon. gentlemen know we were then obliged to confess we were not able to bring to completion any great scheme for the construction of the Canadian Pacific Railway. I ventured to say we thought we had made some impression on the Imperial Government while in England. I think that my hon. friend the leader of the Opposition, who has sneered at our statement that we had obtained the sympathy and enlisted the interest of the Imperial Government in relation to the Canadian Pacific Railway, will find a strong corroboration of our assertion in intelligence received to-day with regard to the action of that Government. It can now be believed that our efforts with the Imperial Government will, at no distant day, bear good fruit. The Colonial Office have done what they never did before—published, authoritatively, a document recommending Canada as a field for emigration. I do not know whether the hon. gentleman (Mr. Blake) has seen the news to-day or not; but I am quite sure that, as a patriotic Canadian, he will be glad to learn that the London *Times* announces the Imperial Government has promised to bring down a scheme of emigration, assisted by the Canadian Government. So the hon. gentleman may feel he is not quite in a position to repeat, what I am rather afraid was to him a gratifying intimation, that the present Canadian Government had entirely failed in their negotiations.

Mr. BLAKE. Allow me to remind my hon. friend that the present Imperial Government is Mr. Gladstone's, and the Government with which he and his colleagues had interviews was the Beaconsfield Government.

Sir CHARLES TUPPER. My hon. friend will permit me to point out to him that he is strengthening my argument. He will permit me to inform him that from this very place last Session, I stated that, instead of this Government feeling anxious in consequence of the change of Government in England, we were advised, and were of the belief, that the sentiments of the members of the new Ministry were of the most liberal character in relation to Canada. My hon. friend will also permit me to inform him that since the advent of the Liberal Government to power, the right hon. the Premier, my hon. friend the Minister of Agriculture, and myself have been in personal communication with a number of members of the present Administration, and have impressed upon their minds the importance to the empire of the Government of Great Britain giving due attention to the resources of the great Canadian North-West as a field for emigration, and as a means of meeting the difficulties of a serious character which have presented themselves in rela-

tion to the government of the British Isles. So that I do not think my hon. friend has made a great deal by his suggestion that there has been a change in the Administration. He only strengthens the opinion I have expressed that Canada occupies to-day a position this country has never occupied before. I frankly confess we did not find, when we went there in 1879, that the time was ripe for successfully floating the scheme in connection with the hundred million acres of land put at our disposal with a view to securing the construction of the Pacific Railway. But, Sir, we sowed the seed, and we kept our eyes steadily directed to such means—those to which I have already adverted—and others by which the position of Canada might be greatly changed in relation to this great work. My hon. friend the Minister of Agriculture, by a stroke of genius; and, perhaps, the most happy stroke of genius ever shown by any Canadian Minister was that which he exhibited when he adopted the policy of showing the confidence the Government of Canada had in their own country, by stating at a time when the agriculturists of Great Britain were very much alive to the unfortunate position they occupied, that parties with means desirous of emigrating to this country, and of cultivating the soil of the great North-West, might select able and independent delegates to come here and examine this country, and that the Government of Canada—so confident was the Government of the favorable character their report would assume—would pay their expenses. It would be utterly impossible to estimate, from an economical and financial point of view, the advantage which has accrued to Canada by that single act. The whole sentiment of Great Britain in relation to the country has undergone a complete change; and, when we went back to England at the conclusion of the last session of Parliament, we found that Canada occupied, in the Mother Country, an entirely different position from that which it occupied a year before.

Mr. MACKENZIE. On Hanlan's account.

Sir CHARLES TUPPER. Hanlan is an agency that I do not at all despise.

Sir JOHN A. MACDONALD. He rows in the same boat with us.

Mr. BLAKE. You go by rail.

Sir CHARLES TUPPER. My right hon. friend says he rows in the same boat with us. I may say I am satisfied of this, that the interest he excites in the sporting world gives Canada greater importance in England. I stated a moment ago that in 1879, Parliament placed at our disposal 1,000,000 acres of land, and I have already intimated that we were not able with that grant to arrange for any complete scheme for the rapid construction of the railway. In 1880 we again met the House, and we met it with the same policy we adopted the year before, and that was, in good faith to take up the obligations that devolved upon us through the acts of our predecessors. Although we had not propounded the policy of carrying on the work by the Government, we took up the work as we found it. We placed under contract the 127 miles of road which the leader of the late Government had announced—by advertising for tenders—as his intention to build; which he had assured the people of British Columbia we intended to build, and which, under the terms with Lord Carnavon, he was bound to place under contract. When we met Parliament with the statement that we were going on with this work, I think we scarcely met with the amount of aid and co-operation from the gentlemen opposite to which we were entitled. I do not wish to say anything that would seem harsh to any gentleman on the other side of the House, but I really do not think the attitude which the Opposition assumed towards this Government, when we were only carrying out the pledges which they themselves had given over their signatures as Ministers, by their votes in Parliament, and by their declarations of policy in this House, in the country, and to the Imperial Government, was justifiable. As we were only carrying out what they proposed, we had a right to expect to be met in a manner different to that in which we were met by them; but the attitude hon. gentlemen assumed only afforded an opportunity of showing that whatever change of sentiment may have taken place in the mind of the leader of the Opposition, no such change had taken place in the mind of Parliament in relation to the subject. The leader of the Opposition moved—and in making this motion he submitted a resolution directly in antagonism to the policy of the Government which he supported and to his own recorded utterances on the floor of this House—that we should break faith with British Columbia and with Lord Carnarvon, and that we should give, I was going to say the lie, to Lord Dufferin, who stated on his honor as a man that every particle of the terms of agreement with British Columbia were in a state of literal fulfilment. The result of the moving of this resolution was to place on the records of Parliament a vote of 131 to 49 that good faith should be kept, and that we were bound not only to keep good faith with British Columbia, but that we owed it to Canada to take up this work and prosecute it in such a way as we believed was absolutely necessary in order to bring it within such limits as would enable us to revert to the original policy of building the road by means of a company aided by land and money. And, had we not placed that section under contract in British Columbia, had we not vigorously prosecuted the 185 miles wanted to complete the line between Lake Superior and Red River, we would not have been able to stand here to-day laying before the House the best proposal for the construction of the road that has ever been made to this Parliament. Well, Sir, I will give, in conclusion, the utterances of the hon. the leader of the late Government at the last session of Parliament. He said:

"I shall not for a moment deny that we intended to carry out the terms of the arrangement with Lord Carnarvon, and nothing but the want of means would have prevented us from accomplishing that object, an object which could not but be desirable to any one who wished to see our trade extended."

Not merely that the obligation under the Carnarvon terms, but that the interests of the country rendered it desirable that the policy should be carried out.

"No one who looked to the desirable extension of our business across the continent could avoid seeing that if such an extension could possibly be obtained without too great sacrifice it would in itself be desirable."

Sir JOHN A. MACDONALD. Who said that?

Sir CHARLES TUPPER. The leader of the late Government at the last session of Parliament. The hon. gentleman further said:

"Our policy was this: We believed that the Pacific Railway was undertaken as a great national highway from one end of the Dominion to the other, and that whatever termination we make of it, near Lake Nipising, it must be placed in connection with some other lines, and we provided for paying a subsidy to some connecting lines east of Georgian Bay. Our object was to have, as speedily as possible, a railway from the waters of the Georgian Bay, to have a connection with the Quebec lines, through the Canada Central, as a connecting medium."

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"Our plan would form a through line to the Ottawa Valley, notably and notoriously the shortest line to the east from our western territories. Hon. gentlemen opposite have given up all the advantages that the Province of Quebec and the Provinces east of that would have derived from our plan, and the President of the Council is not apparently at all disposed to avoid cheering himself because he adopted this course; he deliberately injured his own Province, and now laughs at the injury he has done."

The hon. gentleman will be very glad to find that the President of the Council, who, on this side as well as on that side of the House, invariably pressed in the strongest terms the prosecution of the eastern link with the Canadian Pacific Railway, is able now to cheer himself, not

upon the attainment of the line to the Georgian Bay, but on the immediate steady prosecution of a line connecting the great Province of Quebec and all the Eastern Provinces by the shortest and most available route with the fertile territories of the North-West. The hon. leader of the Opposition has indulged, as is his wont, in a good many sneers on this subject. He taunted our Quebec friends on this side of the House with having been left out in the cold, and with having been sacrificed. I trust, Sir, that now that these gentlemen are in a position to receive these taunts with a good deal of equanimity, they will find that hon. gentleman ready to consider what the interests of this great eastern section of the country are, as he was when he supposed that they had not obtained the justice which he thought they were entitled to receive at our hands. The hon. leader of the late Government said :

"I was under the impression I had done for Quebec everything that was reasonable and proper, and I am quite willing to contrast it with what the hon. gentlemen opposite have done up to this moment. But I am not to be led off my line of argument by any such side issue. I am speaking, at present, of the bearing of the Pacific Railway scheme upon the interests of Quebec. I am speaking of the plan we adopted to carry trade by the Ottawa Valley to the great cities on the St. Lawrence, and I have asserted, what no one will deny, that that plan was one which promised well for the prosperity of these cities."

As I have stated to the House, the modifications of the plan of the hon. leader of the late Government greatly extended the consideration to be given to contractors, and as he says, in his own terms, they were all in favor of parties tendering. The hon. gentleman also said :

"I confess that, after the hon. gentlemen opposite had committed themselves to the building of this road, the late Government were bound, as the successors of those hon. gentlemen, to give effect to their plan, if possible, and we tried our best to do so. Our modifications of their plan were all in favor of parties tendering, and, therefore, should have produced tenders, though theirs failed. The plan of the late Government provided for the payment of $10,000 in cash per mile, extending over the entire 2,600 miles."

It provided more. It provided $10,000 in cash per mile, not only extending over 2,627 miles of road, but also over the Georgian Bay branch and over the Pembina branch as well. The hon gentleman further said :

"This would make the total $26,000,000, to which add $3,000,000 for surveys, according to the hon. gentleman's statement, would make $29,000,000, leaving $1,000,000 still to be devoted to the eastern end to pay the greater portion of the subsidy to the Canada Central Railway. If the late Government could have obtained offers."

"Which would have enabled them to construct the road for $26,000,000, I think it would have been their duty to have accepted them. They did not have any offers made them, and the hon. gentleman knew that he could not get any or he would have asked for them."

I invite the hon. gentleman's attention to this statement, because it clothes us, as far as he could, with his approval in dealing in relation to this very matter. Now, Sir, we have accepted an offer, a better offer than that contained in the hon. gentleman's proposal, as I will show the House in the most distinct and conclusive manner, I and I claim from the hon. gentleman that support to which I consider he was pledged to this scheme. I did not suppose that when the hon. gentleman, in his place as leader of the Opposition, stated that if Government would do a certain thing he would support them, that when they did that he would withdraw that support, or hesitate to implement the pledge which he gave across the floor of the House. I read that statement of the hon. gentleman who said he would scorn to use any deception. I believed it, and accepted it, and hold him to it, bound as he is by this declaration. When I have shown the House, as I will show, that our terms, the terms which we have laid on the Table of the House, to be much within the terms he pledged himself to support us in, I will claim from the hon. gentleman the fulfilment of his pledge. The hon. gentleman said the Government did not have any offers made them. Well, Sir, why did he not get any offers? He did not get any offers because the position of this country was such for five years as to make it impossible for hon. gentlemen to obtain any offers in that direction. But, Sir, when under the influences to which I have adverted, the whole tone of the press of England changed; when a large body of people, the best class of immigrants that can come to this country became alive with excitement with reference to the Canadian North-West; when Sir, a movement, such as never previously took place, was occupying the attention of capitalists as well as immigrants in England with relation to the North-West, and when, under the fiscal policy propounded to this House by my hon. friend, the Minister of Finance, the whole financial position of this country was changed; when commercial prosperity had again, under the influence of that change in the fiscal policy, dawned upon Canada,—I say, Sir, when the Government of Canada were able to present themselves to the capitalists of the world, either in this country or the United States or in England, and show, not that year after year they had to meet Parliament with an alarming deficit, and were unable to provide for it, and were adding from year to year to the accumulating indebtedness of the country, not for the prosecution of public works that were going to give an impetus to our industries, but merely to enable the ordinary expenditure of the country to be met by revenue,—when that all this was changed, the aspect of affairs in relation to this work changed. When, under the previous condition of things, my hon. friend opposite could not obtain offers in response to the advertisement which he published all over the world, asking financial men to take up this scheme in consideration of $10,000 in cash per mile, and 20,000 acres of land per mile, and asked in vain, not being able to get a single offer; when this advertisement was published, notwithstanding all his efforts in England and in this country in relation to it, and he obtained no response whatever, why, Sir, the hon. gentleman might fairly assume that we could not obtain any offers, either. But as I say, when under a changed policy and when the Government had successfully grappled with the most difficult portions of this great work, and shown to the capitalists of the world, under the authority of this House, that one hundred million acres of land were placed at our disposal for the prosecution of the undertaking, that we were not afraid to go on with its construction, or afraid to show that the construction of the Canadian Pacific Railway was a work which, however gigantic in its nature, however onerous an undertaking was involved in the work, or however serious the liabilities it imposed, was capable of fulfilment; when, notwithstanding all this, we showed that we were not afraid to go forward and prove to the capitalists of the world that we ourselves had some confidence in this country and in its development, that we were prepared to grapple with this gigantic work, the aspect of affairs was wholly changed. Well, Sir, under these circumstances the Government submitted their policy to Parliament, and they were met by obstruction last Session; they were met by a complete change of front on the part of the Opposition in this House. The men who had for five years declared that they were prepared to construct the Canadian Pacific Railway as a public work, the men who had pledged themselves to British Columbia to construct it as a public work, and who had, in the House, in every way that men could, bound themselves, called a halt in order to obstruct the Government when we took the only means by which we could remove the difficulty which had prevented the hon. gentleman from obtaining any offers in reply to the advertisement that he had sent all over the country. I hold the advertisement in my hand. It was published on the 29th May, 1876, and it says that "they invite tenders to be sent in on or before the 1st January, 1877, under the provisions of the Canadian Pacific Railway Act, 1874, which enacts that the contractors for its construction and working shall receive lands or the proceeds of lands." Mark the

words "lands or proceeds of lands;" they were not only to receive the lands, but they were to receive, if it were thought desirable, the proceeds of lands.

Mr. MACKENZIE. The hon. gentleman is not fair in stating that. I am surprised he should make the statement, for, if he looks at the Act, he will find that the arrangement was for the Government to sell two-thirds of the lands, and then to offer the proceeds to the contractors.

Sir CHARLES TUPPER. I am glad that the hon. gentleman has reminded me of it, for we leave the contractors to bear the entire cost of disposing of the lands, whilst the hon. gentleman undertook to pay the cost of disposing of two-thirds of the land, and then give the proceeds to them without any deduction in the price. I am glad that he has mentioned it, because it shows how much greater than I am stating were the terms that he offered in this advertisement. Then it goes on to say "or the proceeds of the lands at the rate of twenty thousand acres, and cash at the rate of ten thousand dollars for each mile of railway in the North-West, and at the rate of $10,000 per mile, together with interest at the rate of 4 per cent. for twenty-five years from the completion of the work, on any further sum that may be stipulated in the contract, and the Act requiring parties generally to state in their offers the lowest sum per mile upon which interest may be required." That was adopted, and an advertisement published all over the world, in Great Britain, this country, and the United States. I presume he believed that under the circumstances to which I have adverted that the time had come when we might deal with the matter from a better position. I will frankly state to the House that one of the causes which led to the great change in the public sentiment in relation to the value of land in the North-West, and of railway enterprise in the North-West, was the marked and wonderful success that was published to the world as having resulted from the Syndicate who had purchased the St. Paul, Minneapolis and Manitoba Railway, and became the proprietors of that line. The statements they were enabled to publish showed not only the rapidity with which railway construction in private hands could be carried on, but it showed the value of the prairie lands in the North-West, and the extent they could be made valuable for the construction of such lines. It attracted the attention of capitalists in relation to enterprises of that kind to a degree that had a very marked influence, undoubtedly, upon the public mind, in relation to this question. I may further frankly state to the House, because we have nothing to conceal, that when we decided that it was desirable for us to ask intending contractors and capitalists on what terms they would complete and take over the road of the Canadian Pacific Railway, we placed ourselves in communication with all the parties whom we had any reason to suppose would have any intention to contract for the purpose of getting their lowest possible offer. As my right hon. friend has stated, Canadian and American capitalists made proposals for the construction of the remaining portions of this work. The Government proposed to complete the line from Thunder Bay to the Red River. We proposed to complete the contracts that were made in British Columbia in the canyons of the Fraser River, and to carry the line on—for it was an absurdity for the terminus of the Canada Pacific to be at a place where there was only a depth of three feet of water, however advisable it might be for temporary purposes—and we proposed to complete ultimately ninety miles of a line from Emory's Bar to be constructed down to tide water at Port Moody, the harbor selected by the hon. gentleman opposite as the best terminus for the Canadian Pacific Railway. We are always ready, and are prepared, to give all the credit and praise that we possibly can give to our friends opposite, and we showed it by the adoption of the place which the hon. gentlemen in their wisdom had chosen as the terminus.

Mr. BLAKE. You said that it was premature.

Sir CHARLES TUPPER. I did say that it was premature, and we examined further before we adopted the route. We considered all the routes which, in our judgment, were the best, but thought there was another investigation which should be made before finally deciding. After doing so, we found, notwithstanding some advantages in the northern route, that we were prepared to endorse the wisdom of the hon. gentlemen as to where the port for the terminus should be. We then proposed to complete the line from Thunder Bay to Red River, from Kamloops to Emory Bar, and ultimately down to Port Moody. We asked the parties upon what terms they would undertake to build the remaining portions of the line from Nipissing to Thunder Bay, the distance being about 650 miles; it has been chained for the first time during the past season, and is 652 miles. We asked upon what terms they would undertake to complete all the line from the Red River westward to Kamloops, and take over and own the whole road.

Mr. MACKENZIE. Will you place a copy of these propositions as you laid them upon the Table?

Sir CHARLES TUPPER. Yes; I have no objection to do so; but it will give the hon. gentleman no additional information to what I have succinctly stated as having been decided.

Mr. MACKENZIE. And also the names of the parties to whom it was made.

Sir CHARLES TUPPER. I may say to the hon. gentleman that it was communicated.

Mr. MACKENZIE. Not by public advertisement, like mine.

Sir CHARLES TUPPER. It was not; and I think we could have taken no better means of defeating the object we had in view than the very course that the hon. gentleman had taken. It was enough to deter anybody from looking at it, seeing that he had stated on the floor of Parliament that no offer could be obtained. We took a wiser plan, which has been crowned with success. By placing ourselves in communication with parties who were likely to make any propositions, we have the pleasure now of laying before the House a proposition to which, in its character and details, I shall invite more closely the attention of the House in comparison with the proposal previously made. I have stated to the House that the contract which is now laid upon the Table, and which the resolution asks the House to adopt, secures the completion and the operation hereafter of the Canadian Pacific Railway by a private company, aided by a grant of money and lands, upon the most favourable terms that have ever been submitted to this House, or that have ever been proposed by any person in this country for the purpose of securing that object. I will give the data and the definite information for the grounds upon which I base that statement. I may state first that I have had a careful estimate prepared, and have laid it upon the Table, of the amount of money required to complete all the road now under contract, and those portions of the road that are to be constructed by the Government, and it amounts in round figures to twenty-eight millions of dollars.

Mr. BLAKE. Is that inclusive of all that has been spent?

Sir CHARLES TUPPER. It is every dollar of expenditure that will come out of the Treasury of Canada for the existing contracts and for the completion of the road that is to be built by the Government.

Mr. BLAKE. Are these figures intended to represent the total cost of these works, including what has been spent?

Sir CHARLES TUPPER. Every dollar of expenditure. It will be remembered that a year ago I made some remarks on this subject in this House, and I am told that some hon. gentlemen would like to have copies of the speech that I made on that occasion. I can only say, so far as the limited supply in my hands will enable me, that I shall be very glad to comply with that wish, because I am not at all unwilling that they should read, mark, learn and inwardly digest its contents, and hold me responsible for them.

Mr. BLAKE. I think I have heard much of this before.

Sir CHARLES TUPPER. The hon. gentleman says that he has heard it before, but I have mainly occupied the attention of the House with the more eloquent and able statements of the hon. gentleman opposite. I thought I had done him some justice, but after that reminder I will give the House directly some further statements which he will undoubtedly receive with more pleasure than anything of a more original character. I may say to the House that we submitted the estimate of the Chief Engineer; it was published in a pamphlet which we used in the debate. The hon. gentleman, a short time ago, repeated the words I used in regard to the character of the road, by stating that it was a degraded road. That was literally and specifically correct, for I stated to the House that in the position the Government then were, with this gigantic work in hand, obliged to deal with it as a Government work; we felt compelled, after constructing the road to the Red River as a first-class road, which we had carried out in accordance with the specifications and plans, very judicious specifications and plans of my hon. friend opposite, to carry the road across the prairie of the very cheapest description of road that would answer for the business of the country, and be in the first instance a colonization road. The House will remember that that estimate was for $84,000,000 for the work done in the mode in which we proposed to deal with it. That included eighty millions as the portion of money required for the road and the money expended upon surveys.

Mr. BLAKE. Does the eighty-four millions include that?

Sir CHARLES TUPPER. Yes, in the eighty-four millions were included the Pembina branch, which was estimated at $1,700,000, and the surveys. I may state that this estimate which I have laid upon the Table differs in some measure from the estimate laid upon the Table last year, and I will tell you frankly why. We stated that we had made our calculations upon the outside estimates. We determined not to be in a position to have to say to the House that the estimates upon which money had been voted for the construction of the railway had been exceeded.

Mr. MACKENZIE. Which contract?

Sir CHARLES TUPPER. All the contracts between Thunder Bay and the Red River.

Mr. MACKENZIE. Does the hon. gentleman say that he prepared these contracts, or that they were prepared in his time?

Sir CHARLES TUPPER. I say that we twice postponed the advertisement in order to get the most specific details.

Mr. MACKENZIE. What I wish to know is, whether the specifications were changed between the issuing of the tenders and the time when they were received.

Sir CHARLES TUPPER. All I can say is that before we sent out the specifications or entertained tenders at all, in addition to the time that elapsed between the change of Government and our entry into office, we twice extended the time for receiving tenders so that the specifications might be made with sufficient accuracy. This estimate that is now prepared by the present engineer, and which I have laid on the Table of the House,—the $28,000,000—covers all the money that has been spent up to the present time, and all the money that in our judgment, in the light of the work that is now proceeding, will be required to complete it as required by the contract on the Table.

Mr. ANGLIN. The Yale-Kamloops section?

Sir CHARLES TUPPER. Yes, the Yale-Kamloops section and everything. I have already stated that the amount that is put in for engineering, apart from the construction, is $1,600,000, and I draw that as a distinction between the three millions of dollars extended over the whole range of the Canadian Pacific Railway generally, and which has no relation whatever to the cost of this particular work that we are now handing over. This sum has no relation in this sense, that it does not appertain to the construction of that particular work.

Mr. BLAKE. It was part of the expense of finding the route on which the road was to be built, and therefore part of the cost of it.

Sir CHARLES TUPPER. If the hon. gentleman will look at the Canadian Pacific Railway Act of 1874 of his hon. friend (Mr. Mackenzie), he will find that it distinctly states that these surveys are not necessarily to be paid for by the parties entering into the contract.

Mr. MACKENZIE. It says that is a matter to be provided for after the contract is entered into.

Sir CHARLES TUPPER. I stated frankly that the law provided that it might or might not be a charge on the contractors, but when it was left in that way it was not likely to be a charge on them.

Mr. MACKENZIE. It is a charge on the country at all events.

Sir CHARLES TUPPER. This estimate which has been laid upon the Table does not include that cost for surveys. That, a year ago, I separated from the $80,000,000 required for the Canadian Pacific Railway, but it does include all the other expenditure, as we believe that had been made, and all that will be involved in order to bring that work to completion. I will now draw attention to the estimates of the contract as laid on the Table of the House. The estimated distance, and the distance which is contracted for, and which is binding on the contractors, is 2,627 miles; and I may state that, suppose the contractors were to change the road—suppose they were to go north of Lake Nipegon instead of south of it, and add fifty miles to the length of the road, they would not receive an additional dollar over and above the amount stated in the contract.

Sir ALBERT J. SMITH. Suppose they shorten it?

Sir CHARLES TUPPER. If they shorten it, I should be very glad to find that they do, and they will receive the amount stated in the contract if they do so. We have chained the route, as I say, and the distance is 652 miles, but it is not very easy to locate a railway for construction quite as short as the chained distance. I think that will be readily understood. I will now take up in the contract all these propositions in the order in which they have been laid on the Table of this House—the order in which they have been voted by this Parliament. I will take up the propositions of 1873, the authority that Parliament gave to the then Government to secure the construction of the Canadian Pacific Railway. It was a cash subsidy of $30,000,000, for the main line of 2,627 miles (I am putting the mileage upon the present route for the purpose of contrast), and the land grant of 50,000,000 acres; 20,000 acres per mile for the Pembina Branch, making 1,700,000 acres, and 25,000 acres per mile on 120 miles for the Nipegon Branch, making 3,000,000 acres; so that Parliament, in 1872, voted 54,700,000 acres. If you estimate the land at some particular value for the purpose of comparison.

Mr. BLAKE. Hear, hear.

Sir CHARLES TUPPER. Call it one dollar per acret and I am sure, unbelieving as my hon. friend, the leader of the Opposition is, unbelieving and wanting in confidence, as he has induced the leader of the late Government to become in the value of these lands, I am almost sure that, with the help of the *Globe*, I could work them up to the belief that these lands are worth a dollar an acre. I despair of getting them further than that, even with that potent assistance, but I hope to bring them up to the belief that these lands are worth a dollar an acre. For purposes of comparison, then, we will call it worth a dollar an acre. This Parliament voted in land and money a subsidy of $84,700,000, and placed it at the disposal of the Government for the construction of the Canadian Pacific Railway. How has that proposition been treated? Why, Sir, as I have stated, a company was formed, a contract was made with them under the terms of which they were clothed with all the powers and means that we could give them, to command the money markets of the world, and they could not do it.

Mr. ANGLIN. I thought it was he who spoiled it.

Sir CHARLES TUPPER. The hon. leader of the late Government has ever since poured unbounded ridicule on that proposition; he has always considered those terms inadequate to secure the construction of the great Pacific Railway. The hon. gentleman, on the platform, in my presence, declared—and he could not have poured greater ridicule on the project than by the expression he used—that we might as well offer ten dollars as thirty millions of dollars and fifty million acres of land to secure the Canadian Pacific Railway. From that day to this—not quite to this, but until a few months ago—until the contract was made, every person in this country had been led to believe (our own friends as well as our opponents) that the hon. gentleman was right; that those terms were inadequate, and the experience of our Government and the subsequent five years of the late Administration had gone to prove that they were inadequate; and the hon. gentleman will find that last year, when I was *in extremis*, when I was met by hon. gentlemen opposite, raising a hue and cry that we were going to ruin this country by the construction of the Canadian Pacific Railway, and the necessity was great to reduce as low as possible the construction of this work, the lowest estimate that I could submit to this House, for what I admit is a degraded road, was $80,000,000. I now come to the proposition of 1874. And what does that show? The hon. gentleman got Parliament to vote for the construction of 2,627 miles of the through line from Lake Nipissing to Burrard Inlet, for 85 miles of the Pembina branch, and for 85 miles of the Georgian Bay branch—2,797 miles—all of which are contained in the Act, and all declared to be treated on the same terms, and entitled to the same amount as if they were on the main line—

Mr. MACKENZIE. I was not aware that that Act declared Burrard Inlet to be the terminus.

Sir CHARLES TUPPER. The hon. gentleman ought scarcely to interrupt me with a captious objection of that kind, which has nothing to do with the question. He knows that, as a matter of comparison, I must take a definite route, and he knows also that he was dealing with the Burrard Inlet route, because he was dealing with the route that he should decide was best, and he did decide that the Burrard Inlet route was the best. The hon. gentleman should not, therefore, interrupt me with such a frivolous objection which has nothing to do with the subject, but which is calculated to draw me aside from the argument. Well, what did it amount to? It amounted to this, that with the shortest route——

Mr. MACKENZIE. No.

Sir CHARLES TUPPER. The shortest route, because if he hon. gentleman takes any other practicable route he will increase the distance.

Mr. MACKENZIE. No.

Sir CHARLES TUPPER. Yes.

Mr. MACKENZIE. Not the shortest. There are shorter routes.

Sir CHARLES TUPPER. I come to the Act—the law put on the Statute book by the hon. gentleman himself—the authority that this Parliament gave him to construct the Canadian Pacific Railway and what does it enact? It says that on this 2,797 miles, including the main line and branches, he got voted, not by estimate, but by authority of a statute, to use $10,010,000 for that distance, which is 2,797 miles. And, Sir, he got authority to give 20,000 acres of land for every mile of that distance, which amounted to 55,940,100 acres.

Mr. BLAKE. Not on every mile.

Sir CHARLES TUPPER. On every mile, as the hon. gentleman will see by the Act of 1874.

Mr. BLAKE. I thought the contract for the Georgian Bay branch was not based on a land subsidy at all.

Sir CHARLES TUPPER. This was Mr. Foster's contract, which gave 20,000 acres of land, and if the land could not be got along the line, it was to be taken anywhere else in the Dominion.

Mr. MACKENZIE. We do not own the land there at all.

Sir CHARLES TUPPER. It had to be got in the North-West.

Mr. MACKENZIE. That is perfectly well known.

Sir CHARLES TUPPER. The contract makes it a doubtful question whether it could be obtained from the Province of Ontario or not. At that time the hon. gentleman had some hopes of acting on the sense of justice of the Province of Ontario, and he might have obtained some land from them.

Mr. MACKENZIE. Formal application was made.

Sir CHARLES TUPPER. Yes, but not successfully; that Act also provides for four per cent. on such additional amount as would be required by the contractors in order to build the road. The hon. gentleman published his advertisement for six months without getting any response. Now, how shall we arrive at the amount that was to be paid, in comparison with the other contract? There is a very satisfactory mode. The hon. gentleman let the contract for 85 miles, and although I am prepared to admit that that portion of the road is more difficult of construction than a great deal of the Pacific Railway, still the hon. gentleman will not deny that it is a very fair average.

Mr. MACKENZIE. I do.

Sir CHARLES TUPPER. Then, Sir, I have lost confidence in the hon. gentleman altogether. Has the hon. gentleman forgotten that when the Foster contract was cancelled, and we stated that he was not as wise in letting this contract as he might have been, he scouted the idea, and said there was no difficulty whatever, and that the contract was not abandoned for any such reason as was alleged.

Mr. MACKENZIE. I could only state what the Engineers stated.

Sir CHARLES TUPPER. I have no doubt, when the hon. gentleman made that statement, he believed it to be the truth. If the hon. gentleman will look at the line north of Lake Superior and examine the character of a considerable portion of it, and then examine the character of the line from the canyons of the Fraser River or from the foot of the Rocky Mountains and thence to Kamloops, Emory's Bar and on to Burrard Inlet, I think he will agree that the Georgian

Bay Branch is a fair average of the whole line. When the hon. gentleman advertised he obtained a tender from Mr. Munson, of Boston, at four per cent. on $7,500, while the Foster tender was four per cent. on $12,500, and the other tenders were vastly beyond that sum. Mr. Foster became possessed of the lowest tender—that is, Mr. Munson's; a contract was made with him, and that contract I have in my hand. You will find that it provides for paying Mr. Foster $10,000 in cash per mile, 20,000 acres of land per mile, and four per cent. for 25 years on $7,500. But I must remind the House that after Mr. Foster had gone to New York and exhausted every effort he could make in England, he found he could not get a capitalist in the world to invest a dollar in his contract; so that when I take that contract as a fair average of the cost to be added to the amount for which the hon. gentleman had authority from Parliament to use, I think I have taken an average which every business man will admit is a moderate one. The interest, at four per cent., on $7,500 is $300 a year per mile, and adding that to the amount I have stated, and on the 2,977 miles we have $20,977,500.

Mr. BLAKE. Why do you not capitalize that sum?

Sir CHARLES TUPPER. I do not capitalize it all, but it would have to be paid in money as the other is paid.

Mr. BLAKE. Hear, hear.

Sir CHARLES TUPPER. Does the hon. gentleman mean to say that when we incur an obligation under a contract we have not the money to pay?

Mr. BLAKE. The obligation to pay year by year for 25 years, does not mean the gross sum of those payments added together, as everybody knows.

Sir CHARLES TUPPER. No, Mr. Speaker, but it means a very much less sum. Let the hon. gentleman apply that principle to the $25,000,000 we are to pay the Syndicate, and he will find that it means a very much less sum too. The hon. gentleman will find that by the terms under which Parliament, in 1874, authorized the late Government to secure the construction of the Pacific Railway, the amount to be paid in cash was $48,947,500, which, with 55,949,000 acres of land at $1 per acre, would make $104,887,500—the lowest amount, as the hon. gentleman must admit, which could represent accurately the amount to be expended upon that scheme.

It being six o'clock the Speaker left the Chair.

AFTER RECESS.

Sir CHARLES TUPPER, resuming, said: Mr. Chairman, when the recess took place, I was dealing with the question of the amount that Parliament had placed at the disposal of my hon. friend, the then leader of the Government, for the construction of the Canadian Pacific Railway, and I find, Sir, that I have made a slight mistake, which I take the earliest opportunity of correcting. I stated the distance from Nipissing to Burrard Inlet at 2,627 miles; I must add 40 miles to that distance in computing the amount which, (the Act of 1874) Parliament placed to the disposal of the leader of the Government for the construction of the railway, because, you will remember, the then Government located the terminus of the railway, not at the Callendar Station on Lake Nipissing, where it is now located, and where it was originally located by the former Government, but forty miles south of that point. Therefore, under that Act, the hon. gentleman would not only have been obliged to expend $104,887,500 at the lowest computation, but to provide for the construction on the same terms of 40 miles more, to bring the railway down to the terminus as located by the then Government. That will add $400,000 in cash, $300,000 in money as four per cent on $7,500 per mile, for 25 years, and $800,000 in land at a dollar an acre, or $1,500,000 annually, to make the estimate strictly correct—in all $106,387,500. Now, Sir, having shown that Parliament had placed at the disposal of the Government of my right hon. friend (Sir John A. Macdonald) in 1872 $84,700,000 for the construction of the work, and that Parliament had placed $104,887,500 at the disposal of the leader of the Government in 1874—to which we must add the $1,500,000 to which I have just referred—I now come to the present contract, which is laid on the Table of the House for its consideration. For that portion of the line from Fort William to Selkirk, 410 miles, the Pembina Branch, 85 miles, and that portion from Kamloops to Burrard Inlet, 217 miles—all of which, amounting to 712 miles, when the whole line is completed, is to be handed over as the property of the company—the total amount expended and to be expended by the Government, including everything, is $28,000,000. For the construction of the road from Lake Nipissing to Fort William, 650 miles, and from Selkirk to Kamloops, 1,350 miles—2,000 miles in all—the Government have agreed to pay, in addition to the $28,000,000, $25,000,000 and 25,000,000 acres of land; making a total subsidy in cash of $53,000,000, and in land—estimating the 25,000,000 acres at the same rate that I have estimated the land under the contract of 1873 and under the Act of 1874, one dollar an acre—of $25,000,000; or a total amount to be expended by Canada for the construction of the Canadian Pacific Railway, of $78,000,000. I think this warrants the statement with which I commenced my remarks, that these terms are greatly below any terms that have previously been obtained or sanctioned by Parliament for the construction of this great work. The matter then stands thus: under the contract of 1873, $84,700,000; under the contract of 1874, $104,887,500, with $1,500,000 added to bring the road down to the point at which, under that Act, it was to be commenced; under the contract of 1880, now laid on the Table of the House, $78,000,000. Now, Sir, let me draw the attention of the House for a moment, in order to show that in taking the Foster contract as the base of calculation as to what the cost under the Act of 1874 would have been, if it could have been accomplished at all, it was a reasonable estimate, an estimate, in fact, below the mark, to the words of the leader of the late Government with reference to the character of that section. The hon. gentleman said, as will be found in the *Hansard* of 1876:—"Because he would probably refer to this matter at another time in the House, he would now simply say this: that what was published in many newspapers as to engineering difficulties encountered in this relation was entirely fallacious. No difficulty had been experienced in obtaining the grade that was required in the original contract, the gradient not exceeding 26 feet per mile for the country eastward and 52 for the country westward. In only two places was there any difficulty in securing these gradients; and these the engineers assures me can easily be overcome. The explorations in the immediate vicinity of French river show that the line traverses a rocky though not a hilly country." This shows that I have ground, from the opinions of the hon. gentleman, for my statement that that would be a fair estimate. I will now draw attention of the hon. gentlemen opposite to an authority with reference to the terms. This may be necessary as the position now taken by the Opposition, as may be assumed by that taken by the *Globe*, is that it is idle to talk about estimating the land at $1 per acre when every one knows it is worth $2 per acre. Well, I shall be only too glad if that can be established, but it will not do for the leader of the Opposition or the leader of the Government to meet me on that ground, and I will show you why. I draw the attention of the Committee to the statement made by the leader of the Opposition (Mr. Blake) when we were discussing the Foster contract, and I had ventured to value the land at $2 an acre. That was in 1875, and the hon.

gentleman will find his remarks on page 541 of the *Hansard*. The hon. gentleman said, in reference to myself:

"We have found him putting a value of his own upon the land subsidy We have found him exaggerating other items to be taken into account, and we have found him thus making a total which I do not think the House will agree is a correct one in that matter. As I understand the figures, the cost of building the Georgian Bay Branch, a distance of 85 miles, is as follows: Subsidy, $10,000 per mile, $850,000; guarantee of four per cent. interest on $7,500 for 20 years, which, I am told, capitalized, is equivalent to $4,000 in cash per mile. That we make $340,900, giving $1,190,000 as the total value of the cash to be expended by the country in the construction of the Georgian Bay Branch. With reference to the 20,000 acres of land subsidy, the hon. member for Cumberland calculates it at $2 an acre. I do not believe the House will accept that calculation. I am quite sure, if the hon. gentleman proposed that a negotiation be entered into with the contractor for the release of that land, he would find him quite willing to get rid of it at a much less rate than he has valued the land at. It is an entirely absurd calculation to say that these 1,700,000 acres are worth $2 an acre to this country. Even valuing them at $1 an acre would, in my judgment, be an excessive valuation. But even valuing them at $1 you would then have $2, 890,000 as cash and land which the Georgian Bay Branch would cost."

Then the leader of the late Government gave his opinion on the subject. My right hon. friend said: "You are going to give 50,000,000 acres of land away." Mr. Mackenzie said: "Yes, only I do not place their value at $5 an acre, I wish I could say that they were worth one dollar an acre." But whatever the value may be, I am confident I express the views of the committee when I say that whatever value may be obtained for them over one dollar per acre, and I hope it will be greatly over that rate, will be obtained, not in their present position, but in consequence of the construction of the Canadian Pacific Railway. In 1879, the hon. gentleman said:

"I do not understand why the hon. gentleman anticipates a larger revenue from the lands to be sold, because it is absolutely indispensable, in order to induce settlers to go into the country, that we should furnish them with the lands free of charge. Does the hon. gentleman imagine that settlers will go to the North-west and buy lands at $2 an acre when there are millions of acres of land offered for nothing in the United States?"

Sir JOHN A. MACDONALD. Hear, hear.

Sir CHARLES TUPPER. If we are able to make these lands worth $2 an acre, we will do it by the agency now proposed to construct the railway, by the expenditure asked for the purpose of ensuring its construction. The leader of the late Government also said:

"We must, therefore, make up our minds if we are to settle that country, it will be done only at the expenditure of a large amount of money to aid settlers on going in and giving them land free after they get in. That is my conviction. If the hon. gentleman's expectation should be realized of getting $2 per acre for those 100,000 acres, I will confess to him that I have been utterly mistaken in my ideas upon this subject."

Sir JOHN A. MACDONALD: Hear, hear.

Sir CHARLES TUPPER. So much for the value of the lands. Now, Sir, as to the cost of the work. I have estimated the lands at $1 per acre, but I will assume, for the sake of meeting the present views of honorable gentlemen opposite half way, that they will be worth $1.50 per acre, and we will see then how the account will stand as between honorable gentlemen and ourselves; how far my statement with which I opened this discussion will be borne out when I stated that the terms upon which we now ask this House to secure the construction and operation of the Canadian Pacific Railway are greatly below any terms that have ever been offered in this House or submitted to the consideration of the people of Canada. If you value the lands at $1 per acre, the contract of 1873 founded upon the offer to secure the construction of the Canada Pacific Railway to the Allan company will show a total of $112,050,000. How will the account then stand? Applying the same principle to the Act of 1874, it will show $132,857.500 placed at the disposal of the Government of my honorable friend opposite for securing the construction of the road. Placing the lands at $1.50 an acre, how stands the contract we have laid on the Table? It shows a total of $90,500,000. If we go the whole length the *Globe* asks, and I do not say it is unreasonable, if we assume those lands to be worth, after the construction of the road, $2 an acre, how will the account stand as between those various proposals submitted for the consideration of Parliament in former times, and readily accepted by it, and the proposal we now lay on the Table? The first proposition, that of 1873, placed at the disposal of the Government lands and money worth $139,400,000. The amounts placed at the disposal of the late Governments :n 1874, valuing the lands at $2 an acre was $160,827,500 on the 2,797 miles. The present proposition, valuing the lands at $2 an acre, reaches a total of only $103,000,000, or less than the amount at $1 an acre, placed at the disposal of the late Government by Parliament for the construction of the Canadian Pacific Railway. I think this statement ought to be tolerably satisfactory to any hon. gentleman who wishes to make a fair and just comparison of the proposals previously submitted with the present proposal. I will give an authority on this subject, because that derisive cheer from the member for Lambton intimates that he is not satisfied; that he is still doubtful as to my having maintained the position with which I set out, that the terms now submitted for the ratification of Parliament are greatly below any terms ever submitted and approved of. I will now give hon. gentlemen opposite an authority as to the cost of this work, about to be undertaken, that I think they will be compelled to accept. It is the authority of their own statements, of their own opinions, and I think I will show, from the opinions of the leader of the late Government and the late Finance Minister, that the cost of this work is such as to justify any intelligent man in accepting the propositions now submitted as eminently advantageous in the interest of the country, and as not beyond what the parties undertaking to perform such work are entitled to receive. On the 12th May, 1874, Mr. Mackenzie said:

"From that point westward it is quite clear that there is no means of rapid communication except by building a railway, and this portion in British Columbia alone would take $35,000,000, and from the point which Mr. Fleming calculates as the centre of the Rocky Mountains eastward to the junction with navigation, would probably be $100,000,000 or something like that."

There is an estimate from the leader of the late Government, the then Minister of Public Works, and submitted to Parliament on the authority of his own engineers with all the judgment and experience that could be brought to bear upon it, that $100,000,000 would be required for the road from Lake Superior, at Thunder Bay, to the Pacific Ocean; and yet the present proposition secures the construction of the entire road within ten years from the 1st July next, from Lake Nipissing to Burrard Inlet, at a cost to the country, at the estimate hon. gentlemen opposite placed on the lands, of $78,000,000. One would have supposed the member for Lambton would have stood aghast at such an estimate as $100,000,000 for the portion of the road mentioned, and would have abandoned it as beyond the resources of Canada. But standing as Prime Minister and weighted with the responsibility which rests on such a high officer, he felt he must not shrink from his duty, and he stated of the section in British Columbia, that would cost $35,000,000, "we propose to proceed with it as rapidly as we are able to obtain a completion of surveys." He also proposed to expend $100,000,000, if necessary, to connect the waters of Lake Superior with the tidal waters of the Pacific. The leader of the late Government also said:

"We frankly recognize the failure of the attempt to give a fictitious value to lands, in order to get English capitalists to take up the railway; but we also frankly confess the necessity of building the railway by direct money subsidies, or a combined system of giving both money and land."

The hon. gentleman gallantly performed his duty, and did not shrink from the responsibility, arduous and responsible

as was his position, of discharging the duty imposed. He said:

"We propose to give a specific sum per mile, in the first place of $10,000 per mile, and, in the next place, a grant the same as that proposed by the late Government of 20,000 acres, the disposal of which I will attend to presently; and then we invite intending competitors to state the amount for which they will require the guarantee at 4 per cent. in order to give them what they may deem a sufficient sum wherewith to build the road. We know that some think $10,000 per mile and 20,000 acres of land, supposing they realise on an average $1 an acre, will not build the road. It would more than build it in some parts, but from end to end it is evident it will not build it. I do not know, and have no means of estimating the probable expenditure per mile further than that to be derived from our own experience and that of our neighbors. The Intercolonial Railway will cost about $45,000 a mile, traversing, on the whole, a very favourable country, and possessing the most ample means of access at various points on its course, and with the additional advantage of having procured the iron structures and rails when there was a very great depression in the prices of iron. The Northern Pacific Railway, in the accounts published by the Company, has cost, so far as it has been carried—that is to Red River—$47,000 or $48,000 per mile in round numbers. Well, Sir, that road traverses almost wholly a prairie region, easily accessible and where materials were easily found, and is altogether quite as favourable as the most favourable spot of any part of our territories, with this advantage, that it was much nearer to the producers of supplies than any portion of our line, except that on the immediate borders of the Lake. The Central Pacific I will not touch, as the cost of that road was so enormous as not to afford any guide at all, because of the extraordinary amount of jobbing connected with it. But, judging from the cost of our own railways, we have no reason to suppose it will be possible to construct this line from end to end at a less price than $40,000 per mile, and it may exceed that by several thousands of dollars. Parts of it will, of course, exceed that very much, though on the whole of the sections east of the Rocky Mountains, something in the neighborhood of that figure will cover the outlay. Well, Sir, we propose to donate $10,000 per mile to the companies, and a guarantee of 4 per cent. on a sum to be named by them in their tenders, and whatever sum they may name will be the determining point as to which of the tenders is the lowest, the grant of land being also absolutely in each case 20,000 acres. I have already said I consider the building of this road to be one that has to be borne by the people of this country. It is quite useless to suppose that the road can, for the present time, or for some time to come, be regarded as a purely or even a partially commercial enterprise, because I do not expect that any commercial advantage can by any possibility arise to a company constructing this road, for many years to come; and, as I believe in a perfectly frank, honest opinion in regard to these matters, as the only mode in which the affairs of the country can be legitimately carried on, I give free expression to my views on that matter."

I think almost every word I have read will be, although not entirely new, will be looked upon as frank and fair an estimate as the hon. gentleman ever submitted to the House.

"Well, sir, we now desire the gentlemen who undertook that responsibility to show us how it is possible to construct a railway 2,500 miles long, with a population of four millions, passing almost its entire length through an uninhabited country, and for a still greater portion of its length through a country of very rough character."

I am glad the time has come when, in response to the hon. gentleman, we are in a position to show him how that gigantic work can be accomplished, and upon terms more favorable than any the most sanguine person in this country ventured to look for.

"I believe," continued the hon. gentleman, "there can be no question that whoever builds the road, and whenever it may be built, it must be constructed with money furnished by the people of this country." "We know, sir, that the obligations imposed with the building of the road will not terminate with the conclusion of its construction."

I ask the hon. gentleman not to forget, now that he is sitting on the Opposition benches, that in estimating the cost, as a Minister, he felt that he would not be doing his duty if he did not draw the attention of the House to the fact that when this road is constructed the liability resting upon the country will not be discharged, but just commencing. He went on to say:

"Supposing it only takes the minimum amount estimated by Mr. Sandford Fleming, $100,000,000, you have pretty good appreciation of what it would cost the country in the end. When you double the debt of the country you will not be able to accomplish the borrowing of the sum of money required to build the road, paying the attendant expenses of management, and the debt, and everything else connected with it."

That hon. gentleman opposite, last session, enforced very strongly upon our attention the fact that if we went on with this work as a Government work, and stood pledged in the face of the country, and of the financial world, to an expenditure of eighty to a hundred million dollars for the construction of the railway, we could hardly be surprised if it increased the cost of money we were obliged to borrow in the money markets of the world.

"You will not be able, I say, to borrow the required amount of money at less than six per cent. on the amount."

Not an extravagant statement, certainly, in view of the great liability that would be involved by undertaking to furnish all the money for the construction of the road.

"If you add six per cent. upon the minimum amount to the existing obligations of the country, you will have, in addition to our present annual burdens, six millions of dollars, which, added together, would make a continuous application of twelve millions of dollars before you have a cent to apply to the ordinary business of the country."

A rather startling ground for the hon. gentleman to take, but one which commended itself to all those who listened to the hon. gentleman's address.

"Then we come to the consideration of what would be the position of the road after it was completed, supposing we were able to fulfill the obligations which hon. gentlemen opposite undertook; and supposing we finished it in seven years, we have Mr. Fleming's authority—assuming him as an authority, and I think he is very much within the bounds—that until at least three millions of people are drawn into that uninhabited territory, it is quite impossible to expect the road to pay its running expenses. Mr. Fleming estimates these at not less than eight million dollars per annum, and they have still further to be supplemented by the proportion of money required each year to renew the road. It is known, moreover, to railway authorities, that considering the difficulties of climate, and with the ordinary traffic, the road will require renewal, that is the renewal of sleepers and rails every eight or ten years on an average. No doubt that steel rails substituted for iron, the time for their renewal would be considerably enlarged, but to what extent I am at present unable to say."

First we would pay $100,000,000 to build the road; next $8,000,000 annually to operate it, subject to the deduction of whatever traffic the road received, and, thirdly, we would have to renew the sleepers and rails every eight years, unless we used steel rails. This is the pleasant picture which the hon. gentleman himself drew for the consideration of the House and country. And now, it appears, he hesitates to secure the construction and operation of the road for ever at a cost of $78,000,000. When the hon. gentleman arrived at this point I resolved to ask the question "what do you estimate as the duration of the ordinary rails?" The hon. gentleman replied:

"From eight to ten years. That, at least, is the opinion of Mr. Walter Shanly, whom I assume to be a competent authority. Supposing, then, that the road was completed, we would have, in addition to the burdens imposed upon us by the interest of the money, to provide for the working of the railway, a sum at least equal to that amount, or six millions every year, in order to keep it in repair."

My hon. friend, the leader of the Opposition, no longer than a year ago, in the light of all the information and experience which the five years' administration of the hon. member for Lambton afforded him, was good enough to give to the House his opinion as to the cost of this road and the liability that would be incurred; and I invite—before the hon. gentleman takes the position of refusing his assent to this contract, which, I venture to say, he cannot afford as a public man to take—his attention to his own estimate as he gave it a year ago. It will be found on page 1441 of *Hansard*. He said:

"Again, of course, the through traffic depends on the road being first-class, and we will remember that, after we have spent all the hon. Minister proposes, we shall have, not a Pacific, but a colonization road."

That was true, and the hon. gentleman was only doing his duty in calling the attention of the House to the fact that if, in grappling with this work, we reduced the expenditure to a minimum, we should have only a colonization road. But what else does he say?

"According to the old system of construction, that central section would cost, including the other item I have mentioned, altogether over $42,500,000, leaving out entirely both ends. What are the ends to cost? $45,000,000 is, as I have stated, the cost from Edmonton to Burrard Inlet on the West; and from Fort William to Nipissing on the East. The hon. member for Lambton estimates it at a length of about 650 miles,

and a cost of $32,500,000. Thus the ends make up together $77,000,000, the centre and the past expenditure $42,500,000, making a total of $120,000,000."

And yet the hon. gentleman is startled and astonished, and exhibits the most wonderful alarm when he finds a proposal laid on the Table of the House to secure the construction of all that work, which, at the cheapest rate, was to cost $120,000,000, for $72,000,000—putting the outside value on the land that the hon. gentleman is willing to admit is worth. The hon. gentleman proceeded to say that, "besides this enormous expenditure, to which he had referred, they had to consider running expenses, which Mr. Fleming estimated at eight millions, and which his hon. friend estimated at the gross sum of $6,750,000 a year, for the whole line, or, $4,500,000 a year from Fort William to the Pacific. Of course, against this sum was to be set receipts, which in some sections, perhaps, would meet expenditure; but, in the early days, if not for a long time, he believed, the road would have to be run at a loss." I know that this is an authority for which the hon. leader of the Opposition has most profound respect, and I trust that, in submitting such criticism as, in the interests of country every great measure of this kind ought to receive, the hon. gentleman will not lose sight of the position he took in criticising our proposals twelve months ago. I will again revert to a criticism with relation to the cost, of more valuable character than that of leader of the Opposition. No person, perhaps, esteems the hon. gentleman's ability, certainly as a special pleader, higher than myself, or his general judgment when he gives questions the fair candid and unbiassed examination which questions like this deserves, but does not always receive; but I will give the House an opinion, which I estimate more highly than that of the leader of the Opposition, the opinion of a gentleman who, for five years, as leader of the Government of the country, dealt with this question, and was conversant with all itsdetails, I mean the hon. leader of the late Government. After all his experience, and after the experience of a year in the Opposition, as well as of five years of Administration, he undertook to give to the House his estimate as to what that road would cost, and I frankly confess that I am not for a moment disposed to question the value of his judgment. He said:

"I will take the description of the engineers themselves, as to the character of the work upon the several sections from Fort William to Selkirk, and carry out figures elsewhere on the same description. Seventy miles were described as heavy, 226 miles moderate, and 114 miles light; and, in order to reach the $18,000,000, which the engineers had recently estimated, they would have to take the seventy miles of heavy work at $75,000 per mile; the 226 miles of moderate might, at $39,000, and the 114 light at $20,000, making altogether, with the rolling stock valued at $1,656,000, $18,000,000. From Selkirk to Battleford, the first 112 miles are described as light, which, with the rails, fencing, etc., might be estimated at $14,000 per mile, or $3,000 less than the Pembina Branch; and the second 100 miles I have taken and calculated as to the materials furnished by Mr. Marcus Smith, and I do not believe that any gradient can be obtained on that section to build the road at less than $20,000 per mile."

Subsequent events have thrown perhaps a good deal of light on the tenders sent in and contract undertaken. No progress was made on the contract, as the hon. gentleman knows, and judgment which the hon. gentleman had given as to cost, had thereby received very considerable confirmation. He further said:

"We have in some miles a quantity of 39,000 cubic yards of earth to move, and all grades steep, only kept fifty-three feet to the mile—many of them are fifty-three feet. The average of excavation is 16,000 cubic yards per mile. We have, in short, 1,600,000 yards of earth to move which, at the lowest price per yard obtained on other roads, say twenty-five cents on the average, this of itself will cost $400,000." * * * * * * "This was almost the exact value of the earth work alone, leaving nothing for bridges, ties, rails, building fences, and other items." * * * * * * * "From the end of the second hundred miles to Battleford we have 377 miles. This is not any heavier on the whole. There are some more formidable bridges, but the line is further off for the carriage of the rails. I place that section at $21,000 per mile."

I draw the attention of the hon. gentleman to this now, in connection with the amount proposed to be paid under this contract for the central section. As I have stated, opinions which the hon. gentleman has formed after long experience, as to the lowest amount at which it could be constructed, are entitled to very great consideration.

Mr. MACKENZIE. You did not give much attention to them a year ago.

Sir CHARLES TUPPER. The hon. gentleman says I did not give much attention to them a year ago, but looked at in the light of subsequent events, I am disposed to admit that there is a great deal in the argument of the hon. gentleman. He again said:

"Then from Battleford to Edmonton, it is reported by the engineers as thirteen miles very heavy; this I estimate at $60,000 a mile, being $10,000 less than the other heavy work east of Selkirk."

I hope that when the hon. gentleman has criticised the amount which we propose to pay in the central section, he will not forget that it covers 13 miles, which he estimates at $60,000 a mile, $10,000 less than for the heavy work east of Selkirk. Still further:

"Forty-nine miles more of the line classed as moderately heavy, I put at $39,000 per mile; and seventy miles very moderate, at $25,000, with ninety-eight miles of light work at $20,000 per mile, which makes for this section altogether an average of $27,000 per mile."

The hon. gentleman said we have constructed the line from Pembina to Selkirk, 85 miles. This is a prairie, and a most favorable region, and he stated that the amount I submitted on estimate last year of $1,750,000 for the Pembina branch, but that included more than my estimate now includes for the Pembina branch, and for the reason, as hon. gentlemen will see, the heavy expenditure charged to that branch for workshops, rolling stock, etc., will now devolve upon the company, and consequently now reduce the estimate to $1,500,000.

Mr. MACKENZIE. Give us a detail of the reductions.

Sir CHARLES TUPPER. All I can say is, that I took the estimate of the engineer, charging what was fairly chargeable to that road—buildings in connection with its operation—and the amount of the Pembina Branch was therefore placed at $1,750,000. We now reduce that by $250,000, because, as I say, the expenditure we would have had to make immediately in connection with the work now devolves upon the Syndicate under the contract. But, Sir, the House will see that, according to the estimate which I laid on the Table last year, and which hon. gentlemen thought altogether below the mark, the Pembina Branch—a prairie line from end to end, no very heavy bridging, no serious muskegs, no difficulties really to be encountered, a fair prairie section—according to my own estimate last year was over $20,000 a mile; according to my estimate now laid on the Table of the House, the Pembina Branch will cost the Government of this country, when it is handed over to the Syndicate, $17,270 a mile. The hon. gentleman continued:—

"This would make the entire cost of the road west of Lake Superior, including $1,440,000 for the Canada Central subsidy, $100,000 for the Selkirk bridge, $300,000 for engineering over 1,946 miles, $89,002,000."

Now, there is his opinion. I have shown the opinion of the hon leader of the Opposition that this work, for which we have shown the contract, asks Parliament to place at our disposal $28,000,000. According to the estimate of the leader of the Opposition a year ago was to cost $120,000,000, and, according to the estimate—the more mature and reduced estimate of the hon. gentleman best qualified to judge on that side of the House—was to cost this country $89,002,000 in cash. There was no question of land; we are dealing with the lowest estimate of the cost in cash taken out of the treasury of Canada, and the estimate of the hon. leader of the Opposition was, in round numbers, $90,000,000, after all the information he had on the subject. But I am wrong; I am doing the hon. gentleman a great injustice.

Mr. BLAKE. The estimate I gave was that of the hon. member for Lambton.

Sir CHARLES TUPPER. So I see. I thought it was that of the hon. member for Lambton, but the case is a great deal stronger. I am not even to show there is a diversity of opinion between the hon. gentlemen. I find that they worked it pretty nearly to the same figure. I was leaving out that section north of Lake Superior, but the hon. member for Lambton brings that in, and shows that West of Lake Superior, from Thunder Bay to the Pacific, the lowest that we could build it for was $59,000,000 in cash. That is the lowest. Let us see what he says about the railway to the head of Lake Superior.

"While from Fort William to Nipissing, 650 miles, estimating the cost at $50,000 per mile, would make it $32,500,000, or a total of $121,700,000."

So that these gentlemen are not open to the challenge that on a great public question their estimate differs. After careful consideration, weighing well the responsibility of placing before the House statements that were cautious, judicious, and safe, upon which the people of this country could safely base their estimates, both of these gentlemen agreed a year ago that to build the Canadian Pacific Railway with money borrowed for the purpose, and expended in cash, the correct estimate that this railway from Lake Nipissing to Port Moody, Burrard Inlet, could be accomplished for, was $120,000,000 to $121,700,000. There was only about a million and a half between them.

"It will be observed, if we apply the figures as I apply them, that is calculating the expenditure east of Red River, between Lake Superior and Selkirk, that it would be impossible to obtain the same character of road as to gradients and curvature for less than I have estimated, I am sure I am within the line in stating these figures, and that it would be impossible to construct anything that could be called a railway—nothing better than a tramway, for less."

That amount is $84,000,000, and yet it was only to be a tramway and the only possible means of getting a line that could be called a railway, was by an expenditure of $121,000,000, the amount given by the hon. gentleman. He continues:—

"The hon. Minister of Railways thinks it matters little what grades we have west of Winnipeg. He thinks it will suffice for traffic. I observe that the Chief Engineer, with his usual caution, does not speak of it as the Canadian Pacific Railway at all. He speaks of it as a colonization road, and it is only that. The hon. Minister of Railways is entitled to the credit or discredit of this new plan of degrading the railway into a track that will not be fit for heavy traffic."

I am thankful for small favors and I am willing to take the credit or discredit of having stated frankly to the House, that my idea was not to obtain a first class railway, but the cheapest description of road that would answer for colonization purposes. I have given the House the estimates of the two hon. gentlemen sitting one to the right one to the left of the late Minister of Finance, and I should be wanting very much in my duty to the House, if I did not show them that that hon. gentleman himself did not regard the construction of the Canadian Pacific Railway as a very light matter, and held very much the views and opinions of his two honorable colleagues. Sir Richard Cartwright, in 1874, in his Budget speech, said:

"In order rightly to understand the extent of the burden we would be required to take upon ourselves for the construction of the Canadian Pacific Railway, it must be remembered that the lowest estimate for building this road to the Pacific is something over $100,000,000, and this, too, on the supposition that a very much longer time would be given for construction. * * * Now, Mr. Chairman, I spoke before recess of the expense arising from the workings of the Intercolonial Railway and other railways of the Dominion, chiefly in the Maritime Provinces. The deficiencies resulting from these sources amount to the extraordinary sum of about $1,250,000. I desire to call the special attention of the House, which must be clear to every hon. gentleman, these railways run for the most part through a country which has been settled for the last fifty or sixty years. I cannot refer, of course, to the fact that these railways entail such an enormous expenditure without its becoming apparent to the House that the cost of maintaining a railway nearly 3,000 miles in length, passing through a country almost entirely uninhabited, must of necessity be very much greater. For a long time after the construction of the railway an enormous charge must be entailed to keep the line in full working order and good repair, and this fact must be steadily kept right of in considering the real character of the project."

I trust I have given to the House sufficient evidence to show not only that the proposition which we have the honor to submit for the approval of Parliament, is one entitled to their favorable consideration; not only that it is greatly within the amount voted by this House in 1873, and subsequently in 1874, for the construction of the Canadian Pacific Railway, but that it is a contract based upon figures low, as compared with those which these hon. gentlemen opposite, after all the experience that they had had in connection with this great work, regarded as altogether insufficient for its construction, without reference to the provision of a single dollar for the purpose of securing the operation of the road afterwards. I trust I have given to the House sufficient evidence to show, not only that the proposal which I have the honor to submit to Parliament is entitled to their favorable consideration, not only that it is greatly within the amount voted by this House in 1873 and subsequently in 1874 for the construction of the Canadian Pacific Railway, but that it is a contract based upon figures which, compared with those which the hon. gentlemen opposite, after all their experience in connection with this work, regarded as altogether insufficient for its construction, and far more favorable to this country. Now, I am bound to say, I never felt more grateful to Parliament in my life than when, notwithstanding the startling statements made by those hon. gentlemen, this House placed 100,000,000 acres at the disposal of this Government for the purpose of constructing the Canadian Pacific Railway. I knew that every intelligent man in this House, and out of it, regarded that measure as of vital importance to the country. I knew they felt it was a duty we owed to the country to grapple with this great work notwithstanding the enormous liability it involved, and notwithstanding the enormous demands made upon the Treasury of the country. I knew that, obliged as we were to some extent to act upon the best judgment we could form, but to act experimentally, I knew it was a great demand to make upon Parliament for the Government to ask for permission to proceed with this great work. But we felt that, inasmuch as the construction of this road was required to develope the great North-West, inasmuch as it was absolutely necessary to make that country what it could be made, and to increase the population and resources of the whole Dominion, that we were warranted in asking, at all events, that the lands otherwise useless should be utilized for the purpose of its construction. The House can understand we felt fully the responsibility of asking for this enormous amount of public money to be expended; but feeling as we did that when we had constructed the work from end to end, and were ready to operate it, the still heavier responsibility rested upon the country of providing the means of successfully operating that road, for no man could shut out of sight the serious responsibility that the operation of 3,000 miles of railway through such a country would entail. But Parliament felt that the construction of this road was absolutely necessary to the development of Canada, and they generously gave to the Government the assistance we asked for; but they did it under the conviction that we intended to apply those lands in such a way as would ultimately secure the people of the older provinces against taxation for the purpose of constructing this railway. The Government, sensible of this generous feeling on the part of their supporters in this House in sustaining us, notwithstanding the fears and the alarm that it was sought to create in this House by hon. gentlemen opposite when they found themselves in a position to criticise the very measure for which they had asked the House to give them the power of carrying through, I say the House can understand the

pleasure with which we meet the people of Canada through their representatives to-night, and are enabled to say that, by the means which we were authorized to use for the construction of this work, we are in a position to state not only that the entire construction from end to end, but that the responsibility of operating it hereafter is to be taken off the shoulders of Canada for the insignificant consideration of something like a cost to the country of a little over $2,000,000 per annum, not commencing now, however, but that will be the ultimate cost assuming that we have to pay for ever the interest on all the money already spent and required and what the Syndicate will obtain under this contract. When we are in a position not only to show that, but to show that out of the 100,000,000 acres of land that Parliament placed two years ago at our disposal, we have 75,000,000 acres left with which to meet the $2,000,000 of interest, and that expenditure will be diminished until, at no distant day, we will not only have the proud satisfaction of seeing Canada assume an advanced and triumphant position, but that she will be relieved from the expenditure of a single dollar in connection with the construction or operation of this railway. I may say that I have been greatly gratified at the criticisms that have been bestowed upon the proposition we are submitting to Parliament. Nothing has given me more confidence in the soundness of our position and the impregnable attitude we occupy in Parliament or out of it, than the criticisms to which this scheme has been subjected by the press, as far as I have seen it. First, I may speak of the Ottawa *Citizen*. I find that in the criticism of that paper, to which, at all events, we were entitled to look for a fair and dispassionate criticism, the proprietor has evidently handed over his editorial columns not only to a hostile hand but to a disingenuous writer who was not willing to put the facts fairly before the country, and this strengthens me in my conviction of the soundness of the proposition we are submitting to Parliament. If that contract contained objectionable features, to which the attention of Parliament might be called, and that were sufficient to condemn it, where was the necessity of the person who wrote the criticism in the *Citizen* mis-stating almost every clause of the contract that he commented upon, from beginning to end. I say nothing has more strengthened my conviction in the soundness of this measure; whether it was the Ottawa *Citizen*, from which I had hoped better things, or from the *Free Press*, from which I did not expect any different treatment, or the *Globe* newspaper of Toronto; and when I take up these papers and find that every criticism, every serious ground of attack, is based upon mis-statements of what the contract contains, I am confirmed in my opinion that they found that contract unimpeachable, and that a fair and candid criticism would compel them to give their adhesion to it. When I look at those criticisms I am reminded of the position a gentleman would occupy who had made a contract for the construction of a *Great Eastern*, an enormous ship, greater in extent and involving a greater expenditure than any other ship that ever was built in the world. But, Sir, I am reminded of what would be the position of a man, who, after building a ship, and finishing it complete in every respect, would be told by his employers that the ship was all right in design, material and workmanship, but that there was a little twist on the jolly boat which they did not like, and on that account they did not think they would take her. I say, Sir, that when we come down to Parliament with a great measure like this; when, Sir, we occupy a position in respect to the probable completion of the great work, which twelve months ago the most sanguine man in the country could not have hoped we would occupy—these hon. gentlemen hesitate. They say, although you have found gentlemen with great resources at their command, to go forward with an enterprise so essential to the progress of Canada; although that work is to be completed on a purely commercial basis—these gentlemen, turning their backs, as they have been obliged to do, upon their own declarations, again and again recorded—still complain of the arrangement which happily we have been enabled to place before Parliament. But for the remarks of hon. gentlemen opposite, which have led me to believe to the contrary, I should have thought that this was a measure for which I could have confidently asked the support, not only of those who usually support the Government, but of hon. gentlemen opposite, who stood committed by their votes, and by the strongest possible statements of their leaders, to the support of terms for the construction of this work much less favorable than those embodied in the present contract. But, say these hon. gentlemen, we do not like the Company—and remarks are indulged in most insulting to the gentlemen who compose the Syndicate.

Mr. MACKENZIE. Who said so?

Sir CHARLES TUPPER. The organ of the hon. gentlemen in this city.

Mr. MACKENZIE. Do you mean the *Citizen*?

Sir CHARLES TUPPER. Well, perhaps the *Citizen* is now the organ of hon. gentlemen opposite. I know that in the short space of twenty-four hours they were able to take the *Times* out of our hands by some means—a human device I believe they called it. But, Sir, I do not feel surprised that hon. gentlemen reject with scorn the imputation that the *Free Press* is their organ or speaks their sentiments—a journal that attempts to throw obloquy upon gentlemen of high standing in Canada and in the United States and Europe. Hon. gentlemen do not like the Company, but one would suppose that their ideas had undergone a revolution upon that question. The gentlemen who have undertaken this work stand before the people of this country to-day in the strongest position that it is possible for gentlemen to occupy in relation to a great enterprise such as this. The Canadians engaged in the enterprise are men who are second to none in respect of commercial standing and capacity, and by their success in carrying out other great railway enterprises, they have afforded us the best possible guarantee for the manner in which they will fulfil their engagements with the Government and the Parliament of Canada. I may be told that the owners of the St. Paul, Minneapolis and Manitoba Railway, are members of this Syndicate; and, Sir, I am glad to know that that is the fact, and for this reason, I say that standing outside of this Association, they were in a position of antagonism to Canada, because they were the owners of a line of railway to the south of our great North-West, and of large tracts of fertile land contiguous to that railway. We all know that the great barrier to the successful development of the North-West was that in the absence of a Canadian Pacific Railway, our immigration was obliged to filter through the territories of the United States. The great efforts which have been made to secure immigration into the United States, and intercept those who were on their way to the North-West, have not been made by the Government of that country, or by the legislatures of the States, but by the railway companies who have a personal interest in seducing these immigrants into their own territories. Why, Sir, we have annexed a large portion of the State of Minnesota to Canada in this way; and any man with a head on his shoulders will see at once that a company who have engaged to build or operate a road 650 miles from Thunder Bay to Nipissing, and who are to be the owners of one thousand miles of road, from Red River to Nipissing, cannot afford to do anything less than attract, along that route and from the railways to the south, all the trade that is possible, for that alone can can make their enterprise successful. The interest which those gentlemen will have in the Canadian Pacific Railway

will be tenfold greater than any interest they ever had in the St. Paul, Minneapolis and Manitoba line, and I care not what their nationality may be, as the signatories of that contract, Canada possesses in them the most undoubted evidence that they will spare no effort to secure traffic for the Canadian Pacific Railway. The hon. gentleman seemed to think that this Company would not bear the scrutiny and investigation which was desirable.

Mr. MACKENZIE. Who said so?

Sir CHARLES TUPPER. I hope I did not do the leader of the Opposition an injustice, when I thought that my mention of the Company was received, by him, in the way in which he usually receives a sentiment with which he does not agree.

Mr. BLAKE. I do not quite understand the hon. gentleman.

Sir CHARLES TUPPER. I say that this Company embraces capitalists, both of our own and other countries, who are men of the highest character; men, whose names are the best guarantees that could be offered the people of Canada, that any enterprise they may undertake will be successful. With regard to the terms of the contract, I do not hesitate to say that no greater injury could have been inflicted on the people of Canada than to have made the conditions of the agreement so onerous that instead of ensuring their successful fulfilment they would have led to failure. I say that the moment that contract is signed everything that we can do for the purpose of obtaining the best terms in our power has been done, always under the impression that we owed it to Canada to make a contract that was capable of fulfilment; to give those gentlemen a fair contract and afford them a fair opportunity of grappling with this great, this gigantic enterprise, that we were so anxious to transfer from our shoulders to theirs. And I would ask this House whether this being a contract involving the great business importance that it does, is one to sit down and cavil over, in the ordinary acceptation of the term, in relation to contracts, and to drive the most difficult bargain that could be driven, and perhaps lead to what occurred when we made the contract in 1873, with terms largely in excess of those that this contract contains? That was not a contract that was capable of fulfilment, because the parties were unable, in the then condition of the country, to raise the capital that was necessary. Now, we approach this question in that spirit, and I would ask every member of this House if we should not be unworthy of representing the Parliament of Canada in the discharge of the public business, if we had not felt, in the interests of Canada, that this arrangement should be one that would obtain the command of the capital that was required, and that would enable the parties engaged in this great work to make it thoroughly successful as I trust it will be. We have reason to know that all that a command of capital can do they have the advantage of; we have reason to know that all that skill and energy and a knowledge of precisely such work will do, has been secured, in order to make this a successful contract, and I would ask hon. gentlemen opposite what more is desirable or necessary? I have referred to the position that those gentlemen occupy, but I would just ask hon. gentlemen opposite whether Canada would be likely to have this contract carried out with the success we all desire, expect, and hope for, if we had made the contract with the strongest body of capitalists that could be found in the city of London? What would you have had? We would have had, the first thing, an English engineer, with extravagant ideas, totally ignorant of the work and the construction of railways through such a country, and we would have had, at no distant day—no matter what their resources might be—a perfect failure in their hands, and, worse than that, you would have had discredit brought upon the country in consequence of the parties which had purchased their bonds, failing to obtain that interest which they justly expected from their investment. Whether you look at the American, the Canadian, or at the English, French or German gentlemen associated with this enterprise, I believe that Canada has been most fortunate, and the Government has been most fortunate, in having this work placed in their hands. It is stated that the security of one million dollars for the carrying out of the contract is too small. They say that a paid up capital of five millions of dollars within two years, and a deposit of one million dollars is too small. My opinion of security is this: that provided you get the parties who are most likely to deal successfully with the matter, the less security you demand the better. Because, just in proportion as you lock up the resources of the party, the more you decrease his power to carry on the work successfully.

Mr. BLAKE. In order to improve the situation, let us strike out the clause about the million dollars.

Sir CHARLES TUPPER. Of course, we are speaking within a certain latitude, and I would ask the hon. gentleman to turn his attention to what was a somewhat similar work constructed on this continent—the Union Pacific Railway—and I would ask him whether the capital of that company was larger, or whether the security given by them for the construction of the road was larger, than is now obtained with this Company? He may examine into the carrying out of some of those great works, and he will find that the security that the Government had was confidence that the parties engaged in the project would carry them out to completion. The hon. gentleman will find that, under this arrangement, we have the best guarantee that these works will be pushed rapidly to completion under the contract as now proposed. This contract requires the parties to complete the road in ten years—that in July, 1891, it will be carried to completion—and I may say, Sir, that, although the leader of the Opposition has forgotten it, he took the liberty, a year ago, of expressing his opinion, and to a certain extent, I suppose, his sympathy, with the deplorable condition in which the members from the Province of Quebec found themselves. The hon. gentleman said that "Quebec had spent eleven millions of dollars, which she could ill afford, for the construction of a provincial railway, principally for the purpose of tapping the Pacific trade. Quebec had stretched out her arms towards the great west as far as this city, for the purpose of securing that trade, and the question is how soon that expenditure is to be made available. Her road is paying, as it is, what Quebec expected it should pay, some fraction of the interest on its construction; but they also expected that it would bear the great tide of western traffic into her principal cities, and bring prosperity to her people, but unless some through connection is made, these expectations, on the part of Quebec, would not be realized; that if the eastern end was not constructed until the western end was finished, he hoped they would all be alive to enjoy it." I will not say that there was any sarcasm in these remarks. I will not say that the hon. gentleman was not shedding tears of sympathy when he was bemoaning the unhappy fate of Quebec. But where are Quebec, Nova Scotia, New Brunswick and Prince Edward Island; and where is the Province of Ontario to-day? Why, they stand in a position, to-day, that a year ago we would have been laughed at if we had ventured to predict it. If we had said a year ago that by this session we would be enabled to provide a contract by which, in 1891, all the cities of these Provinces would have easy communication with the North-West Territories of Canada, it would have been considered impossible of attainment. What is of more vital importance to this Province and the cities of the east, Quebec, St. John and Halifax, than that they should have ready access to the North-West. The fact is that that great country, with its millions of fertile acres that yield abundant returns to the industry of the agriculturist, must, for years to come,

during the development of those vast territories, depend upon the older Provinces for its manufactures. Therefore, it is of vital importance to every section of Canada, and to no portion more than the North-West, that there should be easy, rapid and cheap communication established at an early day. Now, Sir, I will draw the attention of the House for a moment to what will be accomplished. The road is to be commenced on the first of July next at Callendar Station, near Lake Nipissing, and, under this contract, is to be proceeded with *pari passu*, at such an annual rate of progress as will secure through connection with the Canadian Pacific Railway by 1891. Now, with regard to the distance, everybody knows that the construction of this line will shorten the distance between all our great cities and Winnipeg, the present emporium of the North-west, by some 500 miles. But, assuming that we could go by the Sault Ste. Marie, in the absence of any line at the north of Lake Superior, the distance, by the Sault and Duluth, would be, from Nipissing to Sault Ste. Marie, 294 miles, from Sault St. Marie to Duluth 410 miles, and from Duluth *via* Emerson to Winnipeg 464 miles, making the total distance from Callendar Station to Winnipeg 1,168 miles. That was the shortest route which, twelve months ago, the Government were able to hold out any expectation of obtaining. Now we propose to secure the construction of a through line, to be commenced on the first of July next, which will shorten that distance by 111 miles.

Mr. BLAKE: That is 1,057 miles from Winnipeg to South East Bay.

Sir CHARLES TUPPER: It is 1,006 miles from Nipissing, along Thunder Bay to Winnipeg, if you take the Lake, or 1,057 miles by rail; the distance from Callendar Station to Linkoping, the station where the line will strike the Thunder Bay Branch, being 686 miles, and that from Linkoping to Winnipeg being 371 miles. So that the House will see we have the shortest possible line by which to reach Winnipeg. It will also see that the distance from Montreal to Callendar Station is 354 miles, while the distance from Toronto, by the Gravenhurst line, is 226 miles, or 128 miles less than that from Montreal. I may now advert for a moment to some of the objections which have been urged against this proposition. I am told that the standard is too low, that the standard of the Union Pacific Railway, is a very unfavorable standard, and that we ought to have selected something higher. Well, it is very well, after having obtained the opportunity of making a contract, to make severe stipulations; but when I have stated to the House the terms under which these gentlemen have undertaken to construct this road, I think you will agree with me that they were entitled to as favorable consideration as we could give them. I should like to know what position the Government of Canada would have been in, who, after having offered $84,000,000 in 1873, to the company of which Sir Hugh Allan was the president, should ask the gentlemen who were undertaking to do the same work for $78,000,000 to make the terms more onerous than those of the previous contract. If any hon. gentlemen will turn to the contract with the company of which Sir Hugh Allan was president, they will find that it provided that the standard of construction and equipment of the Canadian Pacific Railway should be the Union Pacific Railway, and, therefore, we have gone as far as any member of this House, or any fair-minded man will say we ought to go, with reference to the standard. But what is this standard? Why, there are half a dozen leading roads in the United States to-day of which the standard is more objectionable in grades and curves than that of the Union Pacific Railway. Therefore, I think there is not much ground for cavil in that matter. When the Union Pacific Railway was built, the Government, who gave a much greater amount of aid to it than we are giving to this road, agreed that the standard of the Baltimore and Ohio Railway should be put in the contract as the standard of the Union Pacific, and the Baltimore and Ohio Railway, as every one knows, is a road that is doing an enormous traffic and is regarded as a first-class road. The Portland and Ogdensburg Railway and half-a-dozen other American lines, have also a standard that cannot compare with the standard we have selected. I need not detain the House, therefore, by trying to show that it would have been utterly unreasonable for the Government of Canada to exact from these gentlemen, who were agreeing to construct this road at so much less terms than were agreed to in the Allan contract, a higher standard than we have done. But we have a better guarantee than could be inserted in the contract, of the high standard of the road, and that is that these gentlemen are not constructing the road for the Government of Canada to work, but they are constructing it as their own property, and when it is constructed they have to furnish the means of maintaining and operating the road, and every disadvantage of a poor construction would fall upon them and not upon us. And, Sir, what would have been my position in demanding excessive terms in relation to the standard of the road, when they had in their hands my own statement—the statement of the Government of Canada, with all the resources of the country at our back—that we were compelled to lower the character of the road in order to construct a cheap line of railway, and that the lowest estimate we could make of the cost of such a work was $80,00 ,000, or an excess of the whole amount they were obtaining both in money and land, computing the land at a dollar an acre? I think, therefore, Sir, that I need not detain the House by dealing with the question of the standard of the road. Nor, Sir, will I detain the House very long upon the other point that has been raised, and that is the mode upon which the money is being divided. I have shown the cost of the Pembina branch at the lowest rate at which we can now put it, without all those buildings necessary, and which these gentlemen will have to construct at their own cost. If hon. gentlemen have paid any attention to the deplorable description that the First Minister gave us a year ago as to the difficulties they would have to surmount between Red River and the foot of Rocky Mountains, I think they will come to the conclusion that the amount is not extravagant. I call the attention of the House to this fact. The Government want that road pushed through from Red River to the foot of the Rocky Mountains as fast as it can be done. I have the authority of the leading gentlemen connected with the Syndicate to state in public that they intend the road to be complete at the foot of the Rocky Mountains at the end of three years from the present time. If it be thought a gigantic work to build 300 miles of railway by this powerful Syndicate in a year, I may tell hon. gentlemen, for their information, that within the last year a few of these gentlemen completed between 200 to 300 miles of railway themselves through a somewhat similar country. And, therefore, it is not an extravagant statement for them to make in saying that they intend to construct the road to the foot of the Rocky Mountains in three years, and to build 300 miles of this road during the coming season. What does that involve? It involves the expenditure of an enormous amount of capital at the outset. The very moment this contract is ratified by Parliament, these gentlemen have got to put their hands in their pockets and not only take therefrom a $1,000,000 to deposit with us as security, but they have to put their hands into another pocket the next hour and take out another million to equip the road that is in operation, and that will be in operation within the course of the year. After reading the lachrymose statements of the hon. leader of the late Government about these lands and

the difficulty of getting them sold, it is not unreasonable to suppose that, with all their energy and industry, it will take two or three years before they can make these lands to any large extent serviceable by a return of money from their sale. These gentlemen have, therefore, at the outset, to lay out an enormous sum of money for equipment, in providing the plant necessary to run that work during the coming three years, and they have, in the next place, to wait for a considerable period before they can receive any return for lands. At the end of the three years all that plant will, of course, be applicable to the other sections. I believe, therefore, the more it is examined the more it will be found that in the division of money no injustice has been done, and those who place confidence, not in us, but in the statement of the leader of the late Government, have only to take his own statements which I have read to-night, and that was his estimate of $20,000 per mile for the portion to be constructed west of Red River, to perceive the advantage of the present proposed arrangement. There is another million they have to put their hands into their pockets to pay us, and that is for the work we have constructed west of Red River and the material we have on hand applicable for the purposes of construction. Under these circumstances, the hon. gentlemen's minds will be relieved to know that we have made the very best division of the money. If the enterprise is to prove anything but a failure there is a great expenditure of money to be made at the very outset in bringing people to this country. I regard this proposal to secure the construction of the Canadian Pacific Railway by the agency of the Company as of most vital importance from the point of view that, instead of having to struggle with railway companies in competition for immigrants, we will have a gigantic railway company with all its ramifications in the United States, France, Germany, and the British Islands, co-operating with the Government of Canada. But all that will involve a present outlay of a very large sum of money by these gentlemen. The only hope they can have of having any means of sustaining the railway, if it is constructed, is by getting a population as rapidly as possible into the fertile valleys of the North-West, and thus furnish the traffic which alone can support the operation of this railway. I am told that another very objectionable feature is the exemption of the lands from taxation. I have no hesitation in saying I would have been glad if that was not in the contract. If it were only to meet the strong prejudice that exists in this country on that question, I should have been glad if it were not in the contract; but there were two things we had to consider. One was to make the best bargain we could for Canada, and the other was not to impose terms that, without being of any material advantage to the country, would be likely to lead to disaster in the money markets of the world when the prospectus was placed on those markets. Every one will understand that the position in respect to the taxation is not changed in the slightest degree from that in which we were constructing this road as a Government work; when my hon. friend was constructing it by direct Government agency, no taxation could have been levied on these lands until they were utilized, until they were occupied. No province, municipality or corporation of any kind existing, or that could be created hereafter could impose the slightest tax on those lands until they were sold or occupied, and when they are sold or occupied now, that moment they are liable to taxation. I will not stop to discuss the question of the road itself being exempt from taxation because hon. gentlemen have only to turn to the laws of the United States, and in reference to the construction of those great lines of railway anywhere, to find that the policy of the Government of the United States has always been that those lines of railway, the road-way, the road itself, the stations, everything embraced in the term railway, was exempt from taxation. One of the judges of the courts of the United States declared that as these great lines of road were national works, were public easements, that as they were for the benefit and advancement of the whole country, they should not be subject to any taxation, State or municipal. We have, therefore, only followed the practice that has prevailed in the United States and that which honorable gentlemen opposite will feel was incumbent upon us. What was our position? We were asking these gentlemen to come forward and take a position from which we shrank. I don't hesitate to say that great and important as the enterprise was, the Government felt it was one of enormous magnitude and trembled almost when they regarded the great cost of construction and the cost of maintenance and operation of the road when constructed. And I ask when we were shifting from our shoulders to the shoulders of a private company all the responsibility, I ask this House in candour to tell me whether they do not think that, as far as we could we ought to have put these gentlemen in as favorable a position for the construction of the road as we occupied ourselves. That is all we have done; and as I have said before, the moment the lands are utilised they become liable to taxation. I have been told that the lands of the Canada Company being free from taxation it was found that they were attended with a good deal that was objectionable.

Mr. MACKENZIE. They were not free from taxation.

Mr. BLAKE. They were only ordinary large landholders.

Sir CHARLES TUPPER. Oh, it was owned in large blocks. Then the case is not half as bad.

Mr. BLAKE. No; this is much worse.

Sir CHARLES TUPPER. I suppose it was because they were free from taxation. Well, we have taken care they shall not own, then, in blocks. We have met the difficulty and covered it. But, as I said before, these gentlemen must sell their lands. It is impossible to sustain the road without bringing a population into the country as rapidly as possible. It is said this is a gigantic monopoly. You not only free the lands from taxation until occupied but you create a monopoly. If we have one strong point in our case, it is this, that under the terms of the Allan contract of 1873, 54,000,000 acres of land were locked up, if you call it locked up, by being placed in the hands of a company. Under this contract 25,000,000 acres of land only are to be reserved. Under the Allan contract of 1873, and the terms of the Canadian Pacific Railway Act of 1874, those parties were entitled to have their land in large blocks of 20 miles square, and under this contract the Government have possession of every alternate mile over the whole section and along the whole line of railroad. Can there be any monopoly? Why, under the terms of the the Allan contract the Government was bound, as the Government of the United States was bound in relation to the Northern Pacific Railway, to abstain from selling an acre under $2.50. Under this contract, however, we are free to give away every acre that remains in our possession should the public interest warrant it. No policy did the syndicate press more strongly upon us than that of settling the land as fast as we could. They say we should be only too glad to plant a free settler upon every acre belonging to the Government. We hold, on the monopoly point, that instead of 54,000,000 acres being locked up in blocks of 20 miles on each side of the road, instead of our being bound to sell at no less than $2.50 an acre, we can open up to free settlement the 29,000,000 acres the Government retains to utilize in the interest of the country, over and above the amount given the Syndicate, or can sell at prices below the minimum fixed by the

terms of 1874. What about the terms of a year ago? Read the resolution Parliament passed here for the appropriation of 100,000,000 acres and you will see how absolutely Parliament placed them at the disposal of the Government, for use in anyway possible to secure the construction of the Canadian Pacific Railway. Instead of having handed over to a monopoly, as it may be called, those 100,000,000 acres, we hold 75,000,000 acres in our own hands to be used for promoting the interest of Canada by free settlement and by sales, to return to us the money required to be paid under the contract, to the Syndicate $25,000,000. As I said before, the question of freedom from taxation of the lands is not new. In 1870 an Act was passed in the United States for the relief of the International Railroad Company, now consolidated under the name of the International and Great Northern Railroad Company, which provides, similarly to what has been enacted as regards other railroad companies in various states of the Union, that the lands of the company shall be free from taxation. The United States Government has given great land grants to railways under what is called the head grant system, and in one case a company was authorized to select any part of the public lands of Texas, that magnificent country that has excited the admiration of hon. gentlemen opposite, the most beautiful and fertile areas, without any hindrance or any responsibility whatever. The company received "20 sections of 640 acres each of the unappropriated lands of the State for each mile of railroad which has been or may hereafter be constructed pursuant to the Act of 1870. The said company, its successors and assigns to have the right to locate the said lands as head rights certificates, without the necessity of alternating the sections; the said lands and certificates to be released from all county, state, municipal and other taxes for a period of twenty-five years." The moment our lands, however, are sold they become liable to taxation. Under that United States law they remain free for twenty-five years after coming into the hands of private purchasers. There is nothing of the kind here. The moment our lands are utilized or sold, and the company cannot afford to keep them from settlement, which will add more to the value of the remainder than is possible in any other way, they fall under taxation. The location of the railway, it appears, is objected to. But, under the terms of this contract, the location is to be submitted for the approval of the Governor in Council. I do not hesitate to say, that this Company will be much better able to locate the road than the Government. They have a more vital, personal, direct interest in putting it through, and best know how to make it shortest, consistent with its best location. Government cannot give the matter that personal, direct attention within the body of gentlemen as familiar with such works as are the members of the Syndicate. In my judgment, therefore, it is not necessary there should be the restriction this Act provides, that is, that the Governor in Council should have the right of decision; because, I believe, their own interest will compel them to make the best possible location. But, we have provided that, by maintaining a general control of the Governor in Council over the work, that not one mile of the road shall be located without their consent. I am told that great objection is made to the power of the Company, to build branch lines. Is the House aware that, in the United States, all the powers given this Syndicate, which comes forward to take the place of the Government and relieve it of responsibility, in regard to this work, are enjoyed by everybody or every company building a railroad. All that such persons require to do, is to organize a company, under the general law, register themselves, and go and build a railroad wherever they like, with such privileges in their favour.

Mr. MACKENZIE. Do the same thing in your North-West.

Sir CHARLES TUPPER. The hon. gentleman will see, that, as to the last objection that can be made to our policy, he has anticipated me, because I intended giving him credit for the liberal spirit with which he dealt with the branch lines—I mean by the bill submitted, containing the policy of the late Government, upon which, of course, the Opposition will not go back. In the State of Minnesota—and everywhere else across the line—branch lines can be built by any persons wherever they desire. We have merely given to this Company a power, any and every person can enjoy in the United States. The hon. member for Lambton is the last source from which I should have expected opposition to this policy.

Mr. MACKENZIE. What policy?

Sir CHARLES TUPPER. The policy of allowing the Syndicate the privilege of constructing branch lines in connection with the road.

Mr. MACKENZIE. You prohibit everybody else.

Sir CHARLES TUPPER. There is no such prohibition. This remark is only an evidence of the difficulty, the dilemma in which hon. gentlemen opposite find themselves in. Because they can find no legitimate objections to this policy, they must manufacture them. There is no such provision in the bill—not a line giving a monopoly to those gentlemen, and this Parliament has power to-day and will have power next year, after they have ratified this policy, to empower any persons whatever to construct lines in any part of the North-West. What did the bill submitted by the Minister of the Interior for the late Government provide with regard to the construction of railroads in the North-west—a bill which embodied the wisdom of the Government of which he was a member? It first provides that any person may construct a railway in the North-West wherever they choose. They may organize under provisions similar to those under which parties in the United States may construct branch lines. It went further. We have not given these gentlemen a dollar with which to construct branches. We propose to give them the right of way for branch lines free, and shall be only too glad to do so if they run branches from one end of the country to the other. We felt it was in the interest of the country to give them every facility possible for the strengthening of the trunk line and the opening of such volumes of traffic over it as are indispensable to the prosperity of the country, and as must increase the value of our lands beyond any other influence. Not one dollar can they spend in the construction of branches that will not pour large sums into the treasury of Canada, by increasing the value of its lands in their neighborhood. But the bill of the late Government did not leave the cost of their construction on the company. The Government generously came to their aid. Everybody could go on and build branches and come with his little bill to the Government for payment. What does the Act say?

"The Governor in Council may reserve every alternate section of ungranted lands to the extent of 10 sections per mile, 5 on each side, exclusive of the sections which, under the Dominion Lands Act, may have been reserved as school sections or allotted to the Hudson Bay Company, for the purposes of this Act."

That was as bonus to these gentlemen for construction of this branch line.

"Or, should the Governor in Council deem it expedient, instead of conveying lands to the Company, the Company may be paid the moneys received from the sales of lands on the line of and within six miles of such railway, from time to time, until the company shall have received a sum not exceeding ten thousand dollars per mile."

Giving a claim to every man who built a mile of it, to come to the treasury of Canada, and demand $10,000, and yet, with this strong declaration uttered on the floor of the House and placed on the public records of the country, they venture to challenge the soundness of the judgment of the Government of Canada to permit parties, without one dollar's aid or one acre of land to construct branch lines for the opening up and development of the North-West. Well, Sir, it is said that a great enormity has been committed

by the prohibition to construct lines running in any other direction than a certain one, south-west and west by south-west. Well, Sir, I am a little surprised to hear any such objection, and I shall listen with great interest to the hon. gentlemen on the other side of the House if they have any objection of that kind to make. A year ago, Sir, a company with perhaps as strong claims to consideration as it would be possible for any company to have on the Parliament of Canada, came to us for permission to construct a railway. They asked for no money, they asked no aid; they only asked for permission to construct a railway of a certain kind, why did we refuse it? Why, Sir, we were very sorry to refuse it, but, the Government having taken the subject into careful consideration, decided that, inasmuch as Canada was dealing with the construction of the great Canadian Pacific Railway, and inasmuch as the only hope of maintaining this road, and of operating it after it was built, was to retain the traffic of the Canadian North-West on the trunk line, we came to the conclusion that it was not in the interests of the country, however greatly any section might demand or need it, to construct a line which would carry traffic of the North-West out of our country and leave our trunk line, the Canadian Pacific, which had cost the country such a great sum of money, denuded of the traffic necessary to sustain it Well, sir, that policy was announced and deliberately adopted by the Government, and it was my duty, as the Minister of Railways, to submit it to the small Parliament upstairs, the Railway Committee. That Committee, Sir, embraces a great body of gentlemen on both sides of the House, who are prepared to give great consideration and bring their judgment to bear in relation to the questions. I think that it contains 100 members.

Sir LEONARD TILLEY. Ninety-five.

Sir CHARLES TUPPER. The number is 95, I say that is a small parliament, and when I submitted the deliberate judgment of the Government on this point, to refuse, so far as we were able, to allow that charter to pass, the policy of the Government was adopted by that Committee without a single dissentient voice.

Mr. MACKENZIE. I dissented for one.

Sir CHARLES TUPPER. The hon. gentleman says he dissented, then he was greatly misunderstood. I heard no dissent, but more than that, a deputation who came down from Emerson to seek assistance, told me, a short time ago, that they had an interview with the hon. gentleman, and that they could not get any more satisfaction from him than they could obtain from the Government.

Mr. MACKENZIE. I have no power to give assistance.

Sir CHARLES TUPPER. Then, Sir, all that I can say is, that the hon. gentleman failed in the discharge of the duty of his high position, as one of the leading members of this Parliament, if he, on an occasion when the Government policy on a great national question was submitted before the Railway Committee, retains his opinion to himself, and does not give that Committee the benefit of his judgment and experience.

Mr. MACKENZIE. I firmly expressed my dissent.

Sir CHARLES TUPPER. Sir, the hon. gentleman does not generally dissent in such a mild way as to prevent me from remembering it; and all I can say is, that if he dissented he did it so gently that it had passed entirely from my recollection, and I hold that this Government, in devolving the duty of constructing the Canadian Pacific Railway on the shoulders of the Syndicate, could not reasonably say, the rights which the Government of Canada maintained and publicly declared they had maintained in the interests of Canada, and in protection of the traffic of the Canadian Pacific Railway, they shall be withheld from you, and now that the possibility of maintaining that traffic is placed upon your shoulders we do not care where the traffic goes. I say that the interest which we have to-day, as Canadians, in that railway in their possession is the same national interest, to bring every pound of the traffic of the North-West which we can bring down through the heart of Canada, and down to the sea board in our own country,—as I trust in no distant day will be the case. Well, Sir, the hon. member brought up the question of rates, the other day, in the speech which he delivered to the House on the Address. I could then quite understand that the hon. gentleman was about to place our anchor to windward, and when the hon. gentleman dragged in the question of rates on railways into the discussion the other day, I quite understood that there was a deliberate design in it - to forestall the public mind in relation to this matter. Every person knows the great complaints that have been made owing to the disproportionate rates which have been adopted on railways in the United States running through the praries. But, Sir, what is our position with relation to the matter. Why, Sir, we have taken power by this contract, which, under the Consolidated Railway Act on the Statute book, we do not possess. So far from having yielded anything with relation to rates, the Governor in Council retains power to levy those rates. Not a rate can be collected, not a cent can be collected by that Company for anything on their road, until the Government which is responsible to this House, whoever they may be, have given their sanction to what they believe to be just, and in the interests of the country. And, Sir, having retained the power, what more did we do? Why, Sir, we ascertained that, according to the law, Parliament itself had not the power, after the rate was fixed, to reduce it, unless it could be shewn that the Company were getting fifteen per cent. on their capital. We, in this contract, have changed that, and have deprived the Company of the power, which, under the Consolidated Railway Act, they and every other railway in the country enjoyed, and stipulated a lower rate of profit as the point at which they may be asked to lower their rates. I think, under these circumstances, that the hon. gentleman's long discussion on a question that was certainly not before the House was hardly called for.

Mr. ANGLIN. Is the profit to be taken upon the capital of the Company or upon the whole money expended upon the construction of the road, because there is a great difference?

Sir CHARLES TUPPER. The hon. gentleman will be greatly relieved to find that it is not so bad as he had hoped. It is upon the capital they have expended themselves.

Mr. ANGLIN. Under the terms of the contract, for there is a doubt about it?

Sir CHARLES TUPPER. That is a question of law, upon which I will defer to the hon. gentleman. He has the contract before him, and whatever want of confidence I may have in his political sentiments, I have great confidence in his legal ability. I will not require to say anything more about that. I am told that some gentlemen are afraid that difficulty will be caused by the clause of the contract which requires the Government to hold in certain contingencies, which may or may not arise, twenty-five millions of dollars at four per cent. interest. Suppose we had said to the late Minister of Finance a year ago that we expected in twelve months to be in a condition in which, instead of paying five per cent., as we are paying now, we should be able to sell bonds at four per cent. interest without any commission. Suppose we had ventured to tell hon. gentlemen that we expect, in twelve months, to be in the condition of being able to obtain all the money that Canada required for its development, and to redeem the bonds issued at five and six per cent. as fast as they became due at four per cent, without a farthing being

paid for commission, they would have laughed at us. But it is a fact staring them in the face, and when we entered into the contract we found that we occupied a position that was likely to furnish us with all the money we wanted. The able Finance Minister, my hon. colleague, told us that he could handle that twenty-five millions of money in such a way as to be eminently advantageous to the interests of Canada, if he is called upon to hold it, and it was only after learning that that we agreed to take it upon these terms. I think therefore I need hardly detain the House upon that subject. With reference to the telegraph I am told that there is an objection on that point, but surely no person would have expected the Government of Canada to make a contract with a company who were bound to construct in ten years a road from the Red River to Kamloops, and a road from Nipissing to Burrard Inlet, and operate some 3,000 miles of road, without the power to erect and operate a telegraph. Such a thing would, I think, be unheard of, and when I tell the House that instead of having a monopoly the Government of Canada, at this moment, retains the Canadian Pacific Telegraph in their own hands, and that these parties have not acquired a dollar's worth of rights in the telegraph which has been contracted for, at a sum a little in excess of one million of dollars; when I tell the House that we retain the ownership of our own line of telegraph, it will see that unless terms are made for the transaction of general business, and for taking over our lines upon terms in the interest of Canada, we are in a position to carry out and complete our own line and make it a very sharp competition indeed. Now, Sir, I am glad to say that I am able to bring my remarks to a conclusion, but before doing so, I will ask the House to indulge me for a moment whilst I read an extract from the Winnipeg correspondence of the Toronto *Globe* of November 25th:

"So much has been said and written about the size and fertility of the North-West that it is scarcely necessary to repeat any of it here. Prof. Macoun's recent explorations fully demonstrate the fact that there are about 250,000,000 of acres embraced within Manitoba and the North-West Territories. A mere fraction of this is as yet settled, so that there are still homes in the North-West for millions of people. For two hundred miles west most of the good land has been taken up, but beyond that point there is any quantity of the richest land, much of it not even surveyed. The quality of the soil throughout these territories is almost uniformly good. In many places it is unsurpassed. In the Red River Valley, near Winnipeg, farms have been cropped for fifty years without the aid of manure. Further west the soil is somewhat lighter, but in the opinion of many, better adapted for general farming purposes. There is a considerable quantity of waste land, if we take it in the aggregate, but comparatively the percentage is not large, and much of what is now waste land will be reclaimed by drainage before the country is a generation older."

Now, Sir, I draw attention to that for the purpose of showing the hon. gentlemen opposite how small a portion of these fertile lands in the great North-West is absorbed by the twenty-five millions of acres which under this contract we give to the Syndicate. I draw the attention of gentlemen opposite to this, because it was one of the subjects of discussion a year ago. I ventured to state from the best authority, for we had expended a large amount of money for surveys, &c., and a number of able men had investigated this subject of the lands of the North-West, that 150 millions of acres of good land lay between the west of Manitoba and the Rocky Mountains, between the 49th and 57th parallels of the north latitude, and hon. members opposite doubted it. Now we find that Professor Macoun, who is one of the most able explorers and one of the best qualified men to form a judgment upon the matter, and who has spent the last season in going over the country, found that that great Missouri section of barren country which was supposed to extend into Canada in the North-West, was in a great measure valuable and fertile land. He found that the idea that it was a desert was an entire delusion and that instead of that a great portion of these lands, thirty millions of acres, which were supposed to be unfit for settlement are largely fit for settlement, and they are included in contract in the lands "fairly fit for settlement." Under these circumstances the House will see that this land has been very much under-estimated. Before I conclude, there is another point that I want to refer to. It is charged against the Government and it is the last charge in the world that I hope any person will ever be able to sustain against them—it is a charge of not being true to the National Policy. If the Government of Canada, with the evidence of the past two years before them, were to be faithless to the National Policy, they would deserve to be driven from power by the execration of every true-hearted Canadian. I say this is about the last charge that should have been made, but I am told that they have given under the contract rights and privileges which are fatal to the National Policy. There is nothing in the law, nothing in the statute book that enables one cent of duty to be collected for anything that has been used for the purpose of constructing the Canadian Pacific Railway. Not one cent.

Mr. MACKENZIE. Did the contractors pay the duty?

Sir CHARLES TUPPER. Certainly, but they were building the railway for us, and they were paid an amount that it was estimated would pay them for the work they performed, and give them a profit. But every locomotive, every car for the railway that we imported for ourselves, as we have done, could not by any law that is on the statute book be charged with duty. So that there is no ground of complaint upon that point. But, Sir, that is not the contract. The contract provides only for the admission free of duty of all steel rails, fish-plates and other fastenings, spikes, bolts, wire, timber and all materials for bridges to be used in the original construction of the railway and for a telegraph line in connection therewith. Now, Sir, what is the duty collected on now? Steel rails are free under the law.

Mr. MACKENZIE. For how long?

Sir CHARLES TUPPER. So long as the steel rails are not manufactured in this country, for the purpose of supplying our own country. The Government felt that the construction of railways was so vitally important to the development of Canada, that they made an exception of steel rails, saying that while steel rails were not manufactured in this country they should be admitted free. Therefore, this limits it to the bolts, nuts, wire, timber and material for bridges. Well, Sir, we carefully considered that by admitting iron for bridges free of duty, we would probably have the bridges constructed of iron instead of wood. But is there a member of this House who fails to see that if we had not made such a provision, we only had to import these articles to make them free? I may say that under this contract the position of the industries of Canada and of the National Policy is better than before. The Government intended in this matter, as in everything else, to be true to that great National Policy which lifted Canada out of the condition of depression in which our country was, and placed it in as prosperous a condition as any country occupied, that policy which has increased the credit of our country by changing deficits into handsome surpluses, that policy which has vitalized the industries of Canada, set money in circulation, commercial enterprises in operation and created industries from one end of Canada to the other, to an extent that the most sanguine advocate of the National Policy did not venture to anticipate. We would be faithless to the country and to the position we occupy, if we did not, in everything to which we put our hands, maintain this policy in its integrity that Canada may continue to prosper and flourish as at present. In regard to that question I may say that the Minister of Finance will be prepared to submit a measure to deal with this very point, by which the construction of everything that can be constructed in Canada for the purposes of the Canada Pacific Railway will be provided for in our own country. Now, Sir, I am glad that I shall not be compelled to trespass farther upon the attention of the House. When I rose I expressed the pride and pleasure it gave me as a member of the Government of

Canada to be able, in the year 1880, to propound to Parliament a measure for its adoption which will secure in ten years the construction of the Pacific Railway, upon terms more favorable than the most enthusiastic friend of the railway had ventured to hope this Parliament would have the opportunity of putting its seal of ratification to. I have read at some length the able and eloquent statements of hon. gentlemen opposite to show that no men are more bound, as honorable and patriotic statesmen, to give this measure their hearty support than those gentlemen themselves. I am glad to know that if ever there were a measure presented for the consideration of this House, worthy and likely to receive its hearty adoption, it is the measure I have the honor of submitting for its consideration. I have the satisfaction of knowing that throughout this intelligent country every man breathed more freely when he learned that the great, enormous, undertaking of constructing and operating the railway was to be lifted from the shoulders of the Government, and the liability the country were going to incur was to be brought within, not over the limit which in its present financial condition it is prepared to meet; within such limits that the proceeds from the sale of the land to be granted by Parliament for the construction of the line, would wipe out all liabilities at no distant day. But this is the slightest consideration in reference to this question. It is a fact that under the proposals now submitted for the Parliament to consider, this country is going to secure the construction and operation of the gigantic work which is to give new life and vitality to every section of this Dominion. No greater responsibility rests upon any body of men in this Dominion, than rests upon the Government of Canada, placed as it is in a position to deal with the enormous work of the development of such a country as Providence has given us; and I say we should be traitors to ourselves and to our children if we should hesitate to secure on terms such as we have the pleasure of submitting to Parliament the construction of this work, which is going to develope all the enormous resources of the North-West, and to pour into that country a tide of population which will be a tower of strength to every part of Canada, a tide of industrious and intelligent men who will not only produce national as well as individual wealth in that section of the Dominion, but will create such a demand for the supplies which must come from the older provinces, as will give new life and vitality to every industry in which those Provinces are engaged. Under these circumstances, we had a right to expect that support, which, in justice to themselves and their position as statesmen, hon. gentlemen opposite should give us. I say, Sir, that looking at this matter from a party point of view—the lowest point of view—I feel that these gentlemen, by following the course they propose, are promoting the interests of the party now in power, just as they promoted our interests when they placed themselves in antagonism to the National Policy, which the great mass of the people desired. But I say I am disappointed at their course. I regret it, notwithstanding that it conduces to the interests of our own party. On past occasions I made the most earnest appeal in my power to those gentlemen to sink on one great national question partizan feelings and to enable both sides of this House and both parties of this country to unite in a great measure that did not require to be dragged down into the arena of party, and which would be promoted, and largely promoted by a combination of both of the great parties in this country. The honorable gentlemen refused to respond to that appeal and, therefore, I will not waste time on the present occasion by pointing out to them how desirable it is now, but I did hope when we abandoned this railway as a Government work, and when it became a commercial undertaking it would be otherwise; and one of the reasons—one of the great necessities for changing our base – one of the great necessities to place this work on a commercial footing at the earliest opportunity—was that we became aware from the events of the last two sessions that while we dealt with it as a Government railway it was to be dragged down from its high position to the arena of partizan politics. In order to obstruct the Government, in order to prevent our carrying out the policy as we were carrying it out, these gentlemen were driven to assume the unpatriotic attitude of decrying the credit and capabilities of our country and damaging the prospects of this great work. I am glad that we have triumphed over such opposition, and that despite that obstruction we have surmounted the great difficulty—that despite all the obstruction they could throw in our way, the time has come when enlightened capitalists best acquainted with the ressources of Canada are prepared to throw themselves into the construction of this great railway. I say, I was in hope, now that we have abandoned it as a Government work and it is placed on a commercial foundation, that those gentlemen could, without loss of party prestige, unite with us on this great question and on giving to this Syndicate who are charged with this important and onerous undertaking, that fair, handsome and generous support that men engaged in a great national work in any country are entitled to receive at the hands, not only of the Government of the country, but of every patriotic member of Parliament. Sir, I say I have been disappointed, but I hope upon future reflection, at no distant day, when the results of this measure which we are now submitting for the approval of Parliament and which I trust and confidently expect will obtain the sanction of this House, will be such as to compel these gentlemen, openly and candidly to admit that in taking the course which we have followed we have done what is calculated to promote the best interests of the country and that it has been attended with a success exceeding our most sanguine expectations. I can only say, in conclusion, after some five-and-twenty years of public life I shall feel it the greatest source of pleasure that the quarter of a century has afforded me, as I am satisfied that my right hon. friend beside me will feel that it crowns the success of his public life, that while Premier of this country his Government were able to carry through Parliament a measure of such inestimable value to the progress of Canada; so I can feel, if I have no other bequest to leave to my children after me, the proudest legacy I would desire to leave was the record that I was able to take an active part in the promotion of this great measure by which, I believe, Canada will receive an impetus that will make it a great and powerful country at no distant date.

Mr. MACDOUGALL. I do not rise, Mr. Chairman, for the purpose of following the hon. Minister of Railways either in the way of approval or dissent; but, Sir, I cannot affect to be ignorant of the fact that the allusion which the hon. gentleman made in the course of his speech to some one who had occupied the editorial chair of the *Citizen* for a day, pointed to me. I have heard some observations of that kind in the lobbies and elsewhere, and from the manner in which the hon. gentleman turned his face, with some fierceness of aspect, in this direction, I assume he meant me.

Sir CHARLES TUPPER. The hon. gentleman will perhaps allow me to interrupt him in saying that if I turned my face in that direction, it was with no such intent, and that I had no intention of making a personal application of my remarks to him, as I had not the slightest idea that the hon. gentleman had anything to do with that article.

Mr. MACDOUGALL. I am glad to hear the hon. gentleman's explanation, but, as I have already remarked, hearing as we do in the lobbies and elsewhere that the article was attributed to me, I thought in justice to the proprietor of that newspaper, that I should here state that

I did not write a line—indeed have never written a line for that paper, that I am aware of; that I was not cognizant he was going to take the course which he did take, and which, in my opinion, was a very manly one in a newspaper regarded as a party organ. If, in the interest of the country, he thought it right to give the warning he did to his political leaders, it was a manly course to take, but whatever the motives of the proprietor of the *Citizen* may have been, I had nothing to do with inspiring that article or the criticisms which appeared in its columns on the contract. If they were disingenuous, I did not discover that feature in the comments that I saw. It is not unknown to members of Parliament that I do not find myself able to concur in the propositions of the Government with respect to the Pacific Railway. I shall take an opportunity before this debate closes of stating my grounds for that position, and of making such observations as I shall feel it my duty, as an independent member of Parliament, to make. At present there are members on both sides of the House to whom, in the courtesy of parliamentary practice, it would be proper for me to give place.

Mr. BLAKE. At this late hour of the evening it is quite impossible that I should hope to conclude the remarks which I propose to make in answer to the speech we have been entertained with for some hours, and it is one of the advantages (I do not think altogether counterbalancing the disadvantages) but still one of the advantages of the form of procedure we are now engaged in, that you one proceed a certain distance and can again renew your attention, Sir, to the subject. I shall proceed to such an hour this evening as hon. gentlemen opposite think fit to have an adjournment, and shall not complete the remarks which I wish to make this evening. The hon. Minister of Railways spent two hours and a half of his speech in a discussion in which I do not intend to spend ten minutes. The course of that part of his speech, I venture to observe, was not unfamiliar to us. In fact I heard one of his supporters subsequently say that he always did like that speech of the hon. gentleman, and from his point of view I have no doubt he did. There is, however, one advantage which the hon. gentleman has as Minister of Railways. If there is a certain degree of sameness, in the general line of his speeches on the Pacific Railway, there is always a pleasing variety in the estimates he brings forward from session to session. Whatever flights of fancy fail him in his oratory, he is capable of surprising us by the most extraordinary and alarming performances, whether they be of fancy or of fiction, in the way of estimates for that work. He has not been unequal to himself on this occasion. The hon. gentleman made some variety, as it was proper he should do, in the dressing up of the old dish. He began, upon the last occasion, with an appeal that we should not drag down this debate to the low level of a party discussion, and he ended with that appeal upon this occasion. He reminded us at the close of his speech, this time, of what he commenced it with last time. Sir, I say again that I know nothing in the institution of party which should disentitle any party from taking such a line upon any public question as they conceive the public interest requires; and I say that the moment I am satisfied that the hon. gentleman's notions of what makes a party question, and of the degradation to which a question is submitted by its becoming a party question, are true, I shall abandon the doctrine of party altogether. If I did not believe, as I do in my heart and conscience believe, that the proposal of the Administration, brought down to-day, is not merely fraught with great danger but certain to prove disastrous to the future of this country, which it is principally designed to serve, as they say, I should be glad to give it my support, and it is because I entertain the conviction that the measure is not merely dangerous, but ruinous, that I oppose it at the very outset. The hon. gentleman has said, for his leader and himself, that this is to be the crowning glory of their lives. For his leader it is to be the crown placed on the pedestal—though I did not know that it was usual for pedestals to have crowns. The hon. gentleman of whom he spoke, and to whom he attributed this peculiar position of this measure amongst his laurels, has described in still more eloquent and high-flowing terms, his views on the subject.. It seems his interest in the Canada Pacific Railway and his joy and congratulation at the results he achieved in England are by him not expected to end with his earthly career, but that above and beyond, and from, as he modestly said, he hoped a better sphere, among the joys of that life and the avocations and contemplations which will generally engross his attention in that better world, he hoped to be permitted to look down upon his friends the young men of the Club Cartier, travelling from Montreal to the Pacific at the rate of twenty-five miles an hour. Sir, I have read and heard a good many descriptions of the world to come. The Indian's notion of the hereafter and the Mahomeddan's paradise are familiar to us, but it is certainly a new description of one of the joys of the time to come, that an inhabitant of that celestial sphere should be able to look down and see some young fellows travelling on a railway. The hon. Minister himself, speaking of his own share in this great work, hoped he would be able to leave it as a legacy to his children. I hope he will; and that it will be a substantial legacy—one that will enable them, in all time to come, to look back with complacency on this great work of the hon. gentleman's life. But, while these hon. gentlemen are overjoying themselves upon what they have accomplished in bringing down this plan, they seem to me to be rather disposed—judging by the time and the efforts which they have devoted to proving that it does not lie in our mouths to complain, whatever might be the objections to the plan—to doubt whether it be not obnoxious to criticism if only fit critics can be found. They seem inclined to think that something should be said against it, but it is not for us to cast a stone. Well, upon the last occasion on which this question was discussed, I entered upon a history as brief as I could make it, of what I believed was the parliamentary history of the view which had been taken with reference to this undertaking in its financial aspect, in which it has always appeared to me of most importance. I contended that there had been a continuous line decision on the part of Parliament, departed from by no Government and no Parliament, that the work should not unduly press on the taxation of the people, but be proceeded with in a manner which should not increase the existing rate of taxation. That is the keystone of the position so far. That is the view which we have always taken and always sought to enforce. We have contended, and shall contend again, that hon. gentlemen did place this country in a position most unfortunate with reference to this matter; that they did make a bargain the literal obligation of which it was impossible to fulfil, that they did make an arrangement which they ought not to have made, and which events have proved, not merely in letter but also substantially, impossible of fulfilment; because they bargained that the road should be commenced in two years after the time when the bargain was made, in 1870, and finished in ten years—that is, in this year. They bargained that the road should be commenced at the sea-board of the Pacific within two years; and, Session before last, they declared that sufficient information had not even then been reached to decide upon the terminus of the road at the Pacific, which proved that they were utterly wrong in the notion that the road could properly be commenced at the Pacific some eight years ago. They bargained that it should be finished in ten years, and they esteem it the crowning glory of their lives that they produce a contract which indicates that it is to be finished in twenty years. I have thus given two views of the bargain which show that it was one

which, not merely literally but in substance, was incapable of fulfilment. The circumstances so created, and the position in which the country was placed by the making of that bargain, were unfortunate. Enormous expenses were to have been incurred in surveys beyond what would have been necessary, with the view of pressing forward a decision as to the route. It hung over us as a black cloud, and our future was darkened by the idea of the bond to which the hon. gentleman had persuaded a moribund Parliament to sign. We endeavored to adhere to that which had been acceded to in that Parliament—that the rate of taxation should not be increased. From time to time, as the hon. gentleman has said, we discussed the subject of the railway. In the first place, until the last Session of Parliament, every statement which has been made, from either side of this House, as to the cost of the Canada Pacific Railway, has been a statement made upon a basis as to the mode of its construction, wholly different from that which is now tendered for our consideration. A first-class road, and not merely a first-class road in the ordinary sense of the term, but one wholly exceptional in its grades and curves, so far as the traffic bound to the east was concerned, was the object of Parliament and of the country. In so far as my hon. friend, the member for Lambton, proceeded with the construction of that work, he carried out that idea, and he procured for this country, at a very considerably increased expense, and one which. I think, was wisely so increased, a road from Selkirk to Thunder Bay, which, if we can secure that the country and not some monopoly shall have the benefit of it, will give to the produces of the North-West a convenient access to the markets of the world, and give to the manufacturers and exporters of the east a fair ingress to that country. But, Sir, in all the estimates which were made, in all the views which men have taken, in the very theory of the road itself, which was projected as a grand trans-continental highway, which was to carry across this continent the traffic of China and Japan, the idea was that we should have an exceptionally good and high class road. The estimates made for the purpose of ascertaining the cost of a road of that kind are wholly different from the estimates which are proper to the present occasion. The hon. gentleman also adverts to some speeches I made. He adverted to a speech I made in 1875, and quoted a portion of it from the "Debates." Well, I am not going to bore the House by reading some of the rest of it. I am very indifferent whether portions of my speeches are quoted without the other parts which are necessary to a proper understanding of them by a Tory land seller or by the Minister of Railways, and I leave to those who take sufficient interest in my proceedings to peruse the speeches, and they will, if fairly read, answer the objections made to them. I have nothing to retract in the speech the honorable gentleman quoted. I abide by, as applicable to the then existing state of things—every sentiment expressed in that speech. The honorable gentleman himself, in the course of his remarks, adverted to the wholly changed condition of things. I recognized the other day—if I may be pardoned for following the hon. gentleman's example in alluding very slightly to a previous debate—I recognised, with reference to the changed policy of this Administration, not merely the right, but the bounden duty of the Administration, when conditions changed, to change their policy—to adopt such a policy from year to year as would appear best suited to the conditions as they were existing at the time of the propounded policy. And having acceded frankly to that view, as amply justifying a possible change or vacillation, as amply justifying any proposal the hon. gentleman may make, I am a little surprised that the hon. gentleman who has availed himself, and properly availed himself, from year to year, of changes in condition and policy, without remonstrance, should propose to apply to this time and these conditions suggestions and observations wholly inapplicable. Sir, we agree with the hon. gentleman that this question has made progress in a number of years. Does anybody suppose that the circumstance that the road from Thunder Bay to Selkirk will be finished in a year or two, is not an important factor in the building of the Pacific Railway? Does anyone suppose that all the work that was done during my hon. friend's (Mr. Mackenzie) Administration, was not important work in the same direction? Sir, I call witnesses—I call the hon. gentleman (Sir Charles Tupper) himself. I cannot turn to the page in *Hansard*, but I very well remember the speech he made—aye, it was made since he became a Minister—in which he declared that what my hon. friend (Mr. Mackenzie) had done was of more real and practical importance in bringing this work to completion than if there had been work going on in British Columbia. What then? Has the circumstance that this work has been going on to completion nothing to do with the formation of a contract? There is more, Sir. There has been into the Province of Manitoba, not such an immigration as we could have desired, but still a very considerable immigration. There has been a very considerable amount of information acquired as to that territory. Hon. gentlemen will not deny that, because their own estimates of the fertile belt have varied from year to year. From year to year we are getting more news. We find according to the reports that there is a great deal more and a great deal better land, that there are far smaller spaces of infertile land mingled with our fertile land than we found before. Well, this is delightful news. Does it not alter the conditions—make the prospects of the country brighter—make everything connected with the letting of the contract for the Pacific Railway differ from what it was formerly? If it has any effect it must have that effect. Then the attention of England and Germany, the hon. gentleman says, has been more and more directed to the subject of the North-West—circumstances favored that. The difficulties which existed in England in connection with the competition in cereals and in meats, added to the unfortunate recurrence of two or three very bad harvests consecutively, have produced a state of things which have led the people of Britain to look this way. And then the hon. gentleman says, there has been a stroke of genius—the greatest stroke of genius which any Minister ever displayed—by the Minister of Agriculture (Mr. Pope, Compton). Well, I am quite free to admit that my hon. friend the Minister of Agriculture is a very genial man, but there is a great difference between a genial man and a great genius, and I think he would hardly apply to himself the compliment that has been paid to him. The step taken by my hon. friend was, I thought myself, a very good step, but to apply to it the high-flown epithet of a great stroke of genius, is, it seems to me, rather covering the hon. gentleman with ridicule than placing him in his proper position with reference to that matter. Well, it had a great effect, they say; it placed the country in such a light that we may expect a large immigration into that country. Does that not alter the circumstances; does it not make the Pacific Railway a more promising undertaking, and therefore is not that to be considered when we are considering whether any contract for its construction is to be approved by Parliament? Then there was a great circumstance which now for the first time we are informed of—a conversation between Lord Beaconsfield and the Minister of the Interior. It seems that it was from the Minister of the Interior that Lord Beaconsfield derived that information which he supposed he was faithfully communicating to the public. It seems that the true source of that information that so astonished and amused the world was from the Minister of the Interior. It is strange, with that knowledge of the subject which belongs to the Minister of the Interior and that acuteness which we all know the Earl of Beaconsfield possesses, that the Minister of the

Interior should have been unable to make intelligible to the Earl of Beaconsfield the true state of things, and should have put him in such an unfortunate and ridiculous—such a laughable—position as he occupied when he made that statement. This reminds me a little of some other works of Earl Beaconsfield, of some of those fascinating portraits that we find in Endymion, in which things are very much mixed, and you are expected to make of a picture that represents half of one man and half of another, some sort of an incongruous whole. However that may be, it is said that the effect of those statements, accurate or inaccurate, was very great, that they did great things for the country, that they attracted the attention of England and the world, as it never had been attracted before, to Canada; and therefore that the condition of things was brighter and improved, that we were more and more in a position to make a good arrangement for the construction of the Pacific Railway. The hon. gentleman seemed to believe that he had laid the foundation of Lord Beaconsfield's permanence in office, but the foundation that he laid was rather overturned by the broader foundation laid by Mr. Gladstone. But, he says, this season at any rate we acted, and he made some informal questions and suggestions, and gave us some desultory information. Well, I have no doubt hon. gentlemen opposite would not do anything less when they went across the water than see the Colonial Secretary and other members of the English Government, and do what they could to represent this country in its brightest light, but I am rather inclined myself to believe that Charles Parnell and the state of Ireland have more to do with the announcement of the new policy of the English Government, than Sir Charles Tupper and Sir John Macdonald.

Mr. MACKENZIE: It is another Charles.

Mr. BLAKE. Yes, quite another Charles. A complete change, the hon. gentleman said, had taken place in England as to Canada, a complete change had taken place in public sentiment at large as to the value of the lands in the North-West, that change had been largely promoted by the success, the remarkable success, of the enterprising proprietors of the St. Paul and Manitoba Railway. Against these gentlemen I have not a single word at present to say. What I have to say, with reference to that corporation, I will say later on, and it will be nothing that would not apply, so far as I know, to most corporations in similar circumstances; but I am heartily glad to hear such words of laudation and praise and confidence in the proprietors of that enterprise as fell from the lips of the hon. Minister. There are recorded in the "Debates" to which the hon. gentleman so repeatedly refers, some less pleasing sentiments with reference to one of the most important influential, wealthy, active and intelligent of those corporators. I could find it stated by one hon. gentleman, on the floor that he was a liar, and by another hon. gentleman that he was a coward. Well, now we find he is all that is good. I always thought these epithets were undeserved, not merely violations of the courtesy and dignity of Parliament, but wholly undeserved and unwarranted. I am glad to hear that the hon. gentleman now absent, who was thus stigmatized, is to-day vindicated by the hon. the Minister of Railways, who has given him such a good testimonial, because amongst the lot I do not suppose he is left out in the cold. I suppose in the wholesale compliment that has been paid, no one of these corporators has been left out. Well, I remember a great many other remarks that were made at that time against the proprietors of that railway company, irrespective of the slightly personal observations to which I venture to allude. I remember when we were told that they were unpatriotic, that the late hon. member was unpatriotic for interesting himself in an American railway and that he was acting against the interest of Canada in the conduct of that railway. I never believed that there was any hon. member of this House, even any hon. member who expressed those sentiments, who would not have jumped at the chance of being in the shoes of the member thus spoken of if he had the offer of getting a share of the fortune which the late hon. member had by his pluck, skill and tact, acquired in this enterprise. I thought those observation entirely unjust. I believe that any of us would be quite disposed to find our fortune, even if it was south of the boundary line, and would not feel ourselves by patriotic motives deterred from making a few hundred thousand dollars although we could not make them within the limits of this country. I believe that in the conduct of their business these gentlemen have acted just as all persons in such business do act. They have acted with reference to their commercial interest; and, I believe, in dealing with them or any other corporation, we shall have to consider the question or interest, as concerned in the management of human affairs as a tolerably constant, certain, and important quantity, Now, the hon. gentleman declared that he had got some fresh estimates. Last year we were brought, as I have stated, for the first time, face to face with a new proposal as to the style of the construction of the Canada Pacific Railway, and the hon. gentleman brought down his Chief Engineer's report as to what, according to that new style of construction, the different sections would cost. Before the hon. gentleman made that statement I had requested my hon. friend from Lambton, who, as the hon. gentleman has rightly said, was thoroughly familiar with this subject, viewed in the light in which we had viewed it up to that day, to reconsider the whole question of cost, according to the old style of construction, and to come to a conclusion as to what according the advice of the engineers should be the estimate of cost. The hon. gentleman hoped to find some divergence between the views of the hon. member for Lambton and myself; but I stated to the House that my estimates were those of the hon. member for Lambton.

Sir CHARLES TUPPER. You are wrong in saying, I hoped to find a difference of opinion. I was delighted to find that you agreed.

Mr. BLAKE. Well, the hon. gentleman feared to find some divergence between myself and the hon. member for Lambton, although I had stated to the House that these estimates were not my own, but those of the hon. member, which I adopted in full confidence that they were as good estimates as could be prepared for the construction of that railway according to that style. But the hon. gentleman, reading my speech, and reading the speech of the hon. member for Lambton, made a contrast between that speech, as containing those estimates of that class of road, and the proposal which he brings down for our approval, and we heard from the hon. gentleman quite a disingenuous criticism. I will not apply the word disingenuous—I will not say it is misleading—but I will say that the hon. gentleman fell into an unfortunate error when he forgot, in making that comparison, that the conditions were wholly different. I stated in my speech expressly that I had no material for criticising or forming a judgment upon the estimates that the Minister brought down, that that estimate was one upon which I had no grounds for a judgment, that the statement was that the road was to be made as cheaply as possible to safely carry people over it, with sharp curves, heavy gradients, and as light a system of construction as the works could by any possibility be made. Read the description in the contract, read the description in Mr. Fleming's letter, read the hon. Minister's own statement of the route and contrast its subject matter with my hon. friend's estimates, and you will find that to compare the prices of one with the prices of the other is to propose that copper and gold should be valued by their weight as of equal value. Now, I have not to-day any means of judging of the hon. Minister's former estimate,

I said then that we required to know the details of these estimates before we could form a judgment, various details as to the grades and curves, and details upon the most important question of all—what will it cost after you have built your cheap and unsatisfactory road to convert it in due season into a first-class road. My own approbation, given as it was to the Minister's scheme, was guarded by the declaration that it was impossible to form an independent judgment upon the propriety of that scheme without that knowledge; so that, whether as to the cost or as to the propriety of the scheme, I never have had an opportuuity to form a judgment nor to express any accurate opinion at all. It was even less than a year ago I uttered that speech, but even, if it had been, as the Minister observed, a whole year ago, I should be disposed to adhere to it. I find nothing in those estimates at all inconsistent with the views I entertain to-day with reference to the gentleman's statement; and if I did find anything inconsistent, if I did believe that I erred in any statement I had made in that speech, I hope that I know enough of my duty to confess my error and act upon my present judgment, whatever that may be. I have not yet been able to find that there was any error in the estimate I then made, or in any other suggestion of the speech. I did say I thought these estimates had been brought down rather suspiciously and for a purpose. At that time the object of the hon. gentleman was to show that this road could be well constructed by the Government in the mode in which they are proposing to construct it, at a small cost and with but little charge to the country, and with that view he laid before us the two sides of the account. He showed us first of all what money he was going to ask us to expend, and, secondly, what he was expecting to receive from the lands and he proved as I admitted, if his premises were true, that we might safely and cheerfully proceed at once to construct not merely the middle and the west but also the eastern link. I stated that, and I stated also that if the hon. gentleman's views were correct as to the routes and cost, it would be all right to go on with the road as it was. Well, the hon. gentleman was satisfied then that he was right; he finds now that he has erred, he finds that having attempted upon that occasion to procure the very lowest estimate that could be procured of the cost, and calling upon the engineer, as he did by the letter of the 15th of April, which is in the report of the engineer, to make an estimate of a very cheap road, the cheapest road that could be built, and pointing out to him the element of reduction in cost which occurred to him to be important, he got the figures down to a point which was surprising to us all. But we had not the materials for judging of the accuracy of the estimate. His estimate embraced the Thunder Bay link, the Prairie link, and the British Columbia section; but we hear him to-day informing us that he was all wrong in that estimate as to these links that the estimate was too high. As nearly as I can calculate, at the moment, there is a sum of about four millions and a quarter to be saved from the estimate of the hon. gentleman upon these items out of the sum of $32,500,000. I do not profess to speak accurately, for I had not an opportunity, except for an instant, of glancing at the figures.

Sir CHARLES TUPPER. I estimated for equipment as well as for the construction of the road.

Mr. BLAKE. I am quite aware, although the hon. gentleman omitted to mention it in his speech to-night, that that must have been one of the grounds of reduction, although he applied the whole reduction to savings. I was about to call his attention to that fact and ask him whether that was not an element in reduction, but I may add that it could not have been a very serious element in reduction, because with reference to equipment the hon. gentleman's estimate was of the most modest proportion. It is declared in the papers that the estimate for the equipment was not for the permanent running of the road but only such as might be necessary for the traffic which was expected immediately on its opening. The hon. gentleman will find that I am correct in saying that the engineer's estimate for the Pembina branch, as found in the letter of the 16th of April, is not based on a full equipment.

Sir CHARLES TUPPER. From Fort William to Selkirk, I estimated a full equipment, and a very light equipment from Red River westward.

Mr. BLAKE. The Engineer says: "Whatever the increasing traffic of future years may demand in the way of terminal accommodation and rolling stock, I am confident the line can be opened for traffic between Fort William and Selkirk, and well equipped for the business which may then be expected, at a cost not exceeding $17,000,000." It is quite clear he did not mean a full equipment, but an adequate equipment which would serve a population of a few thousands which were producing hardly any surplus grain for export. I am not complaining of that; I think it is a very business-like arrangment to limit the equipment relatively to the wants of the road. I asked the hon. gentleman then, but he would not vouchsafe the information, what was the cost per mile of the estimated equipment for any of these sections, and I know not therefore how much of the reduction of which he now speaks may be a legitimate reduction But the equipment of the rest of the line was to be of the very sughtest character; it was a nominal sum that had been placed for the equipment of the Yale-Kamloops section, if any sum, and therefore almost all the reductions on that section and on the prairie and Port Moody sections would be on actual ascertainment that these estimates so given, prepared with the view to bringing the cost down to the lowest point, had failed wholly of that object, and had presented a condition of affairs entirely different from the truth. But what amazed me was, that while I found the hon. gentleman, with reference to these portions of the work which the Government is about to construct, triumphantly pointing out the errors in his estimates and taking credit to himself for the proposition that he was able to save four or five millions more, he was rather disposed, with reference to the central section and the eastern section, to adopt the estimates of my hon. friend (Mr. Mackenzie) applicable to a high class railway. Now, is the House going to imagine that those engineers who over-counted the cost of the line from Thunder Bay to Selkirk, then in a fair way of being completed, with reference to which it was most easy, one would judge, to have found a just estimate, who over-counted the cost of the Yale-Kamloops section. who over-counted the cost of the Yale-Moody section, is the House going to suppose that they under-estimated instead of over-estimated the cost of the other portions of the line? Is it true that while Mr. Fleming made a mistake and told us that it would cost us $32,500,000 to do what costs under the new, the revised estimates, perhaps $29,000,000 at the outside—is it true, I say, that while he erred by way of exaggeration as to those parts which are to be constructed by the Government, that he erred by way of deficiency as to the parts that are to be handed over to the Syndicate, or that the engineer's over-estimate prevails throughout the line? Just the same reason applies to those other sections; just the same views apply. He over-estimated as to the east, he over-estimated as to the middle; he over-estimated as between Red River and Kamloops; he over-estimated as between Nipissing and Thunder Bay, just as he over-estimated on the other points; and therefore I think we may fairly say that we have this test of the cost of this line as proposed to be constructed in the minds of the Government, or which was in their minds when they let this contract. If it be true, as a matter of fact, that

the estimates of last year have proved to be erroneous, not by being too small, but by being too great, then the cost of the whole line is to be reduced by the same amount approximately to by eleven or twelve per cent.; that is the result, and what was to cost, according to the Minister's estimate, in full, including surveys and all, $86,000,000—but as this reduction applied only to those particular parts, we will say $82,000,000—would be reduced by the sum of nine or ten millions of dollars in all. That is the result of the hon. gentleman's estimates; he has nothing to do with our estimates, even if our estimates had to do with his line. Our estimates have not to do with his line. They have to do with a line of an entirely different character, but if they had to do with his line, his proposition is to be defended, not upon our errors of judgment, but upon his own correct judgment. His proposition is to be defended upon the basis which he himself makes for it, and he cannot prop it up by mistakes—if mistakes there were—on the part of his opponents. He did not believe in our judgment; he did not act upon it; he said it was all nonsense, and pursuaded Parliament he was right, and went on. Now, he says: "It is true I erred;" and he says: "I erred by extravagance of estimate. I did not err in your direction; I erred in the other direction." Now, he suggests that this error applies only to those parts of the road which the Government, under an arrangement not dreamed of at that time, and consummated the other day, is itself to build; and as to the parts of the road which the Syndicate is to build, the hon. gentleman says: "But I won't talk of my own estimates of last year; I won't talk of my estimates of last year, reduced on the same basis as I reduced this, but I will apply to them the estimates which I ridiculed last year, applicable to the higher-class road of my hon. friend from Lambton." The hon. gentleman says that the Syndicate are to be judged as to their part of the work by the Opposition's estimate of the higher-class road; that the Government is to be judged as to its part of the work by its reduced, and then again reduced, estimate of its part of the road. It will not do. He has got to take his estimate for all or none, and the House and the country will not believe that such an extraordinary fact took place as that these mistakes were made only as to these particular links in the line, and that a different mode of calculation was adopted as to other parts of the line. Therefore, if that applies, that confidence which the hon. gentleman expects and which, I have no doubt, a majority of this House will afford him, in his statements as to the parts that the Government is going to build, will inevitably bring the original to this conclusion that, granted that the part that the syndicate is to build is substantially of the same class, the estimates of last year are to be reduced in the same proportion, and that, therefore, the work which they have to do and the money they have to spend is diminished by several more millions than the work that the Government has to do is diminished by the hon. gentleman's calculations. Now, that is the true situation. What have we to do with any former estimates made by any man or by any Government? We have to do with the estimate which in the belief of the Government, impressed by them upon the House, by them adopted and by them said to-day to err only in excess—the estimate which they brought forward as being the real cost of this work—that is what it is to be judged by. That is what is meant if their action is to be judged by it. Suppose, for example, that the hon. gentleman had brought down a proposal to pay $120,000,000 in cash to the Syndicate for the construction of this road of this class, and said to Parliament, "It is true, gentlemen, that last year I told you this road would cost only $86,000,000; I found I made a mistake, and, in point of fact, it will cost only $76,000,000. I have contracted for its construction at $120,000,000, but my all sufficient defence is that the member for Lambton thinks it will cost $120,000,000, and, therefore, you will at once agree with me that I was justified in giving the Syndicate the difference," and that is practically the argument of the hon. gentleman; that is practically his defence, in so far as the question of estimates upon the contract he has made. The hon. gentleman went to work to make contrasts, and here again circumstances wholly differ. He talked of the values of lands. He alluded to speeches which had been made by hon. members at various times with reference to the selling values of lands in the North-West. He referred to a speech of mine made at the time the Foster contract was under discussion, in which I expressed my own opinion then as to the value of lands in the North-West to the contractor at that time. What was the condition of things? This was not a contractor, Mr. Chairman, who was about to build a railway through the lands which he was to receive. This was not a contractor who was about to receive lands through which a railway was presently, or, as far as he knew at all, about to be built. This was a contractor who, at that time, was to receive lands in the North-West where there was no present prospect of there being a railway at all, and it was with reference to that country, at that time, with its then population, with the then estimation as to the fertile area, with the then views of English and foreign people about it, with the then prospects of railway communication, with the circumstances that the contractor was not to be able to utilize and make marketable the lands by building the railway through them, that that opinion was expressed. Sir, I do not hold myself bound, to-day, as to the present condition of things in the North-West by any opinion, as to lands, expresed at that day, and on the then condition of things in that country. I have evidence on this subject—evidence which I shall read to the House—evidence which, I think, will convince the House that the hon. gentleman, in this particular, as in the former particular, resorted to a wholly indefensible mode of argument when he proposed to falsify his own estimates of the value of lands in the North-West, by reading the views of other gentlemen, expressed many years before, as to their value, and asking us to assume them to be true for the purpose of judging his contract. Now, Sir, let me, before I go further, point out a gross error in the suggestions which have been made with reference to the value of blocks of railway lands. Both the former propositions which involved the construction of this railway by the money grant and the subsidy of lands, were based upon one common view, that the money should be relatively a small amount, and that the lands should be relatively a large quantity. This proposition differs in that cardinal particular from those, not indeed, as I shall show, that the lands are of a small amount, but the money and the money's worth are of a very large amount, but I am at present concerned simply in elucidating the one proposition. The hon. gentlemen opposite have spoken of 50,000,000 acres to be given under the original proposition of the late and present Government, and of fifty-four and fifty-five millions of acres of railway lands to be given under the Pacific Railway Act of 1874—they have talked of these larger blocks of land as if they were worth, and to be estimated acre for acre, as much as a block of 25,000,000 acres of railway lands, and they have said: "If you value 25,000,000 acres of land at $1.00 per acre, that is $25,000,000; then 50,000,000 acres of land are, of course, worth $50,000,000. No such thing, Sir; far different. If to $25,000,000 in money you add another $25,000,000, the second $25,000,000 is after all just as valuable. It will buy us as much as the first. But if to 25,000,000 acres of lands, relatively close to the railway, you add 25,000,000 relatively far distant from the railway, you give an equal acreage, but you give by no means an equal value. It does not need argument to demonstrate that, but I will give to the Committee, because the hon. gentleman does not appear to place reliance on his own views, I will give the Committee

and the country proof that will be satisfactory. In the first Session of this Parliament the hon. gentleman brought down a policy for the construction of the Canadian Pacific Railway by the appropriation of 100,000,000 acres of land for that purpose, and the Government took authority to sell that tract of land at a price not less than two dollars an acre. During the recess they fully considered the mode by which they would utilize the enormous powers with which this House clothed them, and they came to the conclusion, which, whether its exact figures be correct or not is immaterial, but which in substance was indisputably correct, that they had made a mistake in suggesting a price of two dollars, and that the proper way to realize out of this 100,000,000 of acres an average price of two dollars was to graduate the price of the lands in relation to their proximity or remoteness from the line of railway; to sell those which are close at a high rate, and those which are outside at a low rate. So satisfied were they that this view would commend itself to Parliament, that they took—and I do not greatly blame them for it—the grave responsibility of forming a plan, and actually proceeded to advertise the sale of their railway lands under that resolution, upon terms which handed over very nearly one-half of the whole 100,000,000 acres at a price of one dollar an acre instead of two, and yet, Sir, upon terms which would produce, upon the average of the whole sales, not merely two dollars, but $2.13 an acre for the whole hundred millions. How was that achieved, the hon. gentleman asked? I do not know whether or when the Minister found out he was all wrong about it, but he said that the lands within five miles on each side of the railway were worth five dollars an acre. Why? Because it was close to the railway. He said that the fifteen miles outside on each side of this, making two strips aggregating thirty miles, were worth four dollars. Why not worth five? Because it was a little further off. Why worth four? Because, after all, it was pretty near. He said that the twenty miles belt on each side of this fifteen miles belt, making two strips of twenty miles each, were worth three dollars an acre, graduated according to distance. He said that another belt of twenty miles on each side of the last-mentioned belt was worth two dollars an acre. Why two dollars? Because it was further off; and he said that two belts of fifty miles in the extreme outside were worth only one dollar an acre, because they were so far from the railway. Now, if you go to work, having made your arrangements and assigned your values—having decided what the relative values are, conditioned by the proximity of the lands to the railway—if you go to work to ascertain what is the value of 25,000,000 acres to be taken as close, the alternate block system will allow to the railway, you will ascertain certain figures, and then, having taken those obviously at the higher range, you will have to go to work to get other 25,000,000 to make up the 50,000,000, and you go outside for it; and equally obviously you will have to take them at the lower rate of value, and so I have demonstrated without referring to exact figures, that both by reason and by your own determination, 50,000,000 acres of land to be taken in alternate blocks, as close to the railway as 50,000,000 could be found, would not be worth, acre for acre, anything like as much as 25,000,000 acres taken as close as that smaller aggregate could be taken. The precise figures I shall give the Committee presently. Well, then, I prove to you that in this particular the hon. gentleman is wholly wrong when he compares the former proposition for the construction of this road, which involved the cession of very large areas of land with the outer or surplus parcels remote from the railway, with the present proposal. The twenty-five millions added are not equal in value to the inner twenty-five millions common to the two proposals. All the other conditions have to be also considered. Take the one upon which I have already dilated, the class of the road. Were the former proposals to build this kind of road? Not at all. They were to build a high-class railway; and of course we gave the appropriate price, and therefore you cannot compare the proposals for the construction of the one kind of road with those for the construction of the other, unless you decide what the proper difference in the price of the two kinds of roads is. Perhaps, Mr. Chairman, at this advanced hour the Committee would prefer to adjourn as it would take me some time to complete my remarks.

Sir CHARLES TUPPER. I suggest that when the hon. gentleman has fully dealt with this branch of the subject, we should adjourn.

Mr. BLAKE. It will take me some time to complete my remarks on this subject.

The Committee then rose and reported.

House resumed; and (at 11:45 p.m.) the House adjourned.

HOUSE OF COMMONS.

WEDNESDAY, 15th December, 1880.

The SPEAKER took the Chair at Three o'clock.

PRAYERS.

ADMISSION OF MEMBERS ON CERTIFICATES OF RETURNING OFFICERS.

Mr. LANGEVIN moved:—

That, in admitting Louis Arthur McConville, Esq., elected to represent the Electoral District of Joliette, to take his seat upon the certificate of the Returning Officer, this House still recommends a strict adherence to the practice of requiring the production of the usual certificate of the Clerk of the Crown in Chancery of the return to the writ of election.

Mr. ANGLIN said it was about time that the House ceased to make that solemn declaration in cases of this kind. Session after Session, sometimes two or three times in a session, the House solemnly declared it would never again admit members on certificates of returning officers, and if the practice was continued the Journals would be filled with resolutions of that character. It was for the consideration of the House whether it should not omit that solemn declaration, requiring, however, an Order of the House for the admission of the member on the production of the certificate of the returning officer.

Mr. BLAKE said it was desirable that the House should make an Order before the member was introduced. It was putting the cart before the horse for the member to be introduced and ordered by the House to take his seat in defiance of the rule, and then for the House to declare that the breach of the rule was not to form a precedent. He was not objecting to the adoption of the motion, but merely suggesting that a change was desirable.

Mr. LANGEVIN agreed with the hon. leader of the Opposition that it would be better to change the custom of Parliament in that respect, but the course proposed in the resolution had always been followed. The House should adopt the motion in this instance, and, perhaps, the subject might subsequently be considered by the Committee of Privileges and Elections, and on a report being made, the practice might be changed.

Mr. ANGLIN. Another strange fact with regard to the mode of proceeding is this: under our system the members are sworn in before the Clerk. The Clerk in this case, as in many others, must have assumed to himself the right to determine that the member was duly elected before he administered the oath and permitted him to sign the roll. In

all cases hereafter we should follow the Rules of the House. The House should first order that the member may be admitted on the production of the certificate, and then, the certificate having been produced, the Clerk may fairly administer the oath. I hope the whole matter will be readjusted so that these contradictions may not occur.

Motion agreed to.

BILL INTRODUCED.

Mr. VANASSE introduced a Bill (No. 2) to regulate the floating of cordwood on the River St. Francis.

Bill read the first time.

GROSSE ISLAND.

Mr. LANDRY enquired, whether it is the intention of the Government to construct during next season, a semaphore on Grosse Island where the Quarantine Station is situated, with connection at the village of Montmagny and Crane Island?

Mr. POPE (Queen's). The Government has not yet decided to place a semaphore at the place referred to.

CARRIAGE OF FREIGHT OVER THE INTERCOLONIAL.

Mr. RICHEY enquired, whether the statement that goods per S.S. *Polynesian*, which had arrived at Halifax a fortnight ago, were, on the 7th instant, still undelivered at Quebec, is correct; and, if so, what precautions, if any, have been taken to preclude the recurrence of such inconvenience; also, whether any, and what guarantee is offered as to the time within which, after receipt by the Intercolonial Railway of goods landed by steamships at Halifax, such goods will be delivered at Quebec, Montreal and Toronto, respectively.

Sir CHARLES TUPPER. I beg to say, in reply to the question of the hon. member for Halifax, that, seeing his notice on the paper, I placed myself in communication with the officers of the Intercolonial Railway, and I will read for the information of the hon. gentleman and the House the answers I received. They are as follows:—

By Telegraph from Moncton, N.B., to C. Schreiber.

OTTAWA, Dec. 14th. 1880.

I have now ascertained that there were no goods for Quebec landed by the *Polynesian* at Halifax, with the exception of one parcel for Allans, Rae & Co., which was handed to the Express Officer by Cunard & Co. The first portion of the *Polynesian's* freight for Quebec *viâ* Boston, only reached Quebec on the evening of Thursday, the ninth, nineteen days after the steamer had touched at Halifax. None of the *Polynesian's* freight for Montreal reached there in less than two weeks from Boston.

(Signed) D. POTTINGER.

By Telegraph from Moncton, N.B., to C. Schreiber.

OTTAWA, Dec. 14th, 1880.

Mr. Richey has the story wrong end foremost. The detention to the *Polynesian's* cargo was to that portion landed at Boston for Quebec, and not what was landed at Halifax. All the goods landed at Halifax have been sent through promptly. I am getting the particulars and will telegraph you again.

(Signed) D. POTTINGER.

INTERCOLONIAL RAILWAY,
OTTAWA, Dec. 15, 1880.

DEAR SIR,—Referring to enquiry yesterday respecting alleged delay to *Polynesian's* cargo, I beg to inform you that the *Polynesian* arrived at Halifax at 9.50 a.m. on the 21st November, and discharged seven tons of freight for G. T. Ry. stations—no freight was landed at Halifax for Quebec. The steamer sailed from Halifax for Boston on 22nd, reached there on evening of 23rd, and docked on 24th. The first portion of her Quebec freight reached destination on 8th December, p.m., and the Montreal cargo about two weeks after her arrival in Boston. Had the Quebec and Montreal cargo been landed at Halifax, it would have reached destination about the same time that the steamer was docked in Boston, (55 hours), and the Montreal cargo, under ordinary circumstances, ten hours later.

From these facts you will readily perceive the advantages which shippers would gain by landing the Canadian cargo at Halifax.

Yours truly,
(Signed) GEO. TAYLOR.

C. SCHREIBER, Esq.,
Chief Engineer Government Railways.

I trust these explanations will be satisfactory to the hon. member.

SUPREME COURT ACT.

Mr. DESJARDINS enquired, whether it is the intention of the Government during the present Session, to bring in a measure for the repeal of the Act establishing the Supreme Court; and if not, whether it is their intention so to amend that Act as to remove the inconvenience resulting as respects the Province of Quebec, from its present constitution and jurisdiction?

Mr. McDONALD (Pictou). It is not the intention of the Government, during the present Session, to bring in a measure for the repeal of the Act establishing the Supreme Court. As to the second branch of the question, whether it is the intention of the Government so to amend the Act as to remove the inconvenience resulting as respects the Province of Quebec, that subject is now receiving the anxious consideration of the Government.

SMOKED HERRING INSPECTION LAW.

Mr. LONGLEY enquired, whether it is the intention of the Government to amend in any way the General Inspection Law passed last Session, more especially in relation to the inspection fee on smoked herring?

Sir JOHN A. MACDONALD. The Act was passed only last Session, and it is almost too early to begin to think of amending or repealing it. No applications have been received by the Government or complaints made respecting it during the recess. However, we will be very glad to hear the hon. member on the subject of the fee again this Session.

DOMINION HEALTH STATISTICS.

Mr. STRANGE enquired, whether it is the intention of the Government to insert a sum in the Estimates for 1881-2 for the purpose of establishing a Board of Statistics relating to health for the Dominion?

Mr. POPE (Compton). It is not the intention of the Government to place any such sum in the Estimates this year.

OFFICIAL REPORT OF THE DEBATES.

Mr. ROSS (Middlesex) called the attention of the Government to the necessity of appointing a Committee on the Official Report of the Debates at an early day. One or two matters had already arisen calling for the intervention or advice of the Committee, and it was inconvenient for the reports to be allowed to run on without some direction by a committee, if it was the intention of the Government to have a committee appointed.

Mr. BOWELL said he would take the earliest opportunity of submitting a motion, and no doubt the House would permit a motion to be made without the usual notice having been given.

PACIFIC RAILWAY MAPS.

Mr. CHARLTON called the attention of the Minister of Railways to the desirability of having a map upon a large scale displayed in a conspicuous place in the Chamber, in order that members might be enabled better to understand the question under discussion.

Mr. PLUMB. So that he who runs may read.

Sir CHARLES TUPPER said there was no place in the Chamber where a large map could be displayed. He thought the position in which the large map had been placed in the Railway Committee room would give every hon. member an opportunity of ascertaining exactly the position of the various lines as far as they could be delineated.

Mr. CHARLTON asked if another map, on a smaller scale, could be hung on the walls of the Chamber.

Mr. PLUMB. We are dealing with this question on a large scale.

Sir CHARLES TUPPER said there was no other map prepared, except the ordinary railway map in the possession of members, which would be altogether too small to secure the object the hon. gentleman has in view.

SURVEYS ON THE INTERCOLONIAL.

Mr. LANDRY moved for copies of the report on the survey made in 1880, by order of the Government, with a view to the construction of a branch of the Intercolonial Railway to lead by way of St. Michel or St. Charles to the terminus at St. Joseph de Lévis, or the neighborhood thereof; and of all plans, maps, petitions and documents in relation thereto.

Motion agreed to.

DOMINION SURVEYS.

Mr. LANDRY moved for a statement showing, in separate and distinct columns, the names of the several Dominion Surveyors employed between the year 1873 and the 15th December, 1880, on surveys of public lands elsewhere than in their respective provinces; their ages, their nationality, origin and residence (locality, county and province); the number of days, months or years they were so employed; the amount of their salaries, or of the sums received by them, or due them up to this date; the names of the provinces in which such surveys were made, together with a summary showing, by provinces and nationalities, the number of surveyors now working in British Columbia, Manitoba and the North-West.

Motion agreed to.

FRENCH COPIES OF THE PACIFIC RAILWAY CONTRACT.

Mr. CASGRAIN, in moving for the printing in the French language of 3,250 copies of the Canadian Pacific Railway contract, said: In making this motion, I do not believe that I am asking for any exceptional favor for the Province of Quebec. It is well known that in that Province the newspapers, not having as wide a circulation as those of the other Provinces, are in consequence not so generally read. Moreover, the size of the greater part of our papers is so small that the details of the contract are not so easily made known as in the other Provinces, where all these details are published in a great number of journals. That is why I deem it my duty to make this motion, in order to be able to send to the different counties of the Province of Quebec copies of the contract, so as to make it as widely known as possible. It is known that in the Province of Quebec public opinion is led in a great measure by a few persons in each county, and that these persons, on receiving the contract and on taking cognizance thereof, will impart it to others, and thus we will be able to obtain an expression of public opinion in a great number of localities. On the other hand, I have hastened to take the most favorable steps in order to procure these copies as speedily as possible, and I propose, if the Government will consent to it, to follow up this motion with another, by which I shall ask that the rules of the House be suspended so that the House may order the immediate printing and distributing of these copies, instead of referring the matter to the Committee on Printing. I do not think that I shall meet with any opposition to so legitimate a request on the part of the members of the Province of Quebec; on the contrary, I am of opinion that the Government should be anxious to allow the people of this Province to judge of the contract as soon as possible. Perhaps this would also be the means of dissipating an impression that may have some foundation in fact, to wit: that the Government is not desirous of making known to the public the details of the contract. I should think that the House would pass this motion without difficulty, as the cost of the printing of these copies will be relatively trifling, for it is likely that the type used in printing the contract is still standing, and consequently, in a very short space of time—say to-morrow or the next day—we could have the copies asked for.

Mr. HOUDE. It often happens that the hon. member for l'Islet, expresses ideas so profound that it is not always easy to get at the bottom of them. But in this case, I flatter myself that I catch my hon. friend's meaning. He no doubt wishes, by this request, to make up for the negligence of the organs of his party which have failed to publish the contract *in extenso*; or, perhaps, they were afraid of injuring the Government by making their intelligent readers acquainted with all its details. My hon. friend and the hon. member for East Quebec (Mr. Laurier) have no such fear, evidently, since they ask that 3,250 copies of the contract be printed in French. I have no objection to offer against the proposal; I am indeed of opinion that the county my hon. friend represents, as well as his political friends, have somewhat need that a little light should be thrown upon the subject, for, together with their organs, they seem to be rather in the dark about the contract. For my part, I would go still farther and would consent to the printing of 75,000 or 100,000 copies with the names of those who will have voted for, and those who will have voted against the contract.

Mr. LANGEVIN. I do not think that the hon. mover of this motion has given sufficient reasons to the House to induce it to pass his motion. The French Canadians occupy the same position as the other races in this country. We have our newspapers, and our newspapers give information to the people, all the information they desire or can desire. Our papers have an extensive circulation, they are numerous relatively to the population, in the Province of Quebec as in any other part of the country. The Pacific Railway contract is published *in extenso* in several of our journals, whilst a synopsis of its clauses is given in a great many other papers, so that our population is in just as good a position to be informed about the contract as the populations of the other provinces. If the House had expressed the opinion that it was desirable to distribute 100,000 or 200,000 copies of this contract throughout the country, it would have been the duty of the Government to take such a request into consideration, but under the present circumstances there is certainly no good reason why we should incur this expense, which would be, moreover, useless. The discussion will be far advanced before the copies can be printed, and the people are even now acquainted with all the details of the contract. If you go into the reading-room you will find that nearly all the papers have published the contract at length; at this very moment the contract is being discussed everywhere, so much so, that not only the contract, but the speeches made upon it, are before the public. The eloquent speech made yesterday evening by my hon. friend the Minister of Railways and Canals, is already circulating throughout the country. This very day I have received despatches congratulating the Government upon the admirable speech of my hon. friend. If his speech is already so widely spread, the contract, which has been in print for several days, must be still better known to the public. I do not think that this motion should pass.

Mr. DESJARDINS. It seems to me that this motion, necessitating an expenditure of public money, is irregular and out of order, and that it should either come from the Government or be based upon a report of the Committee on Printing. It seems to me that the hon. member for l'Islet (Mr. Casgrain) has paid a very poor compliment to his fellow-countrymen by his motion. I am under the impression that the public in our province, as well as in the others, has been made perfectly well acquainted, by the press, with the details of this important question. Nor do I think that

3,250 copies distributed throughout the Province would supply the want of publicity in the press, if such a want exists. I am of opinion that the hon. member for l'Islet would have shown proof of a more enlightened zeal by extending the benefits of his proposal to all the Provinces without distinction of language or race. If the French-speaking population used a certain number of copies, the population of the other Provinces are no less in want of them. I do not see why the hon. member wishes to place us in a position inferior to that of the other populations. This compliment is undeserved, for our French-Canadian fellow-countrymen are just as able as the other inhabitants of the Dominion to obtain information upon this important subject, and they will do so.

Mr. COURSOL. I regret not to be able to share the opinion of the two hon. gentlemen who have just spoken. Without wishing to scrutinize the political motives that may actuate the hon. member for l'Islet, and the hon. member for East Quebec, in making this motion, I believe that it ought to be supported, and for one I will support it heartily. It is true that the newspapers of the Province of Quebec have as a general rule, published the contract, and even the speech made last night by the hon. Minister of Railways, but these newspapers are not within the reach of all, and it is only fair that we should take the means of sending a certain number of copies of the contract to those who ask for them. It is known that this contract greatly excites the public mind, that it is spoken of in all parts of the country, and that the people are naturally anxious to know all details of an enterprise of this magnitude; but a great many electors do not see the newspapers, and I think that the House, by distributing three or four thousand copies throughout the country, especially among the French-Canadian population, would be only doing what is right. It is not on account of the ignorance of our population that this request is made; if it were on account of their ignorance, they would not require printed documents any more than newspapers. If our people are intelligent enough and well enough educated to read public documents, they naturally need these documents to be sent to them. But why should the French population of the country be deprived of copies of the contract printed in French, when several hundred English copies of the contract have been distributed among members of this House, seeing moreover that the expense would be trifling, as the hon. Minister of Railways stated, when only a few hundred dollars are required to publish a document of this importance in French, I think that the House should not reject such a request.

Mr. BOURASSA. So far, not a single copy has been printed in French; it seems to me that at least each French-speaking member should have a few copies. I think that we have the same rights as the English-speaking members. I have been asked to send some copies, but how can I do so if I have none to send?

Mr. FISET. I will take the liberty of offering one or two remarks upon the motion of the hon. member for l'Islet. The hon. member for Three Rivers, stated as an explanation of his opposition to the present motion, that it will entail an expense, trifling indeed, but useless because the people have the papers to inform them. I would have the hon. member to observe that he has not always been so economically disposed, and that not very long since he blamed us for having cut off two copies of the Votes and Proceedings, saying that it was an ill-advised economy, an economy practiced at the expense of the people. He states in the second place that the people have the newspaper to inform them; but it is well known that only a very small minority receive newspapers, and that, consequently, the greater number of copies of the Pacific Railway contract that can be distributed the better, for it is of the greatest importance that the people should be acquainted with all the details of this contract which is almost an enormity. I will, therefore, support the motion of the honourable member for l'Islet.

Mr. VALLÉE. I think that the request of the hon. member for Rimouski (Mr. Fiset) is entirely groundless. He says that in our parishes only a small minority of the electors read the papers. That may be true. He demands that our farmers should have the privilege of making themselves acquainted with the contract; nevertheless, he only asked for 50 copies for each member, which would give to his county about two copies per parish, which is evidently wholly inadequate. Thus the proposal of the hon. member falls to the ground. The whole press has published this contract, and it appears to me that the printing of a new edition would be a useless expenditure of money.

Mr. LANDRY. I am at a loss to know whether the motion of the hon. member for l'Islet asks for a favor or an act of justice for our Province. If it is a favor that is asked for I think that we can dispense with it; if it is an act of justice, we should all support it. That appears to me to be the only reasonable ground that can be taken. If the Pacific Railway contract has been printed in the English language, and distributed among the members of the House, then it would be only fair that it should be printed in French and distributed. If, on the other hand, it has not been so printed, then I do not think that the hon. member for l'Islet has the right to come and request for Quebec a favor that would be denied at the same time to the other Provinces. It seems that the hon. member for Rimouski, in coming to the rescue, has taken advantage of the occasion to lug into the debate a souvenir of his struggle in 1878. He reproaches the hon. Minister of Public Works for having said, in the county of Rimouski, that the Liberal party, when in power, had committed a fault in reducing the number of copies of the Votes and Proceedings of the House. It is true that the number was small. Each member had only perhaps two or three copies; but in the present case I see no reason for reproaching the hon. Minister of Public Works with endeavouring to save the country as much expense as possible. The 50 copies that the hon. member for l'Islet asks for would be quite insufficient, and the hon. member for Rimouski must know that in the immense county which he represents and which is, I know not, how many leagues in extent, and comprises, I know not, how many parishes, this number would be entirely inadequate. I think there would be a lively time between these two hon. members to get the copies, and that the whole number would be distributed in the county of Rimouski, if the hon. member for l'Islet did not look out for himself. Thus, if it is a favor that is asked, I do not want it, and I will vote against the motion; but if the hon. mover can show me that it is an act of justice that he demands, then I am ready to give him my support.

Mr. LANGEVIN. In answer to the hon. member for Montmagny (Mr. Landry), I wish to state that the hon. Minister of Railways has just informed me that when, the other day, he laid the contract on the table, he announced that he would have it distributed among members the following morning, and that it was so distributed. Each member must have found in his box three copies of the contract in English, besides the Votes and Proceedings. Such being the case, I beg of the hon. member for l'Islet to withdraw his motion, and we will see to it that a number of French copies are distributed to the French-speaking members in the same manner that the English copies were distributed.

Mr. CASGRAIN. I am ready to comply with the proposal of the hon. Minister, but on the other hand, what we want just now is that the Government should act promptly; that is the main point we wish to gain. If we are to wait too long for these copies, I do not see why I should withdraw my motion.

Mr. LANGEVIN. The hon. member, I believe, has not much confidence in our goodwill. He can be assured, however, that this matter will be attended to promptly, and that a limited number of French copies will be printed.

Mr. CASGRAIN. I understand that my motion cannot be taken as a whole, because, indeed, that comes exactly to the same thing. Since I am granted, in substance, what I ask for, why is not my entire motion granted? It comes exactly to the same thing. On the other hand, in answer to the honorable Minister, who states that a synopsis of the contract has been published in the newspapers, I will say that the hon. Minister of Railways complained, last evening, in the House, that the contract had been mutilated even by one of the organs of the Government. How, then, can we expect the population of the Province of Quebec to accept the synopsis furnished by the newspapers? As to the hon. member for Maskinonge, (Mr. Houde) who believes that the population of the county of l'Islet is as careless of its interests as is the population of his own county, and that my electors are too ignorant to read—especially the paper that the hon. member edits—I will say to him that the county of l'Islet, that I have the honor of representing, has very few newspapers, and that is why I wish to send my constituents copies of the contract, so that they may take cognizance of the details and judge for themselves. If the hon. member would persuade the Government to have 100,000 copies printed for distribution, not only in my county, but throughout the whole Province of Quebec, he would be rendering the country a great service. I trust that we will come to an understanding with the Government as to the number of copies that each member is to receive. The type is still standing, and if we can have a sufficient number I will not insist upon my motion.

Mr. LANGEVIN. I opposed the motion of the hon. member because I was not then aware of what my hon. colleague has just now told me, that is to say, that three English copies of the contract had been put into each member's box. On this account we will not have the slightest objection; on the contrary, we will see to it that French copies of the contract are printed for the French-speaking members of the House. The motion of the hon. member is, moreover, out of order, and consequently I cannot allow it to pass.

Mr. ANGLIN. Mr. Speaker, I have a word to say on this question on behalf of my French-speaking constituents, for I would like gentlemen on both sides of the House to know that there are some French people in Canada, outside of the Province of Quebec. The county I represent is largely inhabited by French people, and I desire that they should be placed upon the same footing with regard to this matter as the French-speaking population of Quebec, so that they may have the pleasure of perusing the contract to which we are asked to assent.

Mr. LANGEVIN. I suppose the hon. gentleman will not object if we treat him as a French member.

The motion was then withdrawn.

PACIFIC RAILWAY CONTRACT.

Mr. BLAKE, in moving for a copy of any paper evidencing the contract or agreement which was entered into with certain contractors for the construction and working of the Canadian Pacific Railway last summer, during the visit to England of the First Minister, the Minister of Railways and the Minister of Agriculture, said: Mr. Speaker, the House knows that, during the visit of these distinguished personages to England, there were circulated, from time to time by cable, announcements that arrangements had been made with certain contractors; and these announcements were, from time to time, contradicted. Eventually a statement was published in the Ministerial organs, authoritatively as it was said, but at any rate published, that an arrangement had been made. This last statement, made before the return of the hon. gentleman, was confirmed by the First Minister himself who, at Montreal, on the 27th of September last, said:

"I have great pleasure in telling you, gentlemen,—though I cannot go into the matter fully, because I am merely the agent of the Governor in Council, sent to Great Britain along with two of my colleagues, and must submit the arrangements we have made for the approval or rejection of the Parliament of the country—that we have made a good arrangement with a number of capitalists, not alone in England, but in Germany, France, the United States and Canada. We have made a combination of forces which will not only be quite sufficient to build the road, but will have additional influence to turn the great current of German emigration from the United States to Canada. We have received security in money—satisfactory security—for the proper construction and running of the road for ten years after its completion, which will be twenty years hence. We have made an arrangement, not that the road shall be built through a fertile district and left untouched in the wilder parts, but that it shall be constructed whether through a wild or a fertile district. We have made an arrangement by which the land will be put upon the market and sold at once, by which means there shall be a continuance of systematic emigration to the North-West. We have secured the running of it for ten years after it is built, and when I tell you that, when the road is finished, it will not cost the country a bit more than the arrangement would that I made with Sir Hugh Allan in 1873, you will, I am certain, rejoice with me. * * * We have made an arrangement by which the road is to be built; we have caused a desire on the part of a settler to emigrate to Canada; and the road will be built without costing one cent to the people of Canada. * * * We have made the arrangement 'a contract firm.' The contract will be carried out, the railway will go on whether Parliament meets in November or February. The railway will go on all the same, and we will trust to Parliament and the country to sustain us in our course. The contractors are men of means, millionaires, capable of building a dozen railways. They are quite willing to take the risk of going on at once, and they will do so."

My object is to obtain the paper which evidences that contract. It is an arrangement which was made, a contract firm, made some day prior to the 27th of September, and, of course, some day prior to the hon. gentleman's departure from England. It is obvious, therefore, that there was some arrangement of some kind or other which had been implemented in some shape by the contract, which was executed on the 21st of October and has since been laid on the Table of this House. The objections made to seeing the offers of unsuccessful tenderers do not apply, of course, to this. This is not a question of offer; it is a question of contract—of a successful tenderer, and, being a contract, or an arrangement of such magnitude as this, we should have some opportunity of seeing the instrument embracing the details which I have read and some of which I do not perceive in the present contract. I know of no reason why Parliament should be deprived of the opportunity of seeing a document which has been so specifically described by the hon. gentleman and with respect to which he thought fit at that day to give so much information to the public at large in advance of the Session of Parliament.

Sir JOHN A. MACDONALD. I object to this motion, and I object to it upon the same ground as I objected to the production of the other offers. The hon. gentleman says a number of communications came across the Atlantic. For those communications I am not responsible, and for them no one of my colleagues, who were with me in England, was or is responsible. It was well known in England that negotiations were going on; it was a matter which occupied the attention of the Stock Exchange; it was a matter of the very first importance, and, as one may fancy, every enterprising stock-broker wished to have a hand in it, and all sorts of rumors were afloat. We had entered into negotiations with one firm after another, but one after another our efforts failed; and it was only with great difficulty that we made any arrangement at all. The hon. gentleman quotes from a speech of mine at Montreal. Well, I cannot vouch for the literal accuracy of the report, but a number of gentlemen came to see me at Hochelaga Station on my way to Ottawa, and the speech from which the hon.

gentleman quotes was afterwards delivered before the members of the Club Cartier at whom the hon. gentleman sneers so much.

Mr. BLAKE. Oh, no. I did not sneer at them.

Sir JOHN A. MACDONALD. I think the hon. gentleman sneered at them a little when he spoke of my looking down at them.

Mr. BLAKE. It was the hon. gentleman who said he would look down upon them.

Sir JOHN A. MACDONALD. The hon. genileman sneers at me in the chemin de fer. Let him beware of the chemin d'enfer. At all events, I have no doubt of the substantial accuracy of the report of my remarks, from which the hon. gentleman quoted. I told those to whom I spoke the general terms of the arrangement we had come to; that the contract had been made "firm," which, as the hon. gentleman knows, is a technical expression used by the Stock Exchange to denote that the arrangements were not made speculatively, but that the contract was one which, in the phraseology of the Stock Exchange, the parties are legally and in honor bound to carry out. The arrangement was subject to the working out of the details here, and if they could not be worked out here, or if we did not agree to the terms, there was an end of the matter. This, Sir, is the result of the negotiations. We settled all the main terms in England, so far as we could settle them between man and man; but the understanding was, of course, that they must be subject, in the first place, to the approval of the Governor General in Council. The details had to be written out *de die in diem*, and gentlemen came from England and New York for the purpose of settling all those terms. It would answer no good purpose, and it would answer a very bad purpose to bring down the discussions, the day and day negotiations, the statements on the one side and on the other side while these arrangements were pending; and it is contrary to all rule and precedent that anything but the final result of the negotiations should be brought down. We, Sir, settled the main points of this arrangement in England—the amount to be paid as Canada's contribution, in the way of railway construction, money and land; but, of course, they were all subject to the settlement of the terms under which, as a railway company, they could safely accept an Act of incorporation. I am happy to say, and the House knows now, that we have arrived at these results. We have laid before the House these results, and we decline to lay before the House any other papers.

Mr. BLAKE. For the first time the House has been informed that there was no contract or arrangement made in England. The hon. gentleman says it was an arrangement subject to a number of details which they were to discuss when they came out here, and if they did not agree upon the details there was to be no contract. I am not complaining of the details having been left for settlement. What I am complaining of is, that the Government should, through the First Minister, have made a statement which has not been borne out by his statement to-day. The hon. gentlemen stated at Montreal that an arrangement had been made which was to be submitted to the Governor in Council and to Parliament. He gave us some details, but he did not state that this arrangement was to be conditional on other important details on which its becoming an effective agreement was to depend. He had led the country to believe that he had succeeded. He had not succeeded at that moment, because his successes depended upon these details being settled agreeably to both parties. Having made this statement to the country he could not afford to fail, or to differ about the details; if he had differed about the details, he would have shown that his speech was not correct; he would have shown tnat no agreement was made; and he placed himself in a most disadvantageous position for concluding an agreement upon satisfactory terms by announcing that an agreement had been made before it was in fact made. What would have been his position if he had chosen to split on this contract—if, after a certain interval, he had been obliged to say, well, I told the Club Cartier at Montreal, and through them the public, that I had made this arrangement, that the contractors were men of means, and that they were willing to go on at once, but all that was incorrect, because I had not concluded the agreement; there were important details to be settled which were not settled between us? During all this time, while the contract was under discussion *de die in diem*, while stipulations which he had not agreed to in England were being forced from him at the peril of failure—during all this time he had hanging over him this announcement, made prematurely to the country, that a contract had been made when no contract had been made.

Mr. MILLS. The statement made by the First Minister is a very extraordinary one. He says it would be a highly improper thing to bring down the original proposition—to bring down that skeleton of a contract which had been made between himself and the contractors. Well, Sir, I do not know that the contractors were of greater consequence than an independent State. In every treaty we have the original propositions and the counter propositions, and when the whole is agreed upon we have what are called the protocols. If the hon. gentleman will turn up the papers in connection with the treaty made at Washington, when he himself was a High Commissioner, he will see that we had the proposition made by the English Government, the counter proposition made by the American Government, the discussion that took place every day, and the contract agreed to upon them, all brought down to Parliament. If we look at other treaties, we see the same thing. We know what propositions were made by England and France when Lord John Russell was sent to Vienna, we know what the Commissioners did when they met, and we know that the Imperial Parliament ultimately refused to ratify what had been done. With the Treaty of Paris also, we have the propositions made by Russia to France and Great Britain, and the proceedings of the Commissioners from day to day recorded in the protocols. When the Treaty of Berlin, in which several European States were represented, was adopted, what was recorded in the protocols, what was proposed by the different Governments before that Convention met, and what took place from day to day at the Convention, was made public. And the hon. gentleman undertakes to withhold the papers in connection with a contract, every step of which should be in the cognizance of this House, because its fulfilment depends on the public resources of this country, which are peculiarly under the supervision of the House of Commons. The hon. gentleman says that this is a matter of too much public importance—that, while great affairs of State which involve peace and war, may properly be submitted to an independent Legislature, such as the Parliament of Great Britain, the House of Commons of Canada are to be denied the necessary supervision over the acts of the Government and of contractors who, for aught we know, may have exercised improper influence over the negotiators.

Mr. CASEY. We have often heard of the injudiciousness of crying out before getting clear of the wood, but it is not often that one injudicious speech costs so much, not only to the individual who makes it, but to the country at large, as the cry the hon. Premier uttered before he saw his way out of the wood.

Mr. MILLS. The crow.

Mr. CASEY. My hon. friend says it was a crow, and perhaps that is nearer the mark. We have heard the statement, read by the leader of the Opposition, of the terms which

the hon. gentleman (the Premier) said he had concluded at the time he crew. He had then made arrangements to have all the land put on the market at once, and to secure an immediate and systematic flow of immigrants to the North-West. He had made arrangements by which this road could be built without costing the people of Canada one cent. That was all affirmed as settled at that time. Several other points were settled at the same time, but, on looking over the contract, we find that the points which were then settled have become unsettled. There is no arrangement in this contract to put these lands on the market, or by which that road could be built without costing the people of Canada one cent, because we have to pay, on the very face of the treaty, without entering into any calculation, $25,000,000; and that is something so very different from one cent that there is no possibility of mistaking one for the other. And these two great changes, not to mention any others, must have been brought about in consequence of this premature crow of the right hon. leader of the Government. My hon. friend (Mr. Blake) has alluded in passing to the series of interviews, of consultations so called, which were held in regard to this contract, and has pointed out that they were scarcely consultations at all, that they were a series of meetings for the purpose of torturing the right hon. gentleman, that the thumb-screws and the boot must have been put on him, and all the other inventions applied by which money has been extracted at one time or another from a tortured individual, who was supposed to be rich, either in the possession of his own money, or the money of the country. Unfortunately, in this instance, it was not the right hon. gentleman's own money that was screwed out of him by these negotiations, but the money of the people, and the motive power of this tremendous transaction was simply this premature statement that everything had been arranged. The right hon. gentleman says he is not responsible for the literal accuracy of these statements as taken down by the reporter. I claim he is responsible for them.

Mr. PLUMB. Hear, hear.

Mr. CASEY. In spite of my irrepressible friend from Niagara, I hold the right hon. gentleman responsible for those statements, for the simple reason that he did not deny them at any time, but allowed them to be used by the organs of his party, as arguments to show that a most satisfactory bargain had been concluded. Having derived all the benefit possible from that statement, he cannot now be allowed to repudiate it. He has had all the *kudos*, all the glory, of having gone to England and made a contract, and now he says he is not responsible for the statement, because the reporter may have made a slip in taking down his words. If my recollection does not mislead me, the organs of the party made use of those words which, he says, are not correct, and held them up as a literal and correct statement of what had been done. But we are told that it would be contrary to all rule and precedent that anything but the finished results would be brought down. The hon. member for Bothwell (Mr. Mills) has shown a good many instances in which other than finished results have been brought down. But apart from that altogether, let us look at this case once more as compared with the case of an ordinary contract in which the unsuccessful as well as successful tenders are called for, and the reasons given for rejecting the one or the other are laid before the House. In this case that is not possible, because tenders were not advertised for and received in the usual way. Informal negotiations took place, and because the negotiations were informal, and the usual method of getting at the unsuccessful tenders were not available, the Government refused to bring down the information required. But the House has a right to know all the reasons which led the Government to arrive at a conclusion, all the circumstances of the case and all the offers made formally or informally for the contract, and the country will not brook their refusal to make public all their negotiations with reference to this contract.

Mr. PLUMB. The hon. member for West Elgin, in looking back upon the statements that have been made by a newspaper during the last three or four months, has become a little muddled about the Syndicate contract, which every day appeared in a new state in the columns of that paper. The hon. gentleman was unwilling to wait and abide by the statements which would be produced in Parliament in time. We were willing to wait for that statement. We were willing to suppose that any arrangements made by gentlemen in England, on the part of the Government, could not be binding on this country, although the preliminaries of the contract had been made, until the details of such contract had been ratified by the Governor in Council. We were not so anxious to have the contract concluded as the hon. gentlemen opposite seemed to be. We did not find any fault with the Ministers who went to England, after they had made a proper arrangement in coming here and settling the details of one of the most important contracts,—I undertake to say the most important contract in itself—that has ever been made on this continent. We did not suppose these hon. gentlemen would have clothed themselves with such power as it seems the idea of the Opposition they should have clothed themselves with, and made that contract binding in every detail before returning to consult with their colleagues, and without laying their affairs before the Governor General in Council, from day to day, for approval, as I presume was necessary. We did not find any fault with them for having stated they had made a proper arrangement which would be binding if the details were made satisfactory. We did not consider they were bound hand and foot by that arrangement, but considered it was binding on all parties, as any negotiation of that kind is binding between man and man, provided the details can be adjusted upon fair principles; but such negotiation is open, at any time, to be broken off until the contract is finally sealed and signed, and nobody knows that better than the hon. gentleman who moved this resolution. The hon. gentleman who has just sat down has amused us, as usual, with his facetiæ. His remarks have come about quite as near the question under discussion as a certain marksman, not long ago, came to the mark aimed at, when, after firing at a pigeon, he found he had missed, but killed instead his best cow. The hon. gentleman may make his game in that way as often as he chooses. We know perfectly well that he usually hits the mark about as near as did the sportsman in question, whose achievement we have lately seen chronicled in the newspapers, and the information which afforded food for his speech is probably quite as reliable as the shooting item chronicled in the papers.

The House divided. Motion negatived. Yeas 53; nays 120.

YEAS:

Messieurs

Anglin,	Flynn,	Olivier,
Bain,	Geoffrion,	Paterson (Brant),
Béchard,	Gillies,	Pickard,
Blake,	Gillmor,	Rinfret,
Borden,	Glen,	Robertson (Shelburne),
Bourassa	Gunn,	Rogers,
Brown,	Haddow,	Ross (Middlesex),
Burpee (St. John),	Holton,	Rymal,
Burpee (Sunbury),	Huntington,	Scriver,
Cameron (Huron),	Killam,	Skinner,
Cartwright,	King,	Smith,
Casey,	LaRue	Snowball,
Casgrain,	Laurier,	Thompson (Haldimand),
Charlton,	Macdonell (Lanark),	Trow,
Cockburn (Muskoka),	Mackenzie,	Weldon,
Dumont,	McIsaac,	Wheeler,
Fiset,	Malouin,	Wiser—53.
Fleming	Mills,	

NAYS:

Messieurs

Baker,	Girouard (Kent),	Mongenais,
Beaty,	Grandbois,	Montplaisir,
Beauchesne,	Haggart,	Mousseau,
Benoit,	Hay,	Muttart,
Bergeron,	Hesson,	O'Connor,
Bergin,	Hooper,	Orton,
Bill,	Houde,	Patterson (Essex),
Bolduc,	Ives,	Perrault,
Boultbee,	Jackson,	Pinsonneault,
Bourbeau,	Jones,	Platt,
Bowell,	Kaulbach,	Plumb,
Brecken,	Keeler,	Pope (Compton),
Brooks,	Kilvert,	Pope (Queen's),
Bunster,	Kirkpatrick,	Poupore,
Bunting,	Kranz,	Richey,
Cameron (Victoria),	Landry,	Rochester,
Carling,	Lane,	Ross (Dundas),
Caron,	Langevin,	Rouleau,
Cimon,	Lantier,	Routhier,
Colby,	Little,	Royal,
Connell,	Longley,	Ryan (Montreal),
Coughlin,	Macdonald (Sir John)	Shaw,
Coursol,	McDonald (Cape Breton)	Sproule,
Currier,	McDonald (Pictou),	Stephenson,
Cuthbert,	McDonald (Victoria, NS)	Strange,
Daly,	Macmillan,	Tassé,
Dawson,	McCallum,	Tellier,
Desjardins,	McCuaig,	Tilley,
Domville,	McDougall,	Tupper,
Drew,	McGreevy,	Vallée,
Dugas,	McInnes,	Vanasse,
Elliott,	McKay,	Wade,
Farrow,	McLennan,	Wallace (Norfolk),
Ferguson,	McLeod,	Wallace (York),
Fitzsimmons,	McQuade,	White (Cardwell),
Fortin,	McRory,	White (Hastings),
Fulton,	Manson,	White (Renfrew),
Gault,	Masson,	Williams,
Gigault,	Massue,	Wright—120.
Girouard (Jacq. Cartier),	Merner,	

STANDARD OF THE PACIFIC RAILWAY.

Mr. BLAKE moved for copies of all statements, evidence or information on which the Government based their judgment in accepting the Union Pacific Railway, as the same was when first constructed as the standard regulating the quality and character of the proposed Canadian Pacific Railway, its materials and equipment, and of any detailed estimate which has been made by any officer of the Government as to the cost of the works under progress and to be constructed by the Government, and of those to be constructed by the projected Company, according to such standard. He said: I am very much encouraged, as you will perceive by the earnest desire of the House, to obtain all the materials possible, in order to form a deliberate judgment as to the proposals submitted for our adoption.

Sir CHARLES TUPPER: You are referring to a past debate.

Mr. BLAKE said: I am not referring to any past debate. I am not referring to any past division. Surely the hon. gentleman will not suppose my observation alluded to the division that has just taken place. Encouraged by that manifest disposition which the House has displayed since the Session began, I ask for some more information. You will observe, if you have read the contract before us, a provision is made, in order "to establish an approximate standard, whereby the quality and the character of the railway and of the materials used in the construction thereof, and of the equipment thereof, may be regulated, the Union Pacific Railway of the United States, as the same was when first constructed is hereby selected and fixed at such standard." The Union Pacific Railroad was, I believe, begun in 1863, and partly constructed within a very short period, and the residue constructed and opened in 1869, although portions of it had been opened some years before. In fact, so far as I am informed, portions of this railroad were nearly worn out before the rest was finished. The Union Pacific Railroad, as it stood in 1869, eleven years ago, is selected as the standard for our road. Of course, taken as it was at the date at which it was selected, we would have valuable testimony of the persons connected with the Union Pacific Railroad, or of the inspectors. But I believe such is not the condition of things, certainly as to the time, nor as to the actual state of the road with reference to the Union Pacific Railroad. Indeed we know it is not, but the contract does not say as it now is, but "as it was when first constructed." In determining upon such a standard, it is not, perhaps, unreasonable to conclude that the Administration obtained some evidence or statements, or information on which they based their judgment as to the selection of the standard of that railway as it was when first constructed, for the standard of the great transcontinental highway of Canada. I, therefore, think we may fairly expect, unless there be some reasons of State, unless the information was obtained in confidence, unless it would humiliate somebody, the Government, to produce it, that we may receive some information on this subject on this occasion.

Sir CHARLES TUPPER. I do not think there is any objection to the motion. There is no necessity that I am aware of for the Government refusing any information on this matter. The contract made in 1873 for the construction of the Canada Pacific Railway, fixed the standard in, I think, the precise terms of the standard of the Union Pacific Railway, when built.

Mr. BLAKE. It was a very bad contract, but not so bad as that.

Sir CHARLES TUPPER. I think the hon. gentleman will find, if he will refer to the contract, that I am correct. I presume that in fixing those terms it was considered necessary to have some standard adopted in reference to the difficulty of the work, in the same way as when the Union Pacific Railway received its charter, and a very large amount of State aid, under that charter; it was provided that it must be constructed according to the standard of the Baltimore and Ohio Railway, if I remember rightly, and that it was considered a sufficiently high standard for the Government of the United States to fix for the Union Pacific Railway. If we may judge from the expenditure on the work, it ought to have been a pretty good standard, because I think the cost of the Union Pacific Railroad was about $111,000 a mile.

Mr. BLAKE. Hear, hear.

Sir CHARLES TUPPER. The leader of the late Government stated it was so enormous that I thought I should refer to it in the remarks I read to the House last night. I am informed the cost averaged about $111,000 a mile. So the cost will be regarded as quite high enough in the way of a standard. There are half a dozen of the most important railways in the United States doing an immense business, all of which are at an inferior standard to that of the Union Pacific Railroad. The Portland and Ogdensburg Railroad standard is not nearly so good. The standard of the Baltimore and Ohio is not at all to be compared with that of the Union Pacific. The Pennsylvania Central, Chesapeake and Ohio, and Central Pacific all possess a standard inferior to that of the Union Pacific Railroad. I think, therefore, that as the Union Pacific is a road on which a speed of 40 miles an hour can be obtained, and is capable of carrying a vast amount of traffic at a very considerable profit, and as a competently constructed railroad would necessarily obtain the best gradients and curves and best description of road, for the reason that, being obliged to operate the road after its construction, it is a matter of the utmost importance to the company in a financial and commercial point of view, that they should make their road of as good a standard as possible to their means. That this is a safe standard to adopt, I think,

all things considered, we have a tolerably strong assurance that the character of the Canadian Pacific Railroad will be all that we can desire.

Mr. BLAKE. I am not discussing that now, I was only getting information if I could.

Sir CHARLES TUPPER. I am generously explaining to the hon. gentleman all the facts in relation to the matter, and I am obliged to conclude by stating that I am not aware of any documents or papers that can be brought down except those that are accessible to the hon. gentleman. Everything from its inception to the present day, connected with the Union Pacific Railway, is a matter of history, and within the reach of any one who will take the trouble to look it up.

Mr. BLAKE. I wish, at the earliest moment, to correct a little error of memory twice committed by the hon. Minister. I ventured to suggest to him that it was an error upon the second occasion, but he was very positive he was right. He has said the standard was fixed precisely in the same terms as it was in the Allan contract. In this present contract the words used are these: "The standard of the Union Pacific Railway as the same was first constructed." As I have said, the last portion of that road was constructed in 1869, in fact I believe some of the iron was worn out before 1869. The language the hon. gentleman says is precisely alike, upon which he bases, I presume, his defence for not having enquired into and obtained specific information upon the condition of the Union Pacific Railway as it was when first constructed, is this: "In order to establish an approximate standard the Union Pacific Railway of the United States is hereby selected and fixed as such standard." It is not as when first constructed at all, but as it was at that date, in 1873, before which various important changes had been made in the condition of the Union Pacific. It goes on to say: "But in a general way only, and not with respect to any minor details in its construction or working which may be found to be objectionable in respect to alignment and curves, which shall be as favorable as the nature of the country will admit of without undue expenditure." These are the words which the hon. gentleman says are precisely the same as the words contained in the infinitely more favorable contract which we are now to ratify. First of all, we had a standard of the road as it was in 1873, not as it was when first constructed, which, it seems, the wily contractors have got the hon. gentleman to insert, under the belief that he was putting in the same thing as in the Allan contract. Secondly, we have the express provision that the alignment and curves shall be made better than the Union Pacific Railway, as it was in 1873. These are the differences between the two things which, until to-day, the Ministers who, from day to day, were drawing out the contract so carefully, who were considering it line by line and clause by clause, thought the same.

Mr. ANGLIN. I think, in this case, the House will not receive the information, for the reason that the Government themselves are not in possession of it. I think the evidence just laid before the House by the hon. leader of the Opposition must convince every hon. gentlemen that the Minister of Railways, at all events, the man who ought to have special information on the subject, is not himself in possession of any information which will enable us to judge what the Union Pacific Railway was like when first constructed. He tells us it is a matter of history. Well, we can find much matter with regard to that railway, but I think we have all of us as yet failed to find such information as the leader of the Opposition has asked for. We have some vague information with regard to the character of the road, the kind of bridges used, and some other matters, which information is not at all of an assuring nature. We would like to get some assurance from the hon. gentleman that on this most important point, we are bargaining for a fairly workable road. One of the arguments the hon. gentleman used, was that inasmuch as these gentlemen will build the road for themselves, they will, therefore, build a good railway, and that no security is necessary. We are not of that opinion, we think some security is necessary, and I cannot, for the life of me conceive why, instead of vague general declarations of this kind, there was not inserted in this contract a description of the kind of road we were to get, so that every gentleman here, without having to search through all the musty volumes of the library, may, on reading the contract, form for himself an accurate opinion of the character of the road. The hon. gentleman asked about the general public. We are here, say they, to pay no regard to the general public; we are here to judge for them, as we are here to act for them. But we, at all events, should have some means ourselves of forming some opinion on the subject. I have seen railway contracts before now containing a description of the character of the road, in which on certain sections it was provided that the grade should not exceed a certain maximum, nor the curves a certain minimum, that the road bed should be at a certain width or certain level above the country through which it passed, and the bridges of a certain description. All that could have been inserted in this contract without wasting much paper, dividing the road into sections with regard to its difficulties, providing one class of grades for the Lake Superior section, another class for the prairie section, and so throughout, and the whole thing could have been put into this contract, covering but a page or two at most of the paper now before us. But as the matter stands, we are to proceed without information. When the hon. Minister of Railways began to reply to the speech of the hon. gentleman who moved the resolution and proffer his willingness to bring down all the information in possession of the Government, I really thought we were to have something before us as this debate proceeded, that would enable us to form a reasonable opinion of the character of the road. But it is not known, I am now quite satisfied, that the hon. gentleman cannot lay the information before the House, for the simple reason that he has not got it.

Mr. CHARLTON. I doubt, Sir, whether there is a single feature of this contract which shows more clearly the folly, and, I might add, the ignorance, of the Government, than the one that sets up a standard of comparison between the Canadian Pacific Railway and the Union Pacific as at first constructed. The circumstances attending the construction of the Union Pacific are briefly these: Two great companies were chartered for the construction of a line from Omaha to Sacramento. These companies received subsidies from the Government in money and lands. The arrangements made with the Government were highly advantageous to them; and it was to their interest to rush on the work with the greatest possible celerity, each company being anxious to build as great a number of miles as possible in order to secure as much of the subsidy as they could. The result of this desire was, that the companies built a road without paying the slightest attention to the quality of the materials or the mode of construction, caring nothing but to get a line over which they could run a locomotive. Two or three miles of road were laid down every day. The ties were made of pine and of cottonwood, which was even less suitable for the purpose than basswood, and the road was in place during the winter months, ballasted with blocks of frozen earth. The rails were of inferior iron, only 50 lbs. to the yard, and they were out at the eastern end before a junction was effected with the Central Pacific. The grades, at first, were as high as 116 feet to the mile, though they were afterwards reduced—the present maximum being 90 feet to the mile. The road had curves of small

radius, and its condition at that time was such that even a construction train could not be run upon it with safety. This, Sir, is the standard of comparison which these honorable gentlemen have set up in the bargain they have adopted on behalf of the people of Canada with these astute railway magnates. The members of the Syndicate will naturally have the same interests in pushing forward the construction of this road at a rapid rate as had the gentlemen who built the Union and Central Pacific Railways, namely, to secure a maximum of the land and money subsidy for a minimum expenditure upon the work in construction. They will follow the example of these gentlemen in constructing a flimsy road in the first place, though afterwards they may find it necessary to build a road of a more substantial character. Of course, no one can blame the Syndicate for securing as favorable a bargain as possible—for securing terms which practically give them double the amount of money required to build a good road; but I say it was an act of folly which was almost criminal for the government of Canada to make such a bargain. The Minister of Railways was evidently under the idea that the Union Pacific was as good a road when it was constructed as it was in 1873, when the fact is that the Union Pacific, after constructing the road in the manner I have described, found it necessary to perfect their flimsily constructed line, in order to render it useful for the purposes of commerce. They then ballasted their line from Omaha to Promontory Point, with broken stone from the Rocky Mountains, and gravel from the pits along the line, they replaced the old iron with new, and, in fact, reconstructed the road throughout. Have we any guarantee that the proposed builders of the Canadian Pacific Railway, after laying the track in the flimsy fashion in which the Union Pacific Company built that road, will reconstruct it as the builders of the American road found it necessary to do? And if not, all this immense sum of money, and this vast domain of land, will be utterly thrown away. It may be to their interest to improve the road, but we have no guarantee that they will do so. The whole contract betrays the most astounding stupidity on the part of the Government; they have made a bargain which they dare not submit to the people; for, under the plea of respect for the dignity of Parliament, they have kept this precious contract under seal, fearful of the criticisms which they were sure it would provoke. Now they call upon us to sanction the bargain without the country being allowed to form any idea of its conditions, or of their own interest in the matter. It is premature, of course, to enter into a discussion of this question as a whole, but so far as I have trespassed in this respect I have followed the example of a more illustrious person than myself—I mean the Minister of Railways. I trust, however, that it is apparent to the House that the standard of construction which has been set up for this road is a very low one indeed, and that in this respect, at least, the Minister of Railways has made a very poor bargain.

Mr. PLUMB. I wish to point out to this House that the Union Pacific Railway, to which the hon. gentleman has referred, was not completed until the 10th of May, 1869, and in 1872 the road was reported to be in first-class condition, with good grades and an excellent alignment, running over an admirable soil bottom; in short, it was a sufficiently good road to earn about seven millions of dollars. The Union Pacific was subsidized by the American Government by a grant of $16,000 per mile in cash for that portion of the road between the Missouri River and the Rocky Mountains, $48,000 per mile for a distance of 150 miles through the mountain range, $32,000 per mile for the distance intermediate between the Rocky and the Sierra Nevada ranges, $48,000 per mile for a distance of 150 miles through the Sierra Nevada. The route for the eastern portion of the line is up the valley of the Platte, which has a course nearly due east from the base of the mountains. Till these are reached this valley presents probably the finest line ever adopted for such a work for an equal distance. The whole line is a very favorable one, when its immense length is considered. More than one half of it is practically level, while the mountain ranges are surmounted by grades not in any case exceeding those now worked upon by some of the most successful American roads.

It being six o'clock the Speaker left the Chair.

AFTER RECESS.

CANADIAN PACIFIC RAILWAY.

The House resolved itself into Committee on certain Resolutions for granting and appropriating twenty-five millions of dollars and twenty-five millions of acres of land in the North-West Territories, according to the terms of the contract relating to the Canadian Pacific Railway transmitted to this House by His Excellency the Governor General by his Message dated December 10th.

Mr. BLAKE. I proceed, Mr. Chairman, to endeavor to ascertain, by the light of those figures which were presented to us last year, and those figures which were presented to us last night, what the cost of the road, such as we are to obtain it is, what the consideration which the country is to give for its construction by the company is, and what are the advantages to be obtained by the company, pecuniarily and otherwise. I think I have already sufficiently established to the Committee that the estimates of cost for a first class road are estimates which are wholly inapplicable to this structure. But I intend, when I reach that particular point, to give a few more facts and figures than those which have attracted the attention of the House in other discussions, and in this discussion upon that subject. Now, we are not here face to face with anything less than conclusions deliberately reached by the Administration upon the advice of those most competent to judge as to the cost of this railway. It is to these figures that I appeal, and upon those figures the Administration cannot object to be judged with reference to this contract. The cost of the railway in cash, as estimated last year, and including in that cost the telegraph line and the subsidy to the Canada Central, and also fifty miles extra of the line to the north of Lake Superior—because that line was calculated last year at only 600 miles, upon the view that before it was commenced at least fifty miles would be constructed by the Canada Central, and, therefore, it is only fair to add that to the cost now, when it is proposed to commence at South East Bay or near it—I say the cost of the railway, constructed as the Government proposed to construct it, and including those three items, was $88,500,000. From Thunder Bay to Red River, $17,000,000; Pembina Branch, $1,750,000; Red River to Jasper House Pass, $13,000,000; Jasper House Pass to Kamloops, $15,500,000; Kamloops to Yale, $10,000,000; Yale to Moody, $3,500,000; an extra $1,000,000 spread over the British Columbia section; the line along the north shore of Lake Superior, to which I have referred, $20,000,000; the extra fifty miles to which I have referred, $1,666,000; the Canada Central subsidy, $1,450,000; telegraphs, $500,000; surveys, $3,119,000; making an aggregate of $88,485,000, not differing at all from the hon gentleman's (Sir Charles Tupper's) own statement, except to add the two or three items to which I have referred, and which, in considering the cost to the country of this enterprise, must, of course, be added, because we have paid those sums. Of this sum of say $88,500,000, we have already, according to the statement laid on the Table the other day, actually paid out in cash no less a sum than $18,600,000, and the interest which we have already paid for the money we have borrowed to enable us to pay that $18,600,000, is about $2,000,000:

so that the Pacific Railway account, in principal and interest, stands at this moment at considerably more than $20,000,000. Now, the cost of the railway, according to the revised estimates of this year, because, as I have observed, the cost of the Pacific Railway, under the hon. gentleman, is a constantly decreasing quantity in point of estimate, although when we come to the contract with the Company, the results may and will appear to be very different; the cost, I say, according to the revised estimates, brought down by the Minister the other evening, is this: He divided the line into three parcels—from Thunder Bay to Selkirk and the Pembina Branch, the Yale-Kamloops section, and the section from Yale to Port Moody—which were estimated last year altogether at $32,500,000, and he reduced the cost of these to $28,000,000. I have estimated that of that reduction $1,000,000 is properly applicable to equipment and terminal accommodation, saved to the country and to be imposed upon the Syndicate by the terms of the bargain. That would reduce the saving in the shape of excessive estimate to $3,500,000. There would be a sum of $31,500,000 of work, now represented by $28,000,000, there being thus a saving of $3,500,000 on $31,500,000, or 11 per cent. upon the hon. gentleman's estimate of last year. Now, the other work, which was estimated on the same principle, in the same view, by the same man, at the same time, was to cost, from Red River to Jasper, $13,000,000; Jasper to Kamloops, $15,500,000; half the extra million on the British Columbia section, $500,000; the North Shore line, $21,666,000, and the payment of $1,000,000 for stock, &c., taken off the Government calculation of its part,—making a total of $51,666,000 to be provided in the same way by the Syndicate. But of that $51,666,000, I appropriate the $1,000,000 formerly mentioned and another $1,000,000 for equipment on the central and western part of the central section, and the estimated saving, applying the same saving to these estimates that the hon. gentleman has found applicable to the other estimates is upon a gross sum of $49,666,000, or a saving of $5,463,000, or say $5,500,000. So that the total cost of the work to be done by the Syndicate, reaches the sum of $46,200,000, inclusive of equipment; the total cost, which I pointed out a moment ago, was $88,500,000, is by the hon. gentlemen's fortunate economies reduced by $9,000,000—$3,500,000 on the Government sections, $5,500,000 on the Syndicate sections. Thus the grand total of 88½ millions is reduced to 79½ million dollars by the operation of the hon. gentleman's economies. That, then, is the cost, as compared with the cost last year, of a cheap road, including in that cost all the expenditure of the exploratory surveys, the telegraph lines, the Canada Central subsidy, and also that extra piece of the North Shore to which I adverted. I say the cost of a very cheap road, and it may be just as well to point out what style of road it is, so far as the Government sections are concerned. The hon. gentleman in a letter to his engineers on the 15th April, said:—"The policy of the Government is to construct a cheap railway, building it rather in advance of settlement, with any workable gradients that can be had, incurring no expenditure beyond that absolutely necessary to effect the rapid colonization of the country." The engineer in answering, quotes in a note to his answer:

"I am convinced, moreover, that by making an extreme study of the final location of the British Columbia section, by sharpening the curvature in some places, by using great judgment and adjusting alignments to the sinuosities and sudden and great irregularities of the ground, by substituting cheaper classes for the more costly, whenever it can be safely done, and by doing no more work than is absolutely necessary, a marked reduction can be made."

That, Sir, is a short account of the style of road to which these estimates of last year referred, to which the hon. gentleman reduces the estimates of this year, and it is the style of road which, so far as the Government sections are concerned, we are to expect to secure by the end of ten years as our contribution to the transcontinental railway. As to the Company's part, one might naturally expect on such an arrangement that they would have something like the same standard. In fact, unless we get a very long link of railway of a superior standard, there is very little use in interspersing large quantities of superior with large quantities of very inferior work, for you cannot haul a large load over your railway if there are here and there very bad curves and grades. Although it is, of course, better that you should have a level road for some part, you still are unable, practically, unless you have a very long link of good railway and then manage to divide the load along the bad railway, to do more than half work. At any rate the standard given by the contract for the Syndicate is, as we have already, I think, fully satisfactorily discovered, not a very elevated standard. I have referred to the standard, and the House will remember, without my once again reading the document, that the contract prescribes the standard of the Union Pacific Railway as first constructed as the standard of the Canadian Pacific. Well, the former contract prescribed the standard of the Union Pacific as it was at that day, and prescribed, not that absolutely, but with the reservation of objectionable points in that standard, and a provision that inferior alignments and curvatures should not apply, but that better work should be done wherever it was possible than was done even at that time on the Union Pacific. I was a little surprised to hear the hon. gentleman, in his speech, the other evening, quote the Allan contract as one of the *pieces justificatives* of the Government. It did seem to me it would have been the part of discretion to have left out all allusion to that contract in this connection. But, the hon. gentleman thinking, from his imperfect recollection of it, that he could vindicate the terms of this contract by a reference to that, lugged it into the discussion, and we now find that, bad as that contract was in many respects, this is, in the particular for which the hon. gentleman cited it, very much worse. However, unfortunately, the hon. gentleman may have succeeded in guarding the public interest in the matter, we know he and his colleague, the hon. Minister of Agriculture, stood upon this occasion, in this particular, in a very much better position than they occupied on a former occasion. We very well remember that, upon a former occasion, Sir Hugh Allan declared in writing, that engagements had been made by his agent with inferior Ministers, of which engagements he did not approve, thinking those Ministers not worth powder and shot. The hon. gentlemen have since received the promotion due to so much merit. They are no longer inferior Ministers, but important, influential Ministers, whom it is quite worth while to make engagements with, and who are eminently worth powder and shot. They proceeded to England in their advanced capacity of important Ministers to make this contract, and whatever they may have been able to accomplish for the country, I hope they have been able, not merely to obtain an ample recompense for their broken engagements of the old days, but to take good security that their like engagements for the future be duly implemented. What was the Union Pacific Railroad when it was first built? In the first place it was an iron road, not a steel one. It was made of such bad iron that, long before it was finished, the rails on the earlier portions were worn out, or almost worn out. It was a road on which almost all, I might say, all the structures were of wood. The reports on this enterprise are to be viewed with suspicion. It was an enterprise which, like other Pacific Railway enterprises, was the subject of great scandal. It was discovered that members of Congress had been bribed; that the Government director, appointed to guard the national interests, I think his name was Brooks, had himself been bribed with a large sum. He

was the person who inspired and directed the arrangements for Government inspection, and helped to prepare the reports —an excellent arrangement, whereby the interests of the country might be made to harmonize with those private interests which he so admirably guarded by obtaining this large sum of money. Notwithstanding all that, with the very source and fountain of inspection so foul, the report of the Secretary in 1868, before the road was completed, but when constructed for the greater portion of its length, portions having been worked some time, was something of this kind: there were gradients of 80, of 66, and numerous gradients of 90. The report says:

"The track has, without exception, been laid on the bare roadway, without having been previously prepared to receive it, by ballast; as a consequence, except where embankments happen to be built, the track is entirely without ballast, the necessary material having had to be brought up for the embankments themselves."

The report proceeds:

"From Omaha to the end of the track the number of structures which were deemed permanent after the road had been completed so far—"

and the phrase is important, not structures which were permanent, but were "deemed" permanent

"was a hundred and fifty, of which there was only one in iron."

One iron bridge, but in the same distance, besides a hundred and fifty structures deemed permanent, there were six hundred and ninety-four that even a bribed Government direction could not induce an inspection to deem permanent, and they were called temporary. There were nearly eight miles in length of temporary wooden structures; in fact, it was almost built upon stilts, and of those six hundred and ninety-four structures, nearly eight miles long, no less than six hundred and sixty were then condemned at that early period and ordered to be replaced. And a very large sum of money, six or seven millions of dollars was, I think, in the following year estimated by favorably inclined persons to be necessary in order to put this road, which had not then been finished from end to end, but to put it so far as it had been constructed into a reasonable state as a road. Reference has been made, and will, I dare say, again be made, to a report of 1872 which is open to suspicion also, but which speaks of the road in a wholly different condition; in a wholly different condition as to its grades and curves, even still more as to its ballasting, as to its iron, as to its bridging and so forth, from what it was, as I say, when first constructed, which is the specification that our careful Government has acceded to for the standard for our railway. Why, Sir, I think what has happened to-day ought to induce the Ministers themselves to propose to withdraw at once the consideration of this contract. It is obvious that they have been deceived or misled. We find they themselves say that they thought they had secured for this country a standard of construction for the railway wholly different from that which it turns out they have secured. I wish, Sir, that we could call to the Bar, upon this and other questions relating to this contract, for examination the attorney of the Company. I wish we could bring him here and examine him, and find out what, in his view, the meaning of this clause was, and if, in addition to the opinion which he should give us at the Bar, we should have the benefit of the able legal opinion, within these walls, as he would give it in the public interest, of the hon. member from Argenteuil, we should in this conflict of opinions, reach the truth, and the truth would convince us that this is no contract that we ought to sanction. What more fatal blot can there be on the contract than the fact that the Minister of Railways should have supposed that he is obtaining all that the Allan contract secured when he has secured something as different as it is possible to conceive from the Allan contract? Let me give you a little more information about the original arrangements for the construction of the Union Pacific Railway. I will read you an extract from a report on the construction of 675 miles of that road called the Oakes-Ames contract, which was arranged to be transferred to the Credit Mobilier, and which was the origin of that halo of glory which has surrounded the Union Pacific Railway ever since:

"The party of the second part may have the right to change the grade and curvature within the limits of the Act of Congress for the temporary purpose of hastening the completion of the road."

And the same provision exists in a prior contract for one hundred miles, so determined were they to hasten the construction for public and private reasons; for public reasons, because the rapid construction of a railway across the continent was deemed an important thing by the United States Government at that time; for private reasons, because the vast land grant was so arranged that the more miles they covered the more land they would get. So anxious were they to construct that road in any way that they might cover the ground, that they made an express provision for the construction of the greater portion of it on alignments and with curvatures and gradients which were not intended to be permanent, which could not be worked permanently, but which still are the alignments and gradients upon which the Union Pacific Railway was first constructed and which are, therefore, the standard for our railway. The honorable gentleman may be unfortunate enough to repeat an allusion he made as to the cost of the railway, as something proving to us that it is a high standard; I am entitled from the line of his arguments to anticipate some such suggestion. There were many ingredients in the cost of the Union Pacific Railway. There was a time of war, a time of inconvertible currency, of high labor, a time of very great haste and expedition. One of these contracts provided that on every pleasant working day, two miles of road should be laid; and it was under such circumstances, under such pressure, that the Union Pacific was constructed. But this is not all; there is more behind. Let me read an extract from the report of the committee on the operations of the Company who constructed that road, and the hon. gentleman will see how it was that the Union Pacific came to cost so much.

"The men who controlled the Union Pacific resorted to the device of contracting with themselves to build the road and fix a price high enough to require the issue of bonds to the full extent, and then divide these bonds, or the proceeds of them, under the name of profits on the road."

This is the report of a committee of the House of Representatives on the *Credit Mobilier* scandal, and it goes on to say of the United States, what, one may hope, cannot yet be said, but what, one may fear, might be said some day, of Canada:

"This country is fast becoming filled with gigantic corporations wielding and controlling immense aggregations of money, and thereby commanding great influence and power. It is notorious in many State Legislatures, that these influences are often controlling so that in effect they become the ruling power of the State. Within a few years Congress has, to some extent, been brought within similar influences."

Let me read another short historical extract, as the hon. gentleman wants to know more—for we find that he does know but little—about the Union Pacific Railway and the contracts of the company:

"The Union Pacific Railway Company was largely dependent on the aid furnished by Government for its success. The managers of the company, being shrewd business men, succeeded in placing all the burdens and risks of the enterprise on the general government, while they reserved to themselves all the profits to be derived from the undertaking."

Of what road, Mr. Chairman, am I talking? Is it the Union Pacific, or the Canadian Pacific?

"Reduced to plain English the story of the Credit Mobilier is simply this: the men entrusted with the management of the Pacific road made a bargain with themselves to build the road for a sum equal to about twice its actual cost, and pocketed the profits which they estimated at $30,000,000 which came out of the pockets of the tax-payers of the United States."

Mr. Chairman, allow me to substitute for the words "with themselves" in this extract "with the Government" and

we shall have a quotation equally applicable to the present state of circumstances. I have shown what, according to he Minister's estimates of last year and his estimates of his year, is the cost of the Canadian Pacific Railway in the manner in which the work is proposed to be constructed, viz.: $88,500,000 or $79,500,000 upon the reduced estimate, including in this the Canada Central subsidy, the telegraph line and the extra fifty miles on the north shore of Lake Superior. Now, I propose to ascertain the cost to the country of the Canadian Pacific Railway by the proposed arrangements for the construction of that work according to each year's estimates. I will first take it up according to the estimates of last year, and see how it works out. According to last year's estimates, from Thunder Bay to Selkirk was $17,000,000, and I deduct for equipment which the Syndicate is to provide $400,000, leaving $16,600,000 to be expended by the country; the Pembina Branch $1,750,000, and I deduct for accommodation, which is now to be provided by the Syndicate, $250,000; Canada Central, $1,450,000, telegraphs, $50,000, the Kamloops and Yale, and Yale and Fort Moody sections a half of the million for the British Columbia section, which is inserted in bulk, which make $14,000,000, less equipment for the British Columbia section, $350,000, $13,650,000. Add for the subsidy $25,000,000, and you get as a total in actual cash—exclusive of interest—of $61,819,000—say $61,800,000. I say, exclusive of interest, there is the cost in cash to the country under the proposed arrangements of procuring the construction of the Canadian Pacific Railway. Well, if the total expenditure, as per last year, will amount to $88,500,000, and the cost under this arrangement was $61,800,000, it will leave $26,700,000 to be provided by the Syndicate. If you adopt this year's estimates the cash to be provided by the country is reduced by $3,500,000, as I have already shown, and that leaves the total cash to be furnished by the country in that view, $58,300,000. The cost of the whole work by this year's estimate is reduced by $9,000,000, so that the total cost is $79,500,000, which leaves the difference between $58,300,000 and $79,500,000, to be provided by the Company—$21,200,000 only. For the sum then, of $26,700,000, according to last year's estimates, and of $21,200,000 this year's, the lands are given. The lands represent the equivalent of certain sums dependent on the estimate which the hon. Minister, after mature reflection, is disposed to take. I am not disposed to permit him to adopt one line of estimate for the Goverment work, and another line of estimate for the Syndicate work; but whichever estimate he pleases he may take as applicable to both. Say that the standard of construction is the same, and the estimate is the same, he finds that he has made out, by his brilliant operation of the other evening, a saving to the Syndicate of the difference between $26,700,000 and $21,200,000, being $5,500,000. Well, Sir, the privilege of freedom of taxation on the road alone, if you say nothing about the taxation of the lands at all—the privilege in perpetuity of freedom of taxation on the whole Canadian Pacific Railway is worth more to the company owning the road than this $21,000,000 or $26,000,000. I think, if I am not mistaken, and I am open to correction if I am, that the taxes paid by our standard, the Union Pacific Railway, are about $270,000 a year, for a much shorter road. If you capitalize that you will get a sum of over $5,000,000, as representing the value of freedom from taxation of that road. I need not say that our road is very much longer than the road to which I have referred. But even if you value the freedom from taxation of the lands at nothing, then, what about the lands? These lands are to be within twenty-four miles of the railway. According to the estimate of the Government made by them in the recess before the last Session of Parliament, and which they published to the world as the terms of sale of railway lands, confirmed by them during the last Session of Parliament, when they brought it down and declared it to be a moderate estimate; further confirmed by them when they asked Parliament to sanction their going on with the work on those regulations and principles, and still further confirmed, in this sense at any rate, when they announced, as they have repeatedly announced, that the prospects of selling lands in the North-West are infinitely brighter to-day, that the land is worth more to-day than it was a year ago. According to this view, which we may take as a minimum estimate, there is established for lands to be found within twenty-four miles of the railway, an average price of $4.04 an acre.

Hon. MEMBERS. Hear, hear.

Mr. BLAKE. Well, the hon. member for Niagara, and other members, think that a wholly ridiculous estimate.

Mr. PLUMB. We do.

Mr. BLAKE. I did not hear that the honorable member for Niagara thought it a ridiculous estimate when his chief and leader propounded it last year. I did not hear hon. gentlemen think it a ridiculous estimate when they rejected, by an overwhelming majority the proposition that this railway could be paid for wholly out of the lands. But now the case is different, and the case being altered alters the case, and the hon. gentleman, the case being altered, and his chief being absent, sneers at and ridicules his chief's estimate of the value of the land. I may explain, Sir, since there appears to be a little incredulity on this subject, how it is. The ten miles range, or rather the two ranges of five miles next the railway, were valued at five dollars an acre; that would give you 5,208,000 acres at the sum of $6,041,000; the two fifteen miles ranges next to this, making thirty miles in depth altogether, were valued at $4, which would give you 15,624,000 acres at $62,500,000, and eight miles of the next range—the three dollars range—would give 4,160,000 acres at $12,589,000 or the total valuation for 25,000,000 acres, of $101,000,000. But, of course, taking the range of distance through which this railway is to travel, and from which this land is to be taken, and considering that it is to be taken only in alternate blocks, and that certain sections are appropriated for the Hudson's Bay Company and for school lands, there are not 25,000,000 acres, at any rate, of prime quality, which this Company will alone condescend to take, available within twenty-four miles off the main line of the Canada Pacific Railway; and, therefore, the observation which I have made so far would extend only to so much land as was to be found on the main line within the twenty-four miles, which I have roughly calculated to be perhaps about 12,000,000 acres. But, although there will not be the whole acreage on the main line, yet these contracting parties who have been struggling with one another for so many weeks to see who could makes the best bargain, saw a solution of that difficulty, and it was this: if the land cannot be found within the twenty-four miles of the main line you can select the choicest spots of the North-West for situation, for soil, for commercial prospects, for railway building. You may decide to build a railway to the land so chosen, and you may, on ranges within twenty-four miles of these branch railways, select land of a quality which you are not able to find within twenty-four miles of the main line. And, therefore, I say, we may not unfairly count this privilege, given to these persons, to choose out the choicest spots and run railways through them, as making the remainder of the 25,000,000 acres of a value equal to that which shall be accepted by them, within twenty-four miles of the main line. I think, Sir, it may not be useless for me to prove by a public document, something of the value of such a privilege. I have before me the prospectus of the Manitoba and South-Western Colonization Railway Company, which

is placing on the London market its bonds, and the statement it makes is :

"The length of this railway is 295 miles, of which the first section of 119 miles is under contract, and at least 50 miles are to be opened by the 1st of September, 1881. The Governor General has approved of a report of the Privy Council of Canada, recommending a grant to the company at the nominal rate, mark you, the nominal rate—of $1 an acre of an area of land equal to 840 acres per mile, commencing at the south-west of the boundary of the Province, so that it is outside of the Province of Manitoba that this land lies. It is estimated that a judicious realization of the land would produce to the company the sum of £2,000,000 sterling, or $10,000,000, and the company has refused offers made to them for large portions of that land at $5 per acre. In another part it is stated that this line is to be constructed for £3,000 sterling or $15,000 a mile, and the result is that the fortunate stockholders—and if there are members of Parliament among them, I hope they will share among us all—will have an admirable commercial railway constructed free of cost, and probably four or five millions besides from the sale of their lands."

Well, Sir, you thus find that there are lands of very great value to be had, outside of Manitoba, beyond the range of twenty-four miles of the Canadian Pacific Railway, which can be opened up and made saleable at $7 or more per acre, by railways which shall be, as this railway is declared to be, good paying commercial enterprises. But the least you can suppose is, that the company will not find it advantageous to take that area of its lands which it cannot find within the twenty-four mile belt in the way I have stated, and that they will go on—although they are not bound to do it—spreading out to a sufficient distance to enable them to take the 25,000,000 acres from along the main line of the Canada Pacific Railway. It is obvious that if the Company does not do that, it is because they can make more money by going further off, and building a railway. But suppose they do adopt the former alternative, they have to run out, according to the estimates of the Government, fifty-five miles from the main line of the railway in order to get their 25,000,000 acres. They, of course, take the five mile range on each side, the fifteen mile $4 range, the twenty mile $3 range, and 15 miles of the $2 range, and carrying out the same figures and applying them to the 25,000,000 acres so taken, you find them worth, according to the view of the Government last year,—of course they will put a higher estimate on them this year—$79,500,000. Take them as you can take them along the line of the Canada Pacific Railway, stretching out to a point 55 miles from that line, and, according to the Government's view, the minimum value of the lands is 79½ millions. I think, Sir, I have now proved, by figures, the absurdity of those arguments which have been based upon the idea that a grant of 50 millions of acres along the railway is worth as much acre for acre, as a grant of 25 millions within the 24 miles limit. I have shown you that the Administration has committed itself to the sound, the unquestionably reasonable view that the nearer the railway, the greater the value, and that by consequence the smaller acreage taken from the inside must be worth very much more than an equivalent, and may be worth very much more than a much larger area taken from the outside. Let me illustrate this position. To take 50,000,000 acres as was proposed of railway lands within the limit of the 220 miles range, or 110 miles belt on each side, you had to go, of course, 55 miles further on each side than I have already brought you. You, therefore, take five miles of the $2 belt, and fifty miles of the $1 belt, and the value of these fifty-five miles, or a depth of 110 miles, according to these same hon. gentlemen's estimate, was 27¼ millions of dollars. So that while the whole lands were worth the $106,750,000, taken as close as the sections would enable you to take them along the line of the railway, the inner lands at $3.18 per acre are worth $79,500,000, and the outer at $1.11 per acre, 27¼ million dollars, or an average for both of $2.13 per acre. I do not enforce these views by any arguments of my own. I am simply stating the deliberate estimates and views of the Government of this country confirmed to be correct, by an enormous majority of the Parliament of this country at its last Session of Parliament, and by those who are now disposed to dispute them. Well, I pointed out a while ago that the country was to expend in cash, under this arrangement, on the estimate of last year, $61,800.000, and now at what shall I value the 25,000,000 acres to be taken within twenty-four miles of the main and twenty-four miles of the branch lines? Shall I value it at $4.04 or $3.18 per acre? If you take $4.04 we add to the $61,800,000 cash $101,000,000 for lands, making an aggregate of $162,000,000, land and money, for this enterprise. At the $3.18 we add $79,500,000 to the cash subsidy, making an aggregate of $141,300,000 for the enterprise. And, if you really will insist that 25,000,000 acres of land close to the railway are worth no more than 25,000,000 acres at a distance; if you will turn your back on every view that you have entertained on this subject before; if you will bring down an Order in Council annulling your former declarations, and declare that $2 only is the value of land close to the railway, we find an aggregate of $50,000,000 for lands and $61,800,000 cash, or a total of $111,800,000 in lands and money. The Company is therefore to get the railway completed and the lands on last year's estimates for the cash expenditure of $51,660,000 less the $25,000,000 of subsidy which the country provides, so that, according to the estimates of last year, this work and these lands are to become the property of this Company for the cash expenditure by them of $26,700,000; so that, according to the estimates of last year, the Company, deducting the Canada Central Railway subsidy and the telegraph line, if they are worth considering in these millions of figures, is to get this $162,000,000 worth, or $141,000,000, or $111,800,000, according as you value the lands, for $26,700,000. Now I will apply myself to this year's estimates and see how they run. On this year's estimates, the country is to expend in cash and works, $58,300,000. Add to that the amount for lands of $101,000,000 and the total is $159,300,000. Take the lands at $79,500,000, and the total is $137,800,000. Take them at $2, and the total is $108,300,000, and applying the same reduction for over-estimate, as I have pointed out, the Company will get the completed railway and lands for an expenditure of $46,200,000, less $25,000,000 or for $21,200,000. This subject will bear a little examination in another light, as to the avails of these lands. I may begin my task by convincing hon. gentlemen opposite, with reference to the avails of the lands, because I go upon figures to which they have given their cordial assent—no, I do not say I do that, because I do not ask them to accept the enormous figures of last year, the mistaken calculations of last year—I pointed out the errors in those calculations last year amounting to some 26 millions odd dollars, and I am inviting them now only to swallow the reduced figures. Well, the Government's view was that there would be 10,880,000 acres of railway lands sold within the next ten years. Of course, these lands would be spread over all the ranges, the view being that the reduced price compensated for the increased distances. That gives you for the inner half 25,000,000 acres, 51,440,000 acres, and for the outer half the same amount. The result of these calculations would be, giving to the Company the proceeds of the sale of the half of the total lands, allowing their proportion on the true average—not on the average the Government calculates,—which is higher, $11,269,000 in the ten years. But then that is the gross as to the expenditure; if we adopt in all, for surveys and management $2,400,000, I shall divide that sum into two parts, assigning $1,200,000 to the homesteads and $1,200,000 to the railway lands; and as the Government bears all the expense of the surveys and management, I attribute to the Syndicate $270,000 of the $1,200,000, and to the Government the remaining $930,000 on the railway lands sales. The result is a net return in ten years of $11,000,000 to the

Syndicate on the railway lands, there becoming due thereafter to it on the same sales, $8,580,000, making an aggregate of $19,580,000 actually got in in part and in part due and bearing interest, while the Government having the outer belt only of the railway lands, for their proportion of sales, on an equal area receives only $3,863,000 within the ten years. It loses $930,000, the cost of the surveys on the whole belt and of management, receiving a net amount, if it comes in, of $2,933,000, and to come due thereafter $2,942,000, an aggregate of $5,875,000. But that, of course, is not all, according to the calculations of hon. gentlemen opposite, that Government will receive, because we have yet to deal with the homestead fees and pre-emptions, from which Government expected the large sum of $10,621,000; from which deduct $1,200,000 as half the expense of surveys and management, and you have a net amount of $9,421,000 to come in, and $9,590,000 to come due thereafter, or a total of $19,000,000 net from homesteads and pre-emptions to accrue to the Government. The sum from railway lands and pre-emptions coming in within ten years is, therefore, $12,350,000. But $12,350,000 net is not near enough to pay the interest on current expenditure. So, adopting the calculations of the hon. gentlemen opposite, and confining them to the bargain, the Syndicate will have realized out of its lands, selling only as much as the Government expect, some $11,000,000, and have some $8,500,000 due. They will have been practically able to pay off the whole amount out of 5,400,000 acres necessary to build the railway, in addition to what they have got from the country, while the Government, for its $60,000,000, will have got in a sum that will not nearly pay the interest on those $60,000,000, leaving the whole of its capital account untouched. Do you tell me you will get more for your lands, that your prospects are brighter, that you may expect more than the figures I have given? Tell me how much more you will get, and then we will calculate how much more the Syndicate will receive. Because, if you get very much more than your own figures show, it follows that the Syndicate, the owners of the railway, the owners of the choicest lands, and possessing those energies and powers for which the Minister of Railways has given them so much credit, will get very much more proportionately, than you; and, therefore, if you double the figures for what you will receive, you may more than double them for the Syndicate's returns, and show that, in ten years, they will not merely have built the railway without extra outlay, but have more than doubled their receipts from the lands. Do you tell me that I value the Syndicate's gains too high? It is not my estimate, it is yours. Do you tell me your estimates are erroneous, are too high for *their* lands? How much less, then, may we expect for *your* lands. If they must expect less for theirs, you must expect less for yours—less than the paltry sum which you have estimated, and so much the worse for the country which will receive little relief from the sale of its lands—not even a fraction of the interest on the capital expenditure to which I have referred. By the old plan, if we built the railway we had it. By the new, we are to pay for it handsomely, with a very large bonus to the builders, and then they are to own it. The heaviest sections are to be built by us. Hon. gentlemen opposite talk of finality. Do we know absolutely what our obligations are? They say that one of the great advantages of this business is, that if the expenditure by the country is large, at any rate we know the limit. Well, what was the indeterminate character of the business before? It was that we did not know how much it would cost us to construct the railway. But we are now going to construct a large portion of the railway. We are not limiting ourselves to those very expensive portions under contract, but are undertaking a new piece, and, for ten years to come, we shall be still building on the Canadian Pacific Railway, and the indeterminate character of the transaction in this particular will remain; and, unless we are fortunate enough to possess during all that time a Minister of Railways able to bring down annually decreasing estimates of the cost of the work to be performed, we shall experience no little anxiety in regard to the public obligations and prospects. It is obvious, from the estimates of the Minister of Railways, that the situation under him is not quite so alarming, but still it is tolerably alarming, with regard to the want of finality. If I were, however, a supporter of his Government I would venture to suggest the exercise of that admirable diminishing faculty of his to relieve the question from these serious considerations. It could not be a subject of uneasinesss to us that our obligations were indeterminate when all that we had to do was, on coming to Parliament, to learn how much less the railway was going to cost this year than the estimate of the year before. However great the cost of the British Columbia section, we have to build it, from Kamloops to Port Moody; and as to the finality, otherwise, what is the extent of it? There has been a great deal said as to the financial capacity of the capitalists who are to build this road. The hon. Minister of Railways himself alluded to it in vigorous terms, the other day, pointing out that it afforded a perfect security to the country. From what I observe, then, I conclude that these gentlemen, having some money to risk, are quite determined that if there is to be any question of finality in this business, it should be settled on their side. In the terms of this contract is a special provision that it shall not go into operation unless there is an Act of incorporation, and that the contract is to belong to the corporation, and that the individual contractors are not to be liable. We have got the seal as our security, with the deposit. Well, the hon. gentleman declared, with his happy faculty of making the best of all unhappy circumstances, that, upon the whole, he thought it would be a very much better thing that there should be no security at all; whereon, I suggest that it might be a good thing to allow the Syndicate to amend their bargain, by striking out that deleterious provision as to the security of the $1,000,000. If it is bad to have any security, why should the Government prove such traitors to the country, as to insert the security clause? But, if it is good to require that security, let us remember that it is all we have. We have not even the individual security of those gentlemen. We have not the personal responsibility of these gentlemen,—we have nothing at all except the million. Well, now, if security is wanted, that security is inadequate; security will only be wanted on such an enterprise as this, if all the calculations of the Government, all these figures of theirs which I have now been developing, turn out wholly fallacious; if this enterprise becomes entirely disastrous—if there is an utter collapse of some kind or other; and if there is, it is not a million, Sir, that will stop that gap. Extraordinary, Mr. Chairman, as the whole price is, its distribution between the sections is still more remarkable. The prairie region, nine hundred miles, is the eastern part of the central section. One thousand miles of that region was, last year, estimated at $13,000 a mile, which would be, for the 900 miles that I am now considering, and which have been defined by the contract, $11,700,000. But that would be an over-estimate of the cost of 900 miles, because the western 100 miles which has been lopped off from the 1,000 miles and assigned to the western end of the central section, is confessedly much heavier. It belongs to the mountain region, and, I suppose, that is one of the reasons why that different disposition and division was made. Well, of course, if you take an extremely heavy 100 miles from the 1,000 which

averaged only $13,000 a mile, you get a lower average for the remaining 900, and I assume that we may take off $1,000 a mile for the 900 miles and add that amount, or $900,000, to the 100 miles as the extra cost of the 100. That reduces the cost for the 900 miles to $10,800,000 in all, or $12,000 a mile. Well, the cash to be paid for the construction of the central section, which, as I have shown you, according to last year's exaggerated estimates, was to be $10,800,000, is $9,000,000, leaving a sum to be provided otherwise than by the country of only $1,800,000 to construct that line for 900 miles. Well, to meet that dreadful deficit upon this section of 900 miles, what is the prudent compensation which an economical Government, regardful of the interests of the country, has provided? Sir, it is 11,250,000 acres of choice lands worth, at $4.04 per acre, $45,450,000; at $3.18, $35,775,000, and at your miserable $2, $22,500,000. The excess over cost is $43,650,000, or $33,975,000, or $20,700,000, according as you take your choice of the estimates of the value of the land. Take the last and you get an excess of over $20,000,000 profit on the construction of the central 900 miles alone. The price then assigned for this section alone is four or five times the cost of constructing the section. The mileage cost, as I have stated, is $12,000, the cash receipt $10,000, leaving a deficit of $2,000 a mile; the lands $50,000 a mile at the $4, making a surplus of $48,000 a mile at that rate, a surplus of $37,750 at the $3.18, and a surplus of $23,000 a mile at the $2 valuation. So that for this section which can be built out of the land itself, which is running through the land, which is the easiest to build, which is the most sure to pay—which is so sure to pay that you propose to throw upon the back of that middle section, the heavy burden of the two ends of the line—for this section you are giving at the very lowest calculation, a profit at the rate of $23,000 per mile to the Syndicate for its construction, that is at last year's estimate. If you take this year's and apply it to that section, you find the $9,780,000, the deficit $780,000 only, and the surpluses increased to $44,850,000, or $36,550,000, or $23,520,000, according as you value the lands. You find the mileage cost $10,700, leaving a deficit of only $700 per mile. You find the surplus $49,300, or $39,100, or $24,300 per mile, as you take the estimates of the value of the lands. Now, let us get the estimate of the next section from Jasper House to Kamloops, 450 miles. The 100 miles which has been taken off from the central 1,000, I take, of course, at $13,000 per mile, the average of the whole of that section, and add to it the $900,000 which I took off the 900 miles, making for that 100 miles $2,200,000. The residue, according to the estimate of last year, would cost $15,500,000 to Kamloops. Add half a million, being one half of the extra million assigned to British Columbia, and you find a total of $18,200,000 as the cost of that 450 miles. The cash to be provided is six millions of dollars; the deficiency to be met out of lands on this section, with reference to this difficult piece of work is twelve millions of dollars. The lands amount to seven and a half millions of acres. At the first rate they would produce $30,300,000. At the second $23,850,000, at the third $15,000,000, leaving a surplus at the first rate of $18,100,000, at the second rate $11,650,000, or at the lowest valuation of the lands, $3,000,000. The mileage cost is $40,444; the cash receipts per mile $13,333. If you add the land at the highest rate, it gives a surplus of over $40,000 per mile; at the second rate, a surplus of $26,000 per mile, and, valuing the land at only $2 per acre, a surplus of $6,222 per mile. The cost to be provided for over the amount of the subsidy for each mile of this road is $27,111. But if you take the new estimate, of course the cost is reduced from $18,000,000 to $16,200,000. The deficit, therefore, on the cash subsidy is $10,200,000, and the surplus would be $22,500,000, or $16,000,000, or $4,500,000, according as you value the lands at either of the three sums which I have rated them at. The mileage cost would be $35,600, leaving an excess of $50,000 a mile, or $30,800 a mile, or $11,000 a mile, according as you value the lands, and the cost to be provided out of the lands would be $22,300. So you see here there is a margin, though by no means so handsome as the margin that is to be derived from the construction of the central section The eastern link is 650 miles in length, the cost of building which is estimated at $21,666,000. The cash subsidy is $10,000,000, leaving a deficit on the cash subsidy of $11,666,000. The lands would produce $25,250,000 at the highest rate, giving an excess, after paying the whole cost, of $13,584,000; at the middle rate, $19,875,000 or $8,210,000 of excess, and at the lowest rate $2 per acre, $12,500,000 or $833,000 of an excess. The mileage cost is $33,333; the cash receipt per mile $15,384; adding the land at the highest rate it gives a surplus of $20,895; at the middle rate, $12,626; and at the lower rate, $1,267 per mile. The sum to be provided out of the lands, is $17,949. According to the new and reduced estimate the cost is cut down to $19,300,000, making the deficit on the the cash subsidy only $9,300,000, increasing the surplus, as you estimate the value of the lands, to $15,900,000, or $10,500,000, or $3,200,000. The mileage cost is $27,667; leaving a surplus per mile of $24,500, or $16,000, or $4,650; and the cost to be provided out of the land is $14,300. So that you see that if the Lake Superior line were to be abandoned the Company would get an enormous share of what was attributable to this contract on the whole, and would be able to make millionaires of themselves long before the period of abandonment had taken place. Now, the hon. gentleman says that he wants the prairie portion built fast, and because he wants it built fast, and because it is inconvenient to the members of the Syndicate to provide the funds, he undertakes that the public shall provide them, and, because he wants the prairie section built faster, he takes the cash that ought to belong to the other sections, and should have been reserved for the securing of their construction, so as to make it easier for them to do this work. He says "what thou doest do quickly." Now, Sir, the general result is, that on the old estimates there is but $2,000 a mile deficiency over the cash subsidy on the prairie section; on the western, there is $27,000 a mile, and on the eastern end there is $18,000 a mile. According to the new estimates, there is $700 deficiency only on the cash subsidy on the prairie sections, $22,300 on the western, and $14,300 on the eastern. Can that be explained, can it be defended, even admitting that the intention is, in a business-like manner, to secure the construction of the road from end to end, that means should be given in cash which are properly belonging to the ends of the road, to be used and absorbed in the construction of the prairie section? By this, as each 20 miles of line is built on the prairie, an immense block of land will be handed over absolutely to the Syndicate, which is wanted to secure the end of the line. Well, the hon. gentleman says that they have got a grand security for its construction. He will compel them out of the profits of the prairie line, because they will not deny that the prairie line is going to be by itself an enormously profitable one, to build this section of the road. We are told that that is to be built within three years. Of course, they will build it fast, because there are fortunes in building it fast. Every 20 miles they build gives them an immediate fortune, and, of course, they will build it with great rapidity upon such liberal terms. They may well afford, for the chance of obtaining the many millions they will secure in four years from the central section, to deposit one million which is expected to be the security for the construction of the rest. It is paying one million to get twenty millions or far more. Now, the hon. gentleman seemed to be very

much alarmed about the operating of this railway. I did not observe that there was, last year, any tremor in his voice or any signs of dismay. Upon that subject last year, the Minister stated that he believed that the road would forthwith, after payment of running expenses, pay a considerable return of interest on the money expended on its construction. I was really a little surprised that the hon. gentleman should have become so much less hopeful, seeing that everything else was so very bright and smiling. The estimates are reduced, the country is in a more prosperous state, the prospects are very much brighter, and everything has become in a better state, and I was rather surprised to find that he was somewhat dismayed, now as to the operation of the road, instead of believing that it would pay a considerable sum for interest on the capital expended. But the other day he says that he had got the security of five millions of dollars of bonds or acres of lands. Now there is an easy way of arranging about giving security, and I think that the hon. gentleman has devised a patent plan by which his objection to securities may be wholly obviated. I think he should consider whether it would not be well for him to bring it into execution. For example, supposing a contractor is to pay a million and he wants fifty thousand for security, he should say, as in old times, "take thy book and write four score," put it down as $1,050,000 instead of a million and let us have the $50,000 security. That would be rather an improvement upon the present plan, for in this case the hon. gentleman seems to give some ten or fifteen millions in order to get the security of five millions. I recommend him, as an improvement in his policy, not to give so much more than the security he demands. It is an easy thing to obviate the difficulty by increasing the amount of the contract without going beyond the amount of the security you exact. The provisions as to the guarantee of interest, the provisions as to the land grant bonds, are rather complicated, and I do not profess to have wholly mastered them. I should like some explanations as to them, and the explanations of the gentlemen to whom I referred would be useful. They require careful consideration in order that we may understand what they require. So far as the interests of the country are concerned, these financial propositions require careful scrutiny. As to the provision as to the Government being bound to receive upon deposit these indefinite sums, I may say this, the hon. gentleman has stated that the Finance Minister can use them. Well, but the Finance Minister may not always be able to use them. It may be that these sums may be received for a time which is not determined; it may be that he may not know how soon he may have to pay them out; it may be when he goes to his bankers and tells them that he wants to swell his balance by twenty or twenty-five millions, that the bankers may be extremely indisposed to give any rate of interest on that deposit at all. Such things have happened before, and I believe that a much more proper and prudent provision would have been this: to provide that the money should be placed in the banks, or otherwise, under the control of the Government, and in its name, the Company being allowed to make such arrangements as they can with the bankers for interest, provided that the Government may take such sums as from time to time they find they can use, at the four per cent. interest. Such a plan would give the Government the power to take upon deposit at four per cent. what the public needs may require, whilst the Company would be entitled to make such arrangements with the bankers for such sums as the Government did not take. But the absolute obligation on the part of the Government to pay interest at the rate of four per cent. on the twenty-five millions, is, I think, objectionable. Then, as to the practical operation of the proposed plan, that the subsidy shall be placed in the shape of

coupons or interest on Company's bonds. I do not know the rate of interest at which the bonds will be issued, or upon what terms, but I have assumed they would be four per cent. at 20 years, or five per cent. at 20 years; and that in either case the Government would allow interest of four or at the rate of five per cent. I need hardly say that it would be necessary, in computing the interest the Government should give in the way of coupons on the interest of the bonds, to assume that a very large sum of the total would not be payable as part of the subsidy for many years. Therefore, it seems to me that the Government should not be bound to pay interest from an earlier date, and it seems to me that the uncertainty which exists, the impossibility of telling beforehand at what time the cash subsidy will become payable in its different proportions, renders it impossible with justice and certainty to ascertain and determine how much should be given in the way of coupons. We do not know when we shall have to pay, it depends upon the progress of the work, and, therefore, it seems to me impossible to ascertain at what time the money should be deemed to be due in calculating the amount of the coupons. But supposing $25,000,000 is to be regarded as presently payable, the results would be these:—At four per cent. bonds for twenty years, the Government allowing four per cent. on the deferred payments, there would be a semi-annual payment by the Government of $913,823, which would represent interest at four per cent. on a bonded capital of $45,694,683, say 45 millions and a half. The Company thus get into their hands 45½ millions in bonds at four per cent. for 20 years, the interest at four per cent. being the Dominion's bond to pay that interest, and not a guarantee, so that the public who are takers of these bonds would know there was no obligation on the Company whatever to discharge the interest, and that all the Company would have to discharge would be 45½ millions of capital at the end of 20 years. Under these circumstances they are likely to float the bonds, in the present condition of the money market, at something near par. At five per cent. the result would be that the semi-annual payment of interest by the Government would be $995,506, and the capital sum of the bonds, say 40 million dollars. Then you have a capital of 40 millions which could surely be floated at or over par. Now the four per cent. arrangement would give for the eastern link, of bonds which are the representative of the cash subsidy, $18,280,000; for the western end, $10,968,000, for the central or prairie, 900 miles, no less than $16,452,000. This is confessedly an outrageous arrangement, for the contract provides that, in this event, $2,000 a mile is to be lopped off the 800 miles of prairie section and put on to the western end of the central section. I want to know why that $2,000 a mile is not kept at the end to which it belongs. If it is right in the one case, it is right in all cases, and the provision that at least $2,000 a mile should be taken from the prairie section and added to the end, in this event, shows that, in the mind of the Government themselves, they knew they were wrong when they made this arrangement. These are tolerably extensive and valuable privileges which are about to be given to the Company, as the means of constructing a railway, which that Company is afterwards to own. But these are not the chief privileges. There is in this Bill one of the most extraordinary provisions. I dare say there may be found a precedent in some Act of a State Legislature, but I do not know of any. It is a grant of all powers, not merely necessary, but all powers which may be useful, in order to do all the various things they are authorized to do by the charter, and I do not know of anything they are not authorized to do. This generality of words is not to be derogated by from any particular franchises which are conceded, but it is to be as wide as can be. I suppose it is copied from the

Constitutional Act, which, besides giving enumerated powers, gives a general power, with the precise declaration to what I have referred. They have freedom to reject land they deem not fairly fit for settlement, and to choose the best land elsewhere. They have perpetual exemption from taxation of their enormous property, a most monstrous provision in my opinion. Why! this monstrosity is not to last merely twenty years, which is to be the period of bondage in other respects, but it is to last for ever. No matter how wealthy the Company may be, how enormously lucrative, this institution is to be for all time to come free from all taxation in every place in which this Dominion can free it from taxation. It is to be free everywhere from Dominion taxation in all the territories both from Dominion and from territorial taxation, wherever the Dominion can give it freedom, and that is through all the fertile belt at any rate. It is to get its rails at cost. I am surprised at the hon. Minister. After glorifying himself so much upon that admirable purchase of steel rails, after recounting over and over again how much he gained for the country in the purchase, he says it is true he does not give over to this Syndicate what he wants to lay on his own track, but the balance, he says, I will hand over to you at cost and at four per cent. interest. I forget really how much he made, although we have heard it often enough to impress it on our memory, but certainly it was a very handsome present. But, Sir, why should not the rails be taken over at the market value? And why should the country not get the benefit of that value, whatever it is. Then there is to be freedom from duty on imports. Here is protection for you! I understand that those interested in some of the languishing industries of the Maritime Provinces and elsewhere have been looking ever since the hon. gentleman announced the speedy construction of the Canadian Pacific Railway, and hoping for the day to come when they should revive their industries and open their workshops to produce those things required in the construction of that road, and now we hear that the great advocates of protection, the inaugurators and perpetuators of the National Policy, have got this message for their unhappy manufacturers: You shall not be permitted to manufacture these things because you cannot manufacture them so cheaply as the Syndicate can buy them elsewhere, and whoever else may suffer, whoever else may have to pay higher prices that you may live, our good friends the Syndicate may have liberty to buy in the cheapest market and sell us afterwards in the dearest, and, that they may do so, we will give up the import duties on the goods they want. Then, Sir, there is freedom from taxation for the lands for the long term of twenty years. And that term of twenty years is from the time they acquire the lands, and, therefore, it is longer than twenty years from now. It is, perhaps, on the average, twenty-five years—nay, more than that. I am not at all certain that it may not be very easy to arrange to make it longer, because, by a convenient arrangement by which they do not take out the patents until they want to sell, they can keep them free from taxation until they choose to put them in the market, indefinitely, indeterminately—until it suits them to dispose of them. The hon. gentleman says, perhaps, it does look awkward at first sight; but if the Government, who own the lands, were to build the railway the lands would not have been subject to taxation, and why should they be when they are placed in the hands of the Syndicate. It does not seem to me that because the Government, in the interests of the country, and for the public good, could construct the railway, the Syndicate, who are getting the bargain to which I have referred, should have this privilege. Why it is turning the Syndicate into the Government—putting them in their places to a considerable extent. But, Sir, I say there is a difference between a private interest and the public interest. With the Government in possession of these lands, do you suppose they would delay a day in selling them because they are exempt from taxation? Do you suppose that the possession of these lands, free from taxation would render them less earnest or less eager to sell? Not so. Their interest would be only to sell, and to sell rapidly. But the interest of the Syndicate is to make as much money as they can, and more money is to be made by delaying than by selling, their interest will be to delay, and to have as little expense as possible meantime. All their lands are exempted from taxation in the North-West Territories for a generation to come. What a discouragement this is to the settlers along the line of railway, to those who are settled on the homesteads, and pre-emptions alternating with these blocks of land which are to be the property of the Syndicate. We know the result of exemption from taxation. We saw it on a small scale in the city of Toronto not long ago. Our lawns there were exempted from taxation because it was supposed that it was a good thing, for the public, that there should be these open spaces in the city. Happily the exemption has now been removed; the proprietors of these lawns have to pay taxes upon them. The result is that they are putting them in the market. They said to themselves before, "We have nice lawns; we enjoy them very much; they are gradually increasing in value as other property in Toronto becomes more valuable, and we are paying no taxes. Other persons who are operating in lands are paying heavy taxes; we turn our land into lawns, we need pay no taxes, and we can afford to wait a long time, and make our profits free from taxes." That is the effect on a small scale, upon a man's mind, of exemption from taxation. That on a gigantic scale will be the effect of exemption on the Syndicate who can hold their lands from year to year for twenty years, without any drawback in the way of taxes. And for that the progress of this country is to be interfered with. There can be no greater obstacle to the progress of that country by the encouragement of other settlers than that large spaces of unoccupied lands should alternate with settler's farms. We, who are familiar with the early settlement of this country, all know the effect upon farmers holding even smaller areas—farms of 100 or 200 acres—by the intervention of unoccupied spaces between such farms; we know that the farmer's disadvantages are trebled because there is not continuous settlement; he lacks the joint fencing, the road work and the neighbor's assistance, and all those other things which increase his capacity for making his land valuable and productive. Now, add to the difficulty which exists in that respect, which the largeness of that area will enhance, at any rate, in a large degree, the fact that there is no power to impose municipal taxation on 25,000,000 acres of the choicest lands, those nearest to the railway, and you place a bar to progress and render it impossible to get over the difficulty; you say that the cost of roads and bridges, school, and other municipal taxes will have to be imposed on the settlers, to enable the worthy Syndicate to hold their lands until the reduced labors of those settlers shall have sufficiently increased the unoccupied areas in value to induce the millionaires, the holders of the lawns of the North-West, to turn them into money. Why, Sir, it was only last year in the discussion of this subject when we objected to the speculator holding land, when we said to the hon. First Minister that settlement would be impeded by areas of land being held by persons who were not bound by conditions of settlement, that he answered us by this very argument. He said: "They will be compelled to sell and settle because they will be taxed into it. Municipal taxes will compel them to do it, and therefore your fears are void." That was his answer to our argument; but where is that answer in the face of this contract? As to the 25,000,000 of the choicest land next to the railway, the only thing the hon. gentleman could bring forward to prove that great injury would not be done by not

assigning conditions of settlement, is removed in favor of this unfortunate Syndicate. I say, Sir, that if they are going to establish an immigration agency it would probably be to their interest to see the free grants settled, and they could afford to hold over a very large area of their territory until the labor and industry of the free grant settlers had made the roads and bridges and improved their farms, and thus made their untaxed domain valuable. I know that there is another element that is calculated to induce them to settle the land early; I am aware that there is a large element of profit to be derived from settlements by railways. I know that, in the prairie country, we are told that ten miles on each side of a railway will support a railway. Yes, Mr. Chairman, I believe it to be true, but what makes it true? Why it is the rates they charge. It is because they are landlords of the area of twenty miles. That is the reason it is profitable, and unless you have given them power to exact those extortionate rates, they will not have the great interest to which I have referred, to get settlers on their lands. Then there is, it seems to me, a practical privilege of abandonment, for I do not see anything in this contract of reverter of the railway to the Government, or reverter of the lands to the Government, in case they fail to complete the ends, or either end after building the middle. Again, they have great privileges as to telegraph lines, as to elevators, and we know what extortion is practiced by combined elevator companies, and as to other matters. Again, they have the right to build railways just wherever they please. The hon. gentleman said: "What, do you complain of that? Why, in the United States any man can go and build a railway wherever he pleases." The hon. gentleman has become in the course of this discussion, an ardent admirer of United States legislation. I want to remind him that whatever the virtue of that mode of legislation may be—and it is not now under discussion—we are not contrasting the situation of the Syndicate with reference to the happy inhabitants of the United States who enjoy those privileges; we are contrasting the position of the Syndicate with reference to Canada and Canadians, and their roads, and the legislative policy that exists with reference to private persons building railways in this country. These are what we have to compare, and the comparison is not satisfactory, irrespective of the special provisions of this contract, because it has not been our way to give to any individual or number of individuals the power of making and declaring themselves a corporation and taking possession of lands and building railways wherever they pleased. If the hon. gentleman is disposed to devise a general policy of that kind, let him bring it down and dispose of it *pari passu* with this measure; but if he gives this railway power in such a manner as to render it difficult to grant charters to other companies, do not let him tell us that he is putting the Syndicate on a level with his fellow countrymen—with other Canadians—when he says that they shall have what no other Canadians have power to do, power to build railways wherever they please. Sir, it is a serious matter to say to all the rest of the world, you must come to Parliament and run the risk of getting a bill through, and getting it on whatever terms the Government may decide, while these people shall have the right to build wherever they may choose. It tends to prevent people from coming to Parliament to get legislation. They will say, "What is the use of us going down to Parliament. The moment we find a scheme for a road, make explorations and surveys and prepare our bill, the Syndicate, which is rolling in wealth, will just fyle a plan in the Secretary's office and go on and build the railway;" and if they do take some steps to carry out their project, the Syndicate may step in and run their railway in a way highly prejudicial to their interests. It would not only give the Syndicate privileges and advantages and monopolies which are refused to all the rest of the world; but they have the right to build anywhere; they have the right to choose their route—there is no restriction on them as to the course their railways are to take. They may go south with their main line. They may, instead of making it the backbone of that country, instead of placing it in the position approximately in which it is now placed, sweep down very much to the south and take into their main line the whole of the traffic, and thus prevent any kind of competition almost, and greatly deteriorate from the advantage of the railway as a great central line intersecting that co untry. It is true we have a protection. We have the protection of the consent of that Council which has signed this contract, but what kind of protection that is, Sir, I will leave to you to say. But they may do something more; they may run branches anywhere north, anywhere to the south side of their line. Yes, anywhere to the south or south-west, anywhere southerly, anywhere westerly, yes, no prohibition for them. They can go down, if they please, if it is to their interest, down by the Turtle Mountain to Sault Ste. Marie, or any way which will connect them with the St. Paul, Minneapolis and Manitoba Railway, if only they can get on good terms with that corporation, if only they can agree with themselves, for we know they are in fact and substance the St. Paul & Manitoba Railway Company, and though they are perfectly free to go where they like and make any arrangements they please with American lines, nobody else must. Oh, it would never do, after you pay them a price and a half for building the road and give it to them and allow them to take whatever they please for fares and freights—it would never never do to allow any one else to build south or south-west. No; they must be protected in their vested rights, and there is a prohibition for twenty long years that no one else can construct any line which shall go south or south-west of any line which shall go within fifteen miles of that abominable boundary. But they may go themselves; they only may touch it, they can do no harm. They are the country, they are the Government, and, of course, they can do no wrong; but all the rest of us are prohibited solemnly, by the Parliamentary contract, which binds our descendants as well as ourselves; binds all those who may be induced to go into the North-West; declares that in the constitution of any new provinces to be created out of that vast territory there shall be inserted a constitutional provision divesting the inhabitants of that country of the right to build railways wherever they may think advantageous to them, and leaving them to the mercy of the Syndicate. They have the absolute right; you cannot restrict them; you cannot say others can build with the consent of Parliament, for the Syndicate have the absolute unconditional right to build in a way from which every body else is absolutely excluded. Now, there is in this a practical monopoly of the trade of the North-West Territory secured by law for at least twenty years, and it probably means *in perpetuum* to this corporation. There is no security for the accommodation—none for the accommodation whatever. Those men are to have the absolute powers, but there is no security as to the class of accommodation they are to give to the public, and there is no practical security for the rates. The hon. gentleman referred to the clause in the General Railway Act, and he glorified himself in the fact that the Government had been so careful of the interests of the country that they had actually imposed certain limitations upon this corporation which did not exist in the Railway Act. That Act says that 15 per cent. profit shall be the minimum below which you shall not reduce the tolls; we have cut it down, he says, to the modest figure of ten. Now I need hardly observe that this corporation stands in a somewhat different position relatively to Parliament and to the country from the great mass of railways in Canada. The great mass of railways in this country have been constructed out of resources

mostly provided by private individuals. Considerable sums have, from time to time, been given by way of aid or subsidy by the Government towards the construction of some lines, but the main portion of the capital of these railway companies is private capital. What restriction you may impose upon private capital so long as you depend upon private capital to take the risk of constructing a railway is one thing; what temptation you may deem it necessary to offer to private capital in order to induce it to enter into that channel is one thing; but the same considerations are not at all applicable to a case in which you say to some individuals: Gentlemen, we will give you as much and half as much again as is necessary to build this railway, and we will let you own it afterwards. It is not the work of private capital at all. These men will, for a little while, until they make some land sales, invest four or five millions which will be recouped to them within a very brief space of time, and then they will have this enterprise without having sunk a dollar of their own money in it, and will have millions of acres besides. In such persons, so situated, who are to run a railway which has been built by the country for them, we may fairly expect more rigid, instead of less rigid, limitations as to rates and fares, and a corporation, possessing such extensive privileges as these, such privileges for extending lines all through the North-West, and forestalling the construction of competing lines, such statutory privileges for preventing other people from building commercial lines which might interfere with them, on the express ground that their building might interfere with them—on such a corporation, possessing all these advantages, and with no disabilities, we may expect to impose more rigid limitations and regulations as to what they will give to the public for the great deal the public is giving to them. Well, Sir, what have we given them? The General Railway Act, in its 17th section, provides:

"9. No tolls shall be levied or taken, until approved of by the Governor in Council, nor until after two weekly publications in the *Canada Gazette*, of the by-law establishing such tolls, and of the Order in Council approving thereof:

"10. Every by-law, fixing and regulating tolls, shall be subject to revision of the Governor in Council, from time to time, after approval thereof; and after an Order in Council, reducing the tolls fixed and regulated by any by-law, has been twice published in the *Canada Gazette*, the tolls in such Order in Council shall be substituted for those mentioned in the by-law, so long as the Order in Council remains unrevoked.

"11. The Parliament of Canada may, from time to time, reduce the tolls upon the railway, but not without consent of the company, or so as to produce less than 15 per cent. per annum profit on the capital actually expended in its construction; nor unless, on an examination, made by the hon. Minister of Public Works, of the amount received and expended by the company. The net income from all sources for the year then last past, is found to have exceeded 15 per cent. upon the capital so actually expended."

I am not aware of these powers of reducing tolls having been used, either by the Governor in Council or by Parliament, and I believe the existence of such powers, in the case of a corporation like this, to be wholly nugatory. I do not believe these tolls ever would be reduced by the Governor in Council if the Governor in Council was given the unfettered power of reducing them when once established. He is, by the Act, given the unfettered power of reducing them when once established, but the Syndicate, in this respect also, enjoys a limitation of the power of the Governor in Council that no other railway company enjoys. A private railway company, built with private capital, at private risk, and serving the public at the risk of its own capital, may technically, under this section, be subject to have its tolls reduced by the Governor in Council, at the discretion of the Governor in Council. But the Syndicate has this special privilege, granted by the 90th section of its Act of incorporation:

The limit to the reduction of tolls by the Parliament of Canada provided for by the eleventh sub-section of the 17th section of the *Consolidated Railway Act*, 1879, respecting TOLLS, is hereby extended, so that such reduction may be to such an extent that such tolls when educed shall not produce less than 10 per cent. per annum profit on the capital actually expended in the construction of the railway, instead of not less than 15 per cent. per annum profit, as provided by the said sub-section; and so also that such reduction shall not be made unless the net income of the company, ascertained as described in said sub-section, shall have exceeded 10 per cent. per annum instead of 15 per cent. per annum, as provided by the said sub-section. And the excercise by the Governor in Council of the power of reducing the tolls of the company, as provided by the tenth sub-section of said section seventeen is hereby limited to the same extent with relation to the profit of the company, and to its net revenue, as that to which the power of Parliament to reduce tolls is limited by said sub-section eleven."

So that while the Governor in Council has, as applied to other railways, an absolute power to reduce the tariff of tolls at any time, the Governor in Council, as to this railway, cannot reduce any tariff of tolls unless to a point at which they will produce not less than ten per cent. per annum profit on the capital actually expended in the construction of the railway. And is it because it is not the Syndicate's money—is it because it is our money—on which the ten per cent. is to be paid, that they are to be secured, while private capital is exposed to a lower dividend? Why is it that they are not to be subject to the Order in Council to as full an extent as all other railway companies are subject? Why is it that the power of the Governor in Council is limited to this ten per cent.? Now, let us discuss this ten per cent. a little. The hon. gentleman ventured the suggestion the other day that this was on the Company's own private capital, but he will not find that suggestion borne out. I shall be very much pleased if the hon. gentleman is able to obtain a declaration from the members of the Syndicate, that what is intended is, that they are to get not less than ten per cent. of the money they themselves put into the railway. That nothing that comes from the country—that the Thunder Bay branch, for instance, is not included—that the railway in British Columbia or the Pembina branch is not included—that the proceeds from the sale of lands is not included—that only that, which, after the public resources are exhausted, they take out of their own pockets, is to bear this ten per cent. If the hon. gentleman will say so, he will remove a large part of my objections to his contract. But he cannot say so; it is not the agreement; it is not the contract; it is not the law. If this contract passes in this shape, the capital, no matter from what source—though it represents the money we have put in, and the money we are going to put in and the proceeds of the land we give—is the capital spent on the whole of that undertaking called, by the Act, the Canadian Pacific Railway, which is entitled to bear ten per cent. And if you say that I under-estimate the cost of the road; if you tell me, so as to make out that they have got a worse bargain, that the road is going to cost them $120,000,000, then they can take $12,000,000 a year in tolls, and that without expending, even for a brief space, more than $5,000,000 of their own capital. They are first of all to take enough of the profit out of the middle and paying part to work that part, and then they are to take profit enough to work the British Columbia end and the Lake Superior end, and after they have taken enough to pay the working expenses of the whole line, after having taxed the farmers of the North-West with enough money to pay the working expenses of the whole, they are then, after all, to set the profit at what rate they please to put it. Call the cost of the road $90,000,000, that is $9,000,000 direct profit. Call it $120,000,000, that is $12,000,000 a year before you can reduce tolls once established. It is contemplated they shall get ten per cent. interest, You make a provision that their rate of profit shall not be less than ten per cent. in effect so far as you can make that provision. Besides, you will fix these tolls, in the first instance, with reference to the larger running expenditure that will exist and smaller returns that may at first exist. The Syndicate will reasonably say, fix a toll at a rate which will make

the railroad pay or help to pay under existing conditnios. You fix it, and once fixed you can never alter it until the day arrives at which the Company is getting $9,000,000, or $12,000,000 a year profit, after paying all the expenses of the road. Nor is that all. The hon. gentleman has taken the Union Pacific as his standard, and there may be a construction company, there may be a Canada Credit Mobilier, there may be arrangements which would easily swell the nominal capital account to the $150,000,000, so that it may appear that the $150,000,000 had been expended on the construction of this railway, though it may have cost only $90,000,000 to construct it. The hon. gentleman has himself shown us how men are deceived. He, the man who is chiefly responsible for the making of this contract, who submitted it to Parliament, who inserted this clause that the Union Pacific should be the standard, actually did believe that the Union Pacific did cost the $130,000,000 he mentioned. I have shown you it cost nothing like that sum, that the amount was a nominal one made up by fraud, by all the devices which can be resorted to in such cases. If the hon. gentleman did not know that the actual cost of the Union Pacific, built as it was, as I have said, was much less than the nominal cost, how will his friendly eyes ever open to the conception that it is possible a similar result may be reached in the case of the Canada Pacific Railway. We have yet to take hold of another, the lessons of experience. A few years have pointed out the real dangers that exist in this connection. Within a few years past the people of the neighboring Republic, having the greatest development of railway enterprise in the world, having, I suppose, in round numbers, some 90,000 miles of railway running there, have had the opportunity of knowing, and, by sad experience, do know, what the difficulties and evils are which are incidental to those great benefits to humanity, railway corporations, and railway enterprises. The peculiar circumstances favoring with us, the growth of the evils of monopoly, render it still more necessary that we should see what those evils are which are experienced elsewhere, and devise some means of averting them instead of blindly going on as if there were no evils, or as, if there were evils, that were not capable of being averted. Sir, these people will become the landlords of the North-West. They will take such a share of the profit of every farmer in the North-West as they choose to demand, consistently with there being any stimulus on the part of that farmer to raise grain for the market. They are not entitled to ask, Sir, for the privileges given to men who build railways at their own risk. They do not occupy that position. You are giving them the money to build up a monopoly of trade, and giving them statutory security for that monoply, and you are bound to restrain them. Their exceptional position obliges you, if even the general evils did not, to restrain them. Talk to me of this thing standing. It will not stand. If you pass this law, and if the country of which you speak so glowingly is what you depict it, if its prospects of settlement are such as you hope they are, I say you are blighting these prospects by passing this law; and if those prospects are measurably realized, notwithstanding the passing of this law, I say the people of that country would be less than men if they suffered such a law to exist. Talk of the immigration of Irishmen to the North-West. You are proposing to them to substitute the scorpion for the rod. You are proposing to those who are suffering under the tyranny of individual landlords, to expose themselves to the soulless tyranny of a gigantic corporation. You are telling them that their chance of profit is to depend on what this corporation thinks they ought to pay as tribute before they can take their produce to market. I have referred to some of the acts of railways that are in this position. I have referred to what the St. Paul and Manitoba Railway do. I do not believe they are an exception. They all do it when they can. I believe it to be the standard of morality of railway men throughout the United States that they are to take whatever the traffic will bear so long as they do not take so much as will prevent the continuance of traffic. I believe they take just as high rates as they can get everywhere, and I will prove that by good evidence in a few moments. I said the other, the quotation for wheat from Emerson to Toronto, was forty-five cents. The rate at a fair paying rate would be $1\frac{1}{3}$ cent per hundred miles, or $17\frac{1}{3}$ cents for the distance, 1,300 miles. In point of fact, I believe the rates from St. Paul down to be much lower than $1\frac{1}{3}$ cent a bushel, and consequently a much larger proportion than that would amount to, goes to the St. Paul and Manitoba Railway. But, assuming there will be, according to that calculation, a just compensation of $5\frac{20}{100}$c. you have $27\frac{2}{3}$c. per bushel over a fair transport charge; and if you give 25 bushels to the acre, for the early years of the fertile Red River Valley, it means, after paying a fair charge for transports, a tax of 6.82\frac{1}{2}$c. an acre on the farmer for every acre he puts into wheat. And the rate quoted at the largest mill in Minneapolis, perhaps in the world, on the 14th December last, a special rate, and it is one of the clauses of their creed to do business largely in special rates—the very best available was from Emerson to Minneapolis 21c. per bushel. Ample payment would be 5·20 at the average. The result is, the surplus charged 15·80, for that special rate. That would be a rent of $4 on every acre in wheat after payment of the fair charges for transport, and that is the position of the man at the boundary. In what position will be the man 200, 300 or 400 miles inside the the boundary or further west? Of course the railway men cannot go on charging at this rate for the greater distance, because there is a limitation to their charges, which cannot exceed what the traffic will bear. But that is the only limit. But how does this rate act on the frontier? For a long time a great deal of the furniture needed will be imported—a point not more important to the farmer than the manufacturer. A car load of common furniture is worth, on board, in Ontario, $700. The freight all through, from any point in Ontario to Winnipeg, will be about $280, or 40 per cent. on cost. Add merchant's profits on that, $280, or 25 per cent., and you have an additional cost to the consumer of 50 per cent. That is rather an alarming statement. In addition to this increase of 50 per cent., to get the furniture into Winnipeg, how much will be laid on it to carry it into the interior at those rates? But dealing only with Winnipeg, if the same rates, proportionately, are charged on furniture that are paid by agricultural implements, the settler would be seriously oppressed; the St. Paul and Manitoba Railway, having a monopoly, is charging on the furniture, after payment of fair rates for transport, a tax of $18\frac{1}{2}$ per cent on value. If that rate is not charged, I have no doubt it will be found that one will be charged amounting to $12\frac{1}{2}$ to 15 per cent on the value of the furniture over a fair rate of transport. No wonder you want a very high duty to keep out furniture made near the border on the American side. I have here quotations of the rates on the general classes of freight, showing the rates of freight between Toronto and Winnipeg. For first-class freight from Toronto to Chicago, 515 miles, 60 cents; from Chicago to St. Paul, 409 miles, 75 cents; from St. Paul to St. Vincent, the monopolists line, 390 miles, $1.50; from St. Vincent to St. Bonifaco, 67 miles, 25 cents. Second-class freight: from Toronto to Chicago, 50 cents; from Chicago to St. Paul, 60 cents; from St. Paul to St. Vincent, $1.30; from St. Vincent to St. Boniface, 21 cents. Third-class: for the first distance, 515 miles, 40 cents; for the second, 409 miles, 45 cents; for the third, through the happy region to St. Vincent, 390 miles, $1.10, and the fourth, St. Vincent to St.

Boniface, 19 cents. Fourth-class freight: first distance, 30 cents per 100 lbs.; second, 35 cents; third, 90 cents; fourth, 14 cents. I dare say these figures will be found tolerably alarming. They show profits very much more than fair compensation. They are monopolists' figures, first compensation and afterwards a tax or duty as large as it is thought the traffic will bear—a burden upon the consumer and producer of the most dreadful character. I said I would give some evidence as to the general view of railway men on this subject. It is not confined to absolute monopolists; they are all more or less monopolists. Two of the great railway presidents, Vanderbilt and Jewett, stated, I think, in 1879, the rule of the road to a committee of the New York State Legislature investigating into the tolls connected with the railways. The rule was: "Charging all an article will bear, and at the same time stimulating its production." You see I am not striking at the St. Paul and Manitoba Railway only. They all follow the same rule, but some are in a position to charge more than others, all animated by the same virtuous desire. The great mining railways simplify things beautifully. You go to the manager of one and say: I want to send some ore to such a point, what is your freight a ton? He asks how much will your ore assay? You reply, what have you got to do with that? He says: I must know what your ore will assay. If it will yield thirty dollars, then I will charge ten dollars. To the same question, if you have got ore that will assay $300, you will receive a similar answer, and a demand for $100 for freight, or as much as the traffic will bear. The report of the railroad company of the New York State Assembly, of 1879, says, after a year's enquiry:

"The wheat rates from Chicago to New York were raised from 15c. in August—a living rate—to 40c. in November. It cost the road as much to haul the stuff in August as in November. The rate was raised simply because the condition of the market wanted it, and the product could bear it. The wrong consists in not only performing the proper functions of transportation, but, taking into consideration the probable or possible profit of a shipment and adjusting their rates accordingly. If the shipper is likely to make a large profit, they compel him to divide. If the margin is a close one, they determine whether the shipment shall be made or not, whether it shall result in profit or loss, and the amount of profit or loss."

Now those are statements well worth pondering over. This was a committee appointed to consider the subject with reference to the State through which, you know, there passes an enormous tide of traffic, and particularly an enormous tide of that kind of traffic which for a long time to come we expect to export from our own North-West, that is grain. Through the State of New York and to the port of New York, there come millions and millions of bushels every year. They, finding these evils existing, appointed a committee to enquire and a close enquiry, lasting about a year, was made, and they found that to be the principle which the railway companies carried out as far as they were able to do so in the circumstances in which they are placed—if the shipper is likely to make a large profit they require him to divide. Discussing the very topic which is so very important to us they say:—

"The price of cereals is regulated by the demand. European demand regulates the demand at the seaboard, and this, in turn, regulates the quantity to be brought forward. * * * * The price of breadstuffs is governed by the Liverpool market; the Western producer can receive for his cereals the market price thus fixed, less the cost of placing his produce upon that market; and the testimony of men who have been for years engaged in this trade, who swear from actual knowledge, is that a reduction in the rate enures to the benefit of the producer west, and does not affect the price to the consumer, while an increase in the rates would *pro tanto* decrease the price of the commodity to the producer."

There is practical evidence of that of which they give examples. There is another very interesting statement on this subject by Judge Black, which is as follows:

"The reasonableness of the freight tolls or taxes that may be charged upon any railway will depend on the expenses of running and repairing it and on the cost of construction. The latter will, of course, be the principal element in the calculation, for the tolls ought to be high enough to give the corporation a fair profit on the capital they have actually invested. But many of these corporations have issued large amounts of stock and mortgage bonds for which the holders have paid nothing, or much less than their nominal value. Another way of enlarging their apparent dimensions is to water their stock under the pretense of increasing their capital, while in fact the additional shares are divided among themselves without putting a new dollar into the business. Of course nobody thinks that the real cost of the road is to be measured by the nominal amount of these bonds and shares. It is easy for a competent engineer to tell how much any road ought to cost, supposing the work to be honestly done and liberally paid for. That being ascertained you have the true basis of a calculation which will show how much the tolls ought to be.

"Most of our Western roads are built with the proceeds of public lands granted mediately or immediately by the United States to the several companies which now have them in charge. They did not really cost the stockholders anything, and in some cases they got lands worth a great deal more than all expenses of making, stocking and running the roads. The two companies between Omaha and San Francisco raised in cash out of Government bonds, lands and mortgages of their franchises four or five times as much as they necessarily expended upon the roads. The stockholders, without paying anything, put the enormous surplus into their pockets. These roads thus built at the public expense, and in some cases paid for by the public five times over, are now claimed as the private property of the companies, and the right of the public to use them as highways is utterly denied; nevertheless, I think the claim of these companies to take reasonable tolls stands upon the same foundation as that of companies whose roads were built by the stockholders themselves at their own proper expense. The grant of the lands invested the grantees with a title which could not be revoked if the conditions of it were performed. If they sold or mortgaged the lands and invested the proceeds in the construction of a railroad under a charter from a State or general government which authorizes them to take a fair profit in the shape of tolls, they have as good a right to the tolls as if the capital to build the road had been raised by themselves—that is to say, those companies which built the railroads with capital donated by the public have the same right as other companies to charge a reasonable toll, but their demand of excessive tolls, though not worse in law, seems in the eye of natural reason a greater outrage.

"If railroad corporations have the unlimited power which they claim, then all business is at their mercy. Agriculture, commerce and manufactures must suffer what they choose to inflict. They may rob labor of the bread it wins and deprive all enterprise of its just reward. Though this power does not belong to them legally, they have been permitted to usurp it, and I need not tell you that they have grossly abused it. They avow that they make their exactions with an eye single to their own advantage, without considering any right or interest of the public. They boldly express their determination to charge as much as the traffic will bear; that is to say, they will take from the profits of every man's business as much as can be taken without compelling him to quit it. In the aggregate this amounts to the most enormous, oppressive and unjust tax that ever was laid upon the industry of any people under the sun. The irregularity with which this tax is laid makes it still harder to bear. Men go into a business which may thrive at present rates, and will find themselves crushed by burdens unexpectedly thrown upon them after they get started. It is the habit of the railroad companies to change their rates of transportation often and suddenly, and in particular to make the charges ruinously high without any notice at all. The farmers of the great West have made a large crop of grain which they may sell at fair prices if they can have it carried to the Eastern ports, even at the unreasonably high freights of last summer. But just now it is said that the railway companies have agreed among themselves to raise the freight 5 cents per cwt., which is equal to an export tax upon the whole crop of probably $75,000,000. The farmers must submit to this highway robbery, or else keep the products of their land to rot on their hands. They submit, of course, as all other classes of industrious people submit to similar impositions.

"Common justice imperatively requires that freights be fixed, settled and prescribed by law, and that they be not changed at the mere will of the railroad companies.

Now, Sir, it does seem to me that if it had not been for the wonderful productiveness and expansion of the North-West, the people could not have borne the taxation which the railroad companies have been imposing upon them, and as year by year the average fertility of the soil diminishes, as year by year the crop to the acre decreases, it will be found a burden which will compel a change by the act of Congress or some other power. It will be found a burden wholly intolerable to be borne very long;—this control which these great railway companies have over that great country and over the agricultural interests of the great North-West. And while that state of things is existing in the neighboring Republic, while its people are groaning under the burden, while they are looking all around them for means to redress the evil with reference to existing corporations possessing vested rights, the Government of this country, blind to the lessons which the experience of the Republic teaches, proposes to extend and inaugurate that evil in a ten-fold more aggravated shape in this country. To what end is our

splendid road to Thunder Bay? To what end did we sink millions more than necessary to produce the extraordinary grades and splendid provisions with respect to curvature which exist on that road? Why, was it not to cheapen the cost to the head of navigation and enable us to defy competition, having a good port, and being so circumstanced that we can take down freight a little cheaper, as we can from Prince Arthur's Landing to Montreal by the Lakes, than they can from Duluth, and so beat them? Was it not to invite farmers to the North-West by the statement, "Gentlemen, here is a country in which you have not got monopolist rates for freight charged, a country in which the Government itself, in order that you may have your freight brought down cheap, has built, at an expense entirely unnecessary for other purposes, a railway superior perhaps to any other except the Canada Southern, and capable of transporting your freight at the lowest possible rate?" Sir, the grades and provisions as to curvature of that road are such, as you will learn from the report of the Chief Engineer last Session, as to enable us to take within a fraction of twice the paying load the average grades and curves would allow. It will, therefore, approximately carry freights at half rates. Approximately the cost for transportation will be one-half—I do not say actually one-half because there are other circumstances which may require to be considered, but approximately it will take freights at very little more than half of the average rates. That is the means, that is the inducement you have to offer to the people of Manitoba and the North-West within a year or two. But, Sir, to whose advantage are these splendid grades; to whose advantage is this magnificent railway constructed so that it can be run and worked very cheaply, and enormous trains twice the length of those on other roads can be brought down? To whom is the gain to enure, if the practical result is to be that freight can indeed be carried down at a less actual cost, and that you have only given a greater margin on the division of the profit on the crop to the railway company? Then I must say it has been a very unprofitable expenditure. We are bound, in my opinion, by the most obvious duty to our country, to see that the singular advantages which the Thunder Bay road gives, of taking down the wheat of the North-West to the seaboard, and taking up the manufactures of the East to the North-West at moderate rates, shall be used not to give still larger profits to a railway company, but to secure cheap transport to the public, whose money has paid for that road, and who will have, for generations, to bear the burden of the interest due to it. Now there are various remedies. Competition is, of course, an imperfect remedy, because the competitors may combine, but it is better than nothing. Look what it does between Chicago and New York! Look what it does between Chicago and Montreal! Contrast those distances and the rates on these lines with the rates where there is no competition, as in the case I have given you of the St. Paul and Manitoba Railway. And remember that often, though there may be a difficulty in keeping up a competition, and though you cannot ensure that the competitors will not combine, yet the possibility of competition, and the knowledge that extortionate rates may lead to the building of other roads, is a check upon these corporations. But you prevent anybody, who is not in the interest of the Syndicate, from building at all in a way which will produce competition. You not merely do not secure but you prevent designedly the possibility of competition, and the hon. Minister seems rather to congratulate himself that he has secured a consolidation of interests with the St. Paul and Manitoba Railway Company, so that this very line of railway to Thunder Bay which the people of the North-West were looking for, and hoping for, and praying for is closed to them as a means of relief, and the Syndicate is to control every gate-way to the North-West. A public commission would give some chance of relief, though one of those great railway magnates in New York has declared it as his belief that such a commission always must have one of two results: either the commissioners must own the railway or the railway must own the commissioners. Still something might be done in that way. A provision that the rates should be fixed with a due relation to the actual cost of transport and to some reasonable profit—some large profit if you like—on such individual capital as might prove to have been sunk in the undertaking would be a feasible remedy. A provision which gives the Government the machinery for examination and inquiry into what is the actual cost of transportation, from time to time into the actual individual capital sunk, which gave even 20 per cent profit on that amended capital, would be a great relief. A reservation of public rights on the road, a right to give running powers to other corporations, would be a relief; a provision for the reverter of the line to the public; a provision to give power, on the part of the public, to re-acquire the line on reasonable terms, such as are contained in the present Railway Act, would be a relief. A provision, at any rate, which would enable the provinces which we hope to carve out of the North-West, and through which the road is to run, to re-acquire the railway, would be a relief. If they were to be allowed to purchase the road at a valuation, and get rid by peace instead of by war of the monopoly, it would be a relief. And there are other methods such as the fixing of charges by reference to general averages, and by defining minimum rates. But none of all these things has been done, none of all these things has been attempted. We go on, in spite of the oft repeated lessons of experience, to create to-day, in the year 1880, what I venture to say the men to whom the hon. gentleman has referred would not dream of creating in the United States. Sir, I object to this scheme because I believe it to be a scheme not in the interests of the country, on other grounds. The hon. gentleman was right to refer to my speech of last year. I continue to believe in an eastern connection. I believe, Sir, in the eastern connection. I am of opinion that the interests of this country call for an eastern connection, but I am not of opinion that the interests of this country call for the retardation of that connection. I am not of the opinion that the interests of this country call for the postponement of that connection. I am not of the opinion that the interests of this country call for enormous expenditure in order to secure that connection under existing circumstances. I believe, Sir, that the line by the Sault Ste Marie, in the present condition of railway matters on both sides of the line, affords the practical solution of that problem. A solution perfectly easy, perfectly plain, and possessing obvious advantages of an enormous character over the plans of the Government. The Sault line gives you, in the first place, a connection in two years, or at most in three. Do you want an all rail connection with the North-West? The line you propose, offers you that connection in ten years; the Sault Ste. Marie line offers you one in three years at most. It gives you that connection through a country capable of settlement, while the line, so far as we know, which is proposed to be run by the north shore, is through a desolate country, almost entirely incapable of settlement. It, therefore, gives you a line which, so far as the way traffic through our own country is concerned, will give the power of reducing the expenses, by giving a profitable trade, which will not exist with a north shore line, and, of course, if the through traffic is to bear the full cost of operating the 660 miles of railway, through traffic will have to pay a higher rate than it would if that cost were diminished by the results of the operation of the railway through the settled country. I have not the slightest doubt that it can be done. Such are the commercial advantages of that line that it must be done.

If you choose to take the sum of money and the quantity of land which you are going to give for the construction of the sixty-three miles from South-East Bay to the Sturgeon River, and grant it as a subsidy to a Company, they will build the whole 290 miles, including the 63 miles; and I have no doubt that you can let the contract in thirty days from this date. I believe that the Canada Central Company would not suffer any other company to go in and take the road if these terms were offered; and I am quite certain that other companies would offer to build it on those terms. We know, indeed, that an offer has been made already—perhaps the price is too high; but I have no doubt whatever, but that compared with the North Shore plan, it would be infinitely more advantageous. I believe that that offer is some 4,000 acres of land and $4,000 per mile for 290 miles, being a little more than you are going to pay for the sixty-three miles. But I believe that is too high an offer, and that a lower one could be obtained without difficulty. Now, Sir, why do I say that you could get the road so cheap? First, because this road, passing, as I have said, through a country almost entirely capable of settlement, therefore presents prospects in itself of a good remunerative local traffic. But that is not the only nor the chief reason. Anybody who looks at the map, or who knows what is doing on the other side, must know that that road is the key of the position; that the future of Canada, and particularly of Montreal, is bound up in our having the shortest line by way of Sault Ste. Marie by which the traffic of the American North-West, as well as of the Canadian North-West, shall go to the ocean steamships. And then you get a first-class line because the great traffic will maintain it, because the great traffic will demand it, and you get all the accommodations and advantages and cheapnesses which belong to a first-class line and a great traffic. Sir, that line will give us the trade of about 400 miles in depth, as I estimate, from our boundary all across the continent. It will give us, at present, the trade to a point 60 or 70 miles south of St. Paul, and when shorter connections are made between that region and the South, for a still further distance. But 300 or 400 miles in depth by a continent in width are assured to us by that road. It will give us a trade not in the future. We are told to rejoice, because in ten years we will get a road through to the North-West and be able to do a trade with the people who will then be settled there. I propose that you adopt a scheme which in three years would give you a short route to the North-West, and therefore give you for seven years before your own scheme will do it and for all time thereafter access by rail to the North-West, and within three years and for all time thereafter the traffic of over 1,200,000 Americans on the south of the boundary. It is estimated that the population of the United States which would be tributary to that route, and which would be constantly increasing, would be as follows:—Northern Michigan, 125,000; Northern Wisconsin, 225,000; part of Minnesota, 600,000; Dakota, 135,000; Montana, 39,000; Washington territory, 65,000; Idaho, 30,000; or a total of 1,200,000 at present in these territories who would be tributary to our line. You get the whole trade of the Northern Pacific Railway, that great corporation, which has just started on a new lease of life, which has financed its enterprise and which is diligently spreading its lines, not merely to the west, but to the east, to reach the Sault. It is at Duluth now, and it is being built for 114 miles towards the Sault, from the Northern Pacific Junction, near Duluth. But by this line you get more; you get the shortest line from San Francisco to Europe. If you want to speculate on the future of the North-West I offer you a connection that enables you to speculate on that and on the south-west as well, and which gives you to-day the great west as a present boon. It is doubtful if the best route has been chosen. It is not impossible, but that a better route may yet be chosen between South-East Bay and the Sault, I go for the shortest route, whether to the north or the south of Nipissing. I proposed long ago that the road should go to the south of Nipissing; if it were proved that that were practicable in connection with the interests of the railway. I thought the interests of my own Province made that fair and just; but the road which was proposed at that time was one of a different character—one which was to go by the Mattawa, and it was isolated from the Province. I ask for the shortest line in the interest of all. But I take, for the purpose of comparing the lines of communication, the distances, not by projected air lines, but by ascertained lines, as far as possible. I differ a little from the figures of the hon. Minister, I believe he gave us 460 and odd miles from Winnipeg to Duluth. I suppose that figure is correct; but it is wrong to take the distance to Duluth for the purpose of the calculation. You go only to the Northern Pacific Junction, which is 22 miles from Duluth, and you get a distance from Winnipeg not by direct line from Winnipeg, but by two sides of a right angled triangle of 442 miles. At Emerson you strike the St. Paul, Minneapolis and Manitoba to Glyndon, thence by a round about way which could be shortened by 100 miles without difficulty. In fact a line has been surveyed which shows this. The hon. gentleman gave the figure of 410 miles from that point to the Sault. I have found some difficulty in ascertaining those figures on account of conflicting statements, but I accept the hon. gentleman's statement of figures. From the Sault to the South-East Bay I take 290 miles, which is more than has ever been taken before, and I believe more than it will be found to be when it is ultimately ascertained. I am told the sum of the chaining on the circuitous route is 294 miles, and I think 290 miles is a fair estimate. While an air line is only 234 miles from South-East Bay to Montreal it is 364 miles, or a total of 1,506 miles by the circuitous route from Winnipeg to Montreal. That route may be shortened at least 100 miles whenever the necessities of the case require. Now, the Canadian route, as I have made it out, is, from Winnipeg to Thunder Bay, 428 miles; from Thunder Bay to South East Bay, 663 miles; from South East Bay to Montreal, 1,455 miles, or somewhat shorter than the Sault route. The hon. gentleman makes it still shorter. He makes it to be 371 miles from Winnipeg to Linkoping Station. He assumes the Syndicate will follow the line from Linkoping, and he makes out his distance 34 miles shorter. Last Session he told us he was not certain they would not run straight on to Thunder Bay. No information have we had since enables us to judge of his present suggestion, and the information we had before was that the route was so embarrassed by a lake, I think called Dog Lake, not far from Thunder Bay, as to necessitate such a deflection and such an early junction at Thunder Bay as would make a comparatively trifling saving, if it were designed to join the line further up. But even taking the hon. gentleman's figures of 1,421 miles, and compare them with 1,506 miles, the Sault line is thus only eighty-five miles longer. I make it only 51 miles longer; and I am convinced it can be made 50 miles shorter. You may call the lines for practical purposes of the same length. What more does this route give us? It gives us a great summer route through our own territory; it gives us a route from Winnipeg to Thunder Bay of 428 miles, the cheapest route we can have, from Thunder Bay to Goulais Bay 220 miles, and from Goulais Bay to Montreal 654 miles, or 1,302 miles from Winnipeg to Montreal, taking the Lake Superior stretch. Now, you have got only the north-west winter traffic by the north shore line. The great bulk of the summer traffic will go by water, either to the Sault line, which, I believe, will be built, or down the lakes and not by that North Shore route. That road will be constructed as the

Union Pacific was constructed originally, and you all know now, I think, something of what that means. It will pass through a difficult country, rendered more difficult by the climatic conditions, without local trade, it will be surrounded by great difficulty of construction and operation, and will not be successful. The Lake Superior water route which you acquire, as well as the all rail route by the Sault, is of the first class. It presents, excepting in one particular, the best prospect of any water route; you have a deep lake, no canalling and good harbors. The largest sized vessels, therefore, can be used, and we know what economy there is in enlarging the size of the ship. You have a longer season; Lake Superior, owing to its great depth, is open much longer than the other lakes, and, of course, we know the longer the season the more convenient to the public, and the longer the season the shorter the dead season for the ship, and the cheaper she can run. There is, of course, one disadvantage, and that is the shortening of the run. There is no doubt a difficulty with reference to the terminal charges and delays in port that might possibly make the freight somewhat cheaper under equal conditions if the run were longer. I believe these favorable conditions more than counter-balance any difficulty of that kind, and, at any rate, it has been demonstrated that with a large ship, you can carry grain very low upon the lakes. It gives you an admirable emigrant's road. You do not go on American territory, which you are so afraid if the immigrants once get on they will never quit; you can take them right along to Goulais Bay, and keep them in your own territory, if necessary having a regiment at the frontier to keep off American agents. You can put them aboard your own boat and take them off, and you have an admirable route during the whole season of emigration, for the emigrants. So, whether you look at the unequalled rail and water route owned by yourselves, or the all rail route, partly within your own territory, you find you have admirable routes, and seven years earlier, but with traffic infinitely superior, and at an expense wholly nominal compared with your own line, at an expense of one-eleventh of your own line. Because, if your own line is 663 miles long, I venture to say with the hon. Minister himself, that, to use as a basis of credit the funds necessary to construct 63 miles, would insure the construction of the whole 290 miles from S. E. Bay to the Sault. I do not say if you build 63 miles you will insure the construction of 290 miles, but I do say that if you use the cost of 63 miles as a basis of credit for the Company, you will sufficiently establish that Company to secure not merely 63 miles but also the remaining 227 miles, and to get the whole line. Now I have stated that this route is of vital consequence to Canada, irrespective of the North-West altogether. I say the prospects it opens to us are cheering in the extreme. I take as a point which is most reasonable, Glyndon, to which I have before referred, which is, if I remember aright, 132 miles to the south of the border and on the line of the Northern Pacific Railway. The distance from Glyndon to Montreal by the Sault would be 1,307 miles. A line by the Sault running down to South-East Bay, thence on to Brockville, and thence to New York, is the shortest line that can be obtained by any existing or even by any projected or reasonably devised means of communication. Therefore, if the traffic from that point to New York is going to take the shortest route it will come through our territory all the way from the Sault Ste Marie to Brockville, and it will be 1,556 miles from Glyndon to New York, a saving of 299 miles. But if you suppose, as not unnatural, that the great railway companies *via* Chicago, which at present engross that trade, compete for such of it as is going to New York, and if you compare the distance from Glyndon to Montreal by our line with that from Glyndon by Chicago to New York, you will find that the latter gives a saving to Montreal of 299 miles. If you take Boston, rising in importance as a port, the shortest line to Boston from Glyndon would be down to Brockville, and it would be 1,600 miles, or 293 miles longer than the distance to Montreal. If you take the travelled route, by which the trade would most likely go, by way of Chicago, it is 1,662 miles to Boston; that is a saving in favor of Montreal of 355 miles. Then you must add the 250 miles saving in the ocean passage between New York and Liverpool and Montreal and Liverpool, and you will get, on the whole, in land and water, some 500 or 600 miles shorter distance from Glyndon by the Port of Montreal than by way of the great Atlantic ports in the United States. I believe that is a controlling advantage. I do not assert that it would secure all the traffic against the gigantic competition, the determined competition, which would, no doubt, be exhibited in favor of the existing roads; but I have no doubt whatever that the Northern Pacific would desire, and it would be to their interests so to do, to take the traffic right along to the Sault Ste. Marie, which would give them 300 or 400 miles more of transportation over their own lines, and all the traffic that they could control would go there. It is also to the interests of St. Paul to send their stuff by the shortest route to market, and seeing we have the combined advantage of 300 miles of rail and 250 miles of water, we are bound, in my opinion, if only we act in time, and stretch forth our hands towards the future that is waiting us, to obtain it. This is the time; these roads are all more or less in process of construction; the Northern Pacific, as I have said, is determined to complete its line eastward from the junction near Duluth to Montreal River, about 100 miles; the line is surveyed, and is now being cut out; a company has been organized to build the next link of about 50 miles, this brings you to the terminus of the Marquette, Houghton & Ontonagon R. W., which is to make connection there, and of which 63 miles between L'Anse and Marquette are already built; then you have the Marquette & Maikinaw Railway right down to the Straits, of which one-half is now built and the rest is to be finished by August of this year or next. Then there is also to be built the thirty or forty miles to the Sault Ste. Marie, and there is no doubt whatever that it would be immediately built the moment it was seen that the River St. Marie was to be crossed and the connection to be made with Montreal. Therefore everything is pointing to the completion of the connection on the American side within a very brief time, and we ought to bestir ourselves in order to meet them, and if we do bestir ourselves we shall have, at the earliest moment, the connection made. It is important that we should get it at the earliest moment, and that we should make this connection just as soon as these people are ready to make it, and, therefore, it is a question that is pressing for immediate consideration upon the House. The hon. gentleman opposite said last year in Montreal and Toronto, that he quite agreed that the construction of the Sault Ste. Marie line would be to the public interest, because it would give a short route to the North-West and could be presently used to get the American trade. I believe that if we can get the American trade we cannot but hold our own. Do you suppose that if you will go and take the trade for 300 or 400 miles south of the boundary, that the Canadian trade will go by other roads? Do you suppose they will not prefer to go that way when the Americans, from their business point of view, prefer to use it? Every man must believe, as the Minister does, that we will take the American trade by the Sault line, and we must believe that we will keep our own trade. My views upon this subject are maintained by the report of the engineer in

the last Session. He pointed out in strong terms that both by land and water the route of this line was admirable; that the railway would command the traffic of all the country north of St. Paul; that was a cautious statement, and my belief is that it would take the traffic of a considerable area to the southward of St. Paul. This is by no means an Ontario question. The road you purpose to take, and I am not saying a word against it, the 63 miles of your projected line, whether you go to the Sault or to Thunder Bay, would not bring Ontario any nearer to the North-West or any further from it, as compared with Montreal. The interests of Ontario are not different from the interests of Quebec; there is the common interest of carrying the great trade of the North-West by rail, at the earliest possible moment, to the sea, and of getting at the earliest moment a first class summer route for emigrants and freight within our own boundaries. Both these objects are common, and in both we have more than a merely local interest. One plan, the north shore line, proposes to build 650 miles of railway in my province whilst the Sault plan only gives 290 miles of road to be built in it; but any person who, for that reason alone would support the first, would be unworthy to be a member of this House. What we are bound to do is to consider which line is the best for the whole country, and I am sure that no man from Ontario would put it upon any other ground. I contend that my province has nothing like the interest of the Province of Quebec in this matter, but we have the general interest, that interest which we have in common with all the other provinces, in the lightening of the general burdens by minimizing the expenses, by not spending money unnecessarily, by not building this 600 miles over a desolate country which will pay little or nothing which will not be finished for ten years, when at the expense of constructing one-eleventh of that distance you can do a great good, and do it in less than three years. We are interested in doing the best for the North-West, and we are interested in common with all in that. We are interested in the trade and commerce of the North-West, being taxed as lightly as possible, and why? Because we are paying millions every year to maintain the North-West; because it is our direct interest—the interest of all of us—to see the North-West self-sustaining as soon as possible; because its being self-sustaining depends upon a population getting in there and thriving after they have got in; and because their getting in and thriving afterwards depend upon traffic facilities being given in the earliest and best way. And therefore the good rail and water route given by Goulais Bay and Thunder Bay, and the short all rail route given by the Sault line and the Pembina branch, are things which on the score of economy and on the score of the interests of the North-West, ought to commend themselves to every man from every province. We all know where the grain from the North-West will go. It will not go to the Province of Ontario, but it will go where it ought to go, to the port of Montreal; and from thence will come again the great mass of the return freights. All the goods to be imported from foreign countries will naturally be sold from Montreal, because the return cars must be brought from there full or empty, and very much better rates can be obtained under these circumstances for traffic to the West. And as to manufactures, that large class of staple articles which are manufactured in Montreal will, of course, go up from Montreal; and sugar, if only the producers of that article will not place it higher than the article will bear, as well as cottons, woollens, and so forth, will principally go up from that section of the country. Our share in the direct advantage of this trade is, in my judgment, comparatively modest and insignificant. I believe it important to my province, that we should obtain a connection and get a share of that traffic, if we can; we are going to do it, I hope; but I believe—I say it frankly, and I do not say it regretfully—that the great and signal advantage of the plan I suggest alternatively, goes to the point at which the ocean steamship meets the railway car, and that is the port of Montreal. We will, no doubt, send up some manufactured goods, and we will receive some articles from that country, but the lion's share will go to Montreal. And, I believe, we all rejoice at the prosperity of Montreal. I believe we, from Ontario, are inclined to look at Montreal as our ocean port. For a long time our goods were not only brought, but sold there. We are beginning to do a little for ourselves now; but our relations with that port must always be of an intimate character, and we must believe that anything that advances its prosperity must be of general advantage to all who get and send their goods by that route. Now, I can understand, even if I cannot sympathize with that sort of feeling which, in other circumstances, would be rather apprehensive of trade going south. I could understand the hon. gentleman's putting in a clause saying that no man should build a railway in a particular direction or within fifteen miles from the United States frontier unless he belonged to the Syndicate; I could understand his saying that, if our conditions differed. But, since we have the key of the position, since when the stuff does go south, it must, by the laws of trade, find our shores again by the Sault Ste. Marie, since all that it goes away for is to come back again, since it can only go by another route at a manifest disadvantage, since by that line we are going to tap the American trade, I cannot understand the carrying to such an extraordinary extent the objection to using other people's lines for our own purposes as is implied in the suggestion that it is wrong to have a south-westerly line. I maintain that we will be able to control the traffic of the North West legitimately, and I do not want to control it in any other way. I do not believe we have the right,—speaking for posterity, speaking for the future of a country which you say contains 250,000,000 acres of fertile and habitable land—a country which contains such an area of fertile and habitable land that the largest of our Provinces shrinks into utter insignificance in comparison—we have no right to say, still less have we the right to expect, that the commercial prosperity of that country shall be kept dependent on any other consideration than what will be to the highest advantage to the producers and consumers of that country—what will give them the cheapest route to market. But it is our good fortune that their and our interests will harmonize, because we can not only give them the cheapest route to market, but we can point out to them that their cheapest route to market takes their stuff to our own ports, and takes their imports from our own ports. All we have to do to accomplish that result is to utilize the American lines. Now, Sir, what do they do? Why, Sir, the western peninsula of Ontario is streaked with lines loaded with American traffic. The Great Western has two lines, the Grand Trunk two lines, and the Canada Southern line, carrying thousands and thousands of tons of American traffic. Why do they send it through our country? Because it suits them; because it supplies the best route for them. They do not feel that it is anti-national to go through Canadian territory. They do not feel that there is anything humiliating in it—that there is anything wrong in it. What do we do? Why we send our roads through American territory. The Government the other day proposed to pay £300,000 for the purchase of a line from the Grand Trunk Railway in Canadian territory, on the condition that the money was to be used in such a way that the public interests would be advanced—how? By the Grand Trunk acquiring a line through U.S. territory to Chicago, and properly so, for commerce knows no boundary line in this matter. Commerce seeks to make use of our neighbors' roads—not in order to make connections which might be naturally our own, but in order to make the best, the nearest,

the cheapest commercial connections between the two parts of our own country. If, Sir, we can annex commercially a part of Minnesota—as the hon. gentleman said the other day: Why not do it? But I want to go further, I want to annex, not only Minnesota, but Wisconsin, Michigan, Dakota, Montana, Idaho, and Washington Territory. I believe they can be annexed to a great extent if you direct your energies and use your scanty resources wisely, and so get rapidly this efficient line, instead of spending ten years and many millions of money in struggling along the north shore of Lake Superior to find your way to the North-West. Of course, everything in reference to the problem of transportation is in a state of transition. Not merely is the cost by railway diminishing and likely to diminish, but also, owing to other circumstances, the cost by water though our routes is likely to diminish. Our water-ways are being enlarged, and it is said by experienced persons that even that measure of enlargement which is being given, will enable grain, under the most advantageous circumstances, to be carried 45 to 50 per cent cheaper than it can be carried at present in the full size Welland canal vessels. The problem, which of the two agencies, rail or water, will win in the competition for transportation, may be said to be in doubt. The actual cost, not including profit, to take the grain from Selkirk to Thunder Bay, 400 miles, would be on an average road 4 cents. I have already said that you can double freights on that railway, and therefore you may fairly count the rate of actual cost, at 2½ cents, making no allowance for profit at all. It is pretty clear, I think, from what information I have been able to gather, that you can freight the grain in large vessels on Lake Superior at from 1½ to 2½ cents from Prince Arthur's Landing to Goulais Bay, the smaller sum being the actual cost, and the larger one embracing a profit; and the average rate from Goulais to Montreal is 6½ cents, making a total of 10½ cents. If you go by the lakes, you pay 2½ cents to Thunder Bay and thence to Montreal 7 cents making a total of 9½ cents for actual cost exclusive of profit, so that at present both routes are nearly equal, and at present both routes are very good if only you resolve not to hand over those advantages which you have bought and paid for to others that they may profit by them, instead of your countrymen. I have to advert to another topic of minor, but still of great importance. I do not think that the facilities and regulations as to rates for connection with Ontario line are adequate. I quite agree that the system might perhaps be adequate, if this great corporation had its terminus and the end of its connections at a given point, at Lake Nipissing, but it is obvious from what we know of the position of the Syndicate, from the very contract itself, which contemplates the amalgamation of the Canada Central with the railway company, from the powers given it to purchase other railway companies, that we are or may be dealing with a corporation composed of one gigantic railway stretching all the way to Montreal. If the object is to take traffic from that railway at Lake Nipissing, it is clear there are devices known to astute railway men by which that may be avoided. They may charge to Nipissing a very high rate from the West. It would be no consequence to them if a low rate were charged from Nipissing to Montreal on the line of the Canada Central. You will be dealing with a corporation whose interests will lead it to send the traffic in a particular direction and you must guard carefully against wrong. Now I want nothing for the Province of Ontario except to secure that she shall not be placed at a disadvantage. I am sure no hon. gentleman will refuse her that. What I want is that she shall be so guarded that she shall have a fair chance to compete for that modest share of the traffic that ought to come to her, and I do not believe that this security is given her. Now, I cannot understand why it is that this monstrous bargain has been brought down to Parliament, how it it is that Ministers who, during the last session of Parliament, told us that they were able without infringing upon or burdening the resources of the country to construct the Pacific Railway, should bring down a plan which does not relieve us from the burden of its construction, which obliges us to go on spending our money for ten years to come, which involves a total expenditure by us of $60,000,000, and the total cession of 25,000,000 acres of our choicest lands, and which hands over to a private corporation the whole profits of that expenditure and a vast monopoly and incalculable boons of various kinds. The hon. gentlemen did go too far last session. They insisted on building at once in British Columbia. They alarmed the country by what they did. Had they proceeded in the business-like way suggested, had they gone on with the Thunder Bay branch and the prairie section, had they agreed that our finances could not stand the strain of building in British Columbia, there would have been no reason for them to do the thing they have done and invite Parliament to pass the contract they have laid before us. But they did that thing, they made those statements which the public mind did not credit, and they felt that they were bound to make some other arrangement to escape from the difficulty into which they had plunged themselves. They go to England and they make the attempt. It turns out that they did not succeed in England. The First Minister said that they had very nearly failed, and that when they left England they had not succeeded in making a bargain at all, that details which were so vital that disagreement upon them would nullify the whole proceedings were still in suspense when they came here, and remained in suspense some six or seven weeks after they arrived. Prudence demanded that they should simply say that negotiations were going on and that they hoped to succeed in arriving at a conclusion; but the hon. gentlemen would not wait. They announced a triumph; they announced that they had already made their bargain; that the contract was "firm;" and by such an announcement placed themselves in the hands of those gentlemen who formed the Syndicate. They could not afford thereafter to differ from those gentlemen. In what position were they to differ from them. The hon. Minister had announced, and the people had accepted his utterance, that a bargain had been made which would ensure the construction of the railway without cost to the people, and induce a great flow of immigration into the North-West. What in the world could he say if, after being here seven weeks, he should be obliged to give the lie to those declarations and to say: "I had made no bargain at all, I had only agreed upon some certain general lines. All those details remained unsettled when I spoke to you, the Syndicate and we could not agree to terms, and consequently we are where we were." That would indeed have been a great humiliation. To the chance of that humiliation he exposed himself, and in order to avoid it I do not doubt he has passed many anxious hours struggling with the men in whose toils he had placed himself, and endeavouring to obtain some terms less bad than those to which he has been obliged to submit in the end, struggling from day to day, scrutinizing, considering, and endeavouring to get these gentlemen to take something less than the bargain they insisted upon. They knew that the First Minister could not afford to declare that what he had stated was not correct, and that they could press him to bargain after bargain, to stipulation after stipulation, point after point, additional pound of flesh to additional pound of flesh, until they had their fill; thus it is that this contract has been prepared. A contract might have been presented containing altogether other terms which might have been worthy of our adoption. This contract is worthy, in my opinion, only our rejection. I shall not venture to hope that this House will reject it, but I do not doubt that an indignant country, although you will not give it time

now to raise its voice, will take the earliest opportunity to inflict a summary penalty upon those persons, offenders for the second time, who having once betrayed, when entrusted with power their country's honour, and having been forgiven, have now taken advantage of the opportunity which a too confiding people conferred upon them to betray in the same transaction her most vital and material interests.

Mr. LANGEVIN. At this late hour of the evening, I think hon. gentlemen will agree with me, it would be better to adjourn: I accordingly will move that the Committee rise and report progress.

The Committee rose and reported.

House resumed; and (at 11:45 o'clock, p.m.,) the House adjourned.

HOUSE OF COMMONS.

THURSDAY, 16th December, 1880.

The SPEAKER took the Chair at Three o'clock.

PRAYERS.

NEW MEMBER.

The SPEAKER informed the House that the Clerk of the House had received from the Clerk of the Crown in Chancery a certificate of the election and return of P. Valin, Esq., for the Electoral District of Montmorency.

The hon. member was introduced by Mr. Langevin and Mr. Caron, and took his seat.

MESSAGE FROM HIS EXCELLENCY.

Sir JOHN A. MACDONALD presented a Message from His Excellency the Governor General.

Mr. SPEAKER read the Message, as follows:—

Gentlemen of the House of Commons:

I thank you heartily for your loyal and dutiful Address. You may rely upon my earnest wish to co-operate with you in your efforts to improve the welfare of the people of the Dominion.

LORNE.

GOVERNMENT HOUSE,
OTTAWA, December 16th, 1880.

OFFICIAL REPORT OF THE DEBATES.

Mr. BOWELL moved that a Select Committee comprising Messrs. Bechard, Charlton, Colby, Desjardins, McDonald (Cape Breton), Ross (Middlesex), Scriver, Stephenson and White (Cardwell), be appointed to supervise the official report of the Debates during the present Session.

Motion agreed to.

HALIFAX INDUSTRIAL SCHOOL.

Mr. RICHEY introduced a Bill to amend chapter 32 of the Acts of 33 Victoria (1870), intituled: "An Act to empower the Police Court of the City of Halifax to sentence juvenile offenders to be detained in the Halifax Industrial School."

Mr. ANGLIN asked the hon. member to explain the purport of the Bill.

Mr. RICHEY said that, under the Act which it was proposed to amend, the Police Court of Halifax had power to send juvenile offenders to the Industrial School of Halifax, instead of sending them to prison or penitentiary, and to assess for their maintenance. A great difficulty had been occasioned by persons offering inducements to the boys to escape from the control and management of the Industrial School, and it was proposed by the present Bill to impose penalties upon persons who were accessories to their escape. The Bill provided that any person who aided or offered inducements to boys to escape, or harbored them or prevented them from returning to the School shall, on conviction, be liable to a penalty not exceeding $80. That was the purport of the Bill, and it was found necessary to introduce it in order to give effect to the Act.

Bill read the first time.

SUPREME COURT ACT.

Mr. KEELER introduced a Bill to repeal the Supreme and Exchequer Court Acts and the Act amending the same.

Mr. ANGLIN. Objection was made last year, by myself, to the introduction of a measure of this kind. My feeling then was that the House should have met a proposal of this kind *in limine*, declaring at once that it saw no reason to entertain it. The leader of the House, however, declared at the time that to permit its first reading should be regarded merely as an act of courtesy to the member introducing the Bill, and in that view of the matter I shall offer no opposition to the first reading of this Bill.

Sir JOHN A. MACDONALD. I went a little further last year. I said that all measures should be accepted at the first stage unless they were objectionable on their face, placing as little limit as possible, not merely upon the freedom of discussion, but upon the freedom of any member to bring up any subject for discussion. My hon. friend has strong opinions with respect to the constitution of this Court, and he has a right to be heard. My opinions with regard to it are the same as last year, but I shall listen, as it is my duty to do, to all the arguments my hon. friend will advance.

Bill read the first time.

CONTRACT FRAUDS.

Mr. CASGRAIN introduced a Bill for the better prevention of fraud in relation to contracts involving the expenditure of public money.

Mr. DESJARDINS. Explain.

Mr. CASGRAIN. It has been observed, for a number of years, that contractors for Government works have resorted to many means in order to defraud the Government of getting the benefit of the lowest tender. We have seen, of late, that in some of the public departments private information has been given to intending contractors, in order either that contracts might be withdrawn, or that securities given by contractors might be withheld. In a case which lately occurred it appears that the Government has been the loser, by an exchange of contracts, to the sum of nearly $217,000. This is a fraud practiced against the public Treasury. A law ought to be framed that will reach all such delinquents. The Bill I now propose is intended to prevent a recurrence of such cases as we have lately seen. The Bill also provides that all public contractors shall be forbidden, under severe penalty, to subscribe, either directly or indirectly, to election funds. It is notorious that in recent cases immense sums of money have been subscribed by private individuals in the hope of getting contracts thereafter. The Bill provides for the punishment of such persons, and also of such persons as allow the secrets of their department to leak out in order to favor certain parties—a punishment both by fine and imprisonment—in order to attach a mark of odium to persons guilty of such practices. I will willingly resign this Bill to the Government if they will take charge of it, as I think it is their duty to do. If not, I shall do my utmost to press its passage through the House.

Sir JOHN A. MACDONALD. I would apply to this Bill the same remarks as I made with reference to the Bill just introduced by the hon. member for East Northumberland (Mr. Keeler). At the same time, I think my hon.

friend should have reserved the statements he has just made until the Bill was printed, so that, when we went into discussion on the Bill, those statements might be answered.

Mr. CASGRAIN. I would not have made those remarks had I not been asked by the hon. member for Hochelaga (Mr. Desjardins) to explain the Bill.

Bill read the first time.

STANDARD OF THE PACIFIC RAILWAY.

The House resumed the consideration of the proposed motion of Mr. Blake for an address for copies of statement, evidence, &c., on which the Government based their judgment in accepting the Union Pacific Railway, as the same was when first constructed, as the standard regulating the quality and character of the proposed Canadian Pacific Railway; &c., &c.

Mr. PLUMB. I do not think I should have taken any part in this discussion but for the extravagant statements made by the hon. member for North Norfolk in relation to the condition of the Union Pacific Railway after its construction. That hon. member said that the Union Pacific Railway—which, it will be remembered, was that part of the road between Omaha, on the Missouri river, and the point of junction with the Central Pacific road—was of the most flimsy description; that the ties were of cottonwood, the ballast of frozen earth, that the rails were of inferior iron, and that the road was built upon stilts. I considered that it was hardly possible that a road of that character could have been capable of carrying its traffic, and I venture to refer to the Railway Manual to show that, in the year 1872, when the road was yet a young road—and everybody knows that roads have their periods of growth and development, and that the ballasting and otherwise strengthening and completing a road, is one of gradual progress — it would not have been capable of carrying the traffic which it did carry, and of earning what the returns show it did earn, if it was such a road as the hon. gentleman has asserted. In that year, the Union Pacific earned no less a sum than $7,500,000, and that large earning must have been mainly on through traffic; it must have embraced the whole of the road; and it was necessary, in order to earn that money, that every part of the road should have been in good condition. The impression which the hon. gentleman gave to the House by the very ingenious manner in which he made his statement, was that the road was not in a position to realize earnings at all. But, Sir, nearly one-half the total earnings of the railway were freight earnings. And this hon. gentleman must know—if he knows anything of railway traffic—that it would have been impossible to have carried freight traffic over a road such as he described. Now in constructing new lines through an uninhabited country, one to which it is intended that the railway shall induce settlement, it is absolutely necessary, in order to reach objective points, in order to get the lumber and the material for ballasting, in order to meet the other necessities of railway construction, such as carrying forward the workmen and their provisions, that the line shall be somewhat hastily constructed at first, and afterwards it is rendered serviceable for the purposes of traffic. In the meantime, however, the necessities of the case may force some business upon the road; but everybody knows it is to the interests of the parties who own and operate the road to make it as safe and firm as possible. And though, in some respects, the terms employed in the clause of the contract may be open to the criticisms which have been bestowed upon it by the hon. leader of the Opposition, and by his active and eloquent supporter, the member for North Norfolk, I wish to point out that the word "constructed" is here used in the past tense; but as I am not a lawyer, I shall leave it to those who are better able than I to construe the expression in a legal sense. But I take the opportunity of saying that I am glad that attention has been drawn by hon. gentlemen opposite to the Union Pacific, as it is at present the only completed road which bears any analogy to the road which we are now discussing in this House. The Union Pacific was chartered by the United States Government. The subsidy which it was to receive was not to be paid until the line should have been constructed. I admit, as the hon. gentleman says, that the road was built during a period of great inflation in the United States; that it was a vast undertaking filled with great practical difficulties; but it was, at the same time, an initial undertaking, and could have been built with less difficulty after the gradients and other engineering difficulties had been ascertained. The company was incorporated by two Acts of Congress, one approved on 1st July, 1862, and the other on 1st July, 1864, and they provided for a Government subsidy equal to $16,000 per mile for that portion of the line between the Missouri River and the base of the Rocky Mountains; $48,000 per mile for a distance of 150 mile through the mountain range; $32,000 per mile for thes distance intermediate—the Rocky and the Sierra Nevada ranges, $48,000 per mile for a distance of 150 miles through the Sierra Nevada. The whole distance, as estimated by the Government, from Omaha to the navigable waters of the Pacific at Sacramento, Cal., is 1,800 miles. The company has also a land grant equalling 12,800 acres per mile. The original Act provided that the Government subsidy should be a first mortgage on the road; but by a subsequent amendment it was made a second mortgage, the company being authorized to issue its own bonds to an amount equal to the Government lien as a first mortgage on the line.

Mr. ANGLIN. May I ask if the grant was paid in gold or currency?

Mr. PLUMB. It was paid in bonds, and these bonds, as compared with gold, were atabout 40 or 50 per cent. discount.

Mr. CHARLTON. Were United States bonds worth more than currency at that time, or were they merely standing at par in currency?

Mr. PLUMB. No; I say that gold at that time, in the parlance of the day, was at a premium; but United States currency, as the hon. gentlemen knows, was fluctuating from four and five and ten per cent. up to 270 or 280. It finally fell back to par.

Mr. CHARLTON. But were not these currency bonds?

Mr. PLUMB. Certainly; but I do not think that alters the position. It was perfectly well understood that the cost of construction was enormously increased by the condition of the currency of the United States, and that that was taken into account in granting the subsidy. I cannot believe that the statement of the hon. gentleman was made in utter ignorance of the necessities which govern the construction of long lines of road such as the one now under discussion. Nor can I suppose that the hon. gentleman, if he had been an impartial observer of this whole question, would have failed to see that the gentlemen who have undertaken this contract must avail themselves of those advantages in building it under which it can be run and operated—must, in fact, build a good road, as it is in their interest to do so. It may be said that the Union Pacific Railway was laid with iron rails. That is true; there were no steel rails in those days; but everyone knows that the economy of running railways is now so defined, that no one would attempt to build a permanent roadway without using steel rails; and my hon. friend knows that no one would now think of building with cottonwood ties and frozen earth for ballast, because the great competition which exists is sufficient

security against anything of that kind. But I say the Union Pacific Railway, as constructed, must be the Union Pacific Railway which was accepted, and which received the guarantee. I presume the United States Government understood their business well enough to know that it was a road capable of being operated, and capable of performing the functions for which it was constituted, before they gave the subsidy to it which they agreed to give; and I presume the cases are parallel. But I wish to say that I think it will be found inconvenient to have discussions on the subject which is engrossing the attention of Parliament sprung upon us every day, and running in parallel lines, while the same subject is being discussed by the same persons upon the same question. While we shrink from no discussion of this matter, while we think, as the discussion goes on from day to day, that the contract will be strengthened in the estimation of the country, it is certainly desirable, in order that it should be discussed clearly, fairly and dispassionately, as I know hon. gentlemen on the other side are desirous of discussing it, that we should confine it to one single discussion. As a private supporter of the Government, I do not venture to make that suggestion in any other sense than as I think it will appeal to the general good sense of the House. We are here to do a very important work,—the most important, perhaps, that has been done in any Parliament of Canada,—and no gentleman wishes, I fancy, to introduce a double discussion merely in order to delay and hamper the public business, or distract the attention of the country. For my part, I am desirous that this question, exactly as it stands, on its own merits, should be submitted to the scrutiny of the people of this Dominion, and I have no doubt about the result. There may be clouds thrown about it, there may be dust thrown in the eyes of the people, special pleading may affect it, but in the end the good sense of the people of this Dominion, to whom we have not appealed in vain within the last three years, will triumph over any special pleadings and sophistries.

Mr. CAMERON (Victoria). I think it is not desirable, upon the present motion, to enter upon a full discussion of the terms of the contract, and I only rise to call attention to one fact that ought not to be lost sight of in reference to the standard of the Union Pacific Railroad. The words in the present contract, if I recollect rightly, are, "as originally constructed." It is possible that that expression is not sufficiently definite, but when we look at the history of the Union Pacific, and bear in mind one particular fact in reference to it, I think we will be justified in assuming that that expression must be read in this way—"at the time of its final completion." A railroad cannot be considered to be constructed until it is completed, and if it is constructed under an agreement whereby a company or a government must accept it, the date of that acceptance must be regarded as the date of its construction. For my part, if the present contract was susceptible of being interpreted in the sense in which the member for North Norfolk desired to interpret it, that we were to have a road such as the Union Pacific was when it was first laid with rails, and when it was first opened for traffic, we would have much reason to be dissatisfied. But this point having been discussed in Congress, an Act of Congress was passed under which a Commission was appointed for the purpose of ascertaining and defining when the Union Pacific Railroad was completed, and at what date it was to be accepted by the Government. That Commission made its report, which was adopted by Congress, and I find that the date which that Commission decided was the date of the completion of the road was the 1st of October, 1874. It seems to me that the proper interpretation of this contract is, therefore, that this road is to be constructed in such manner as the Union Pacific was when it was accepted by the Government of the United States,—that is the 1st of October, 1874.

Mr. BLAKE. I may be permitted to observe, as several hon. gentlemen on the other side have stated that the discussion was inopportune, that in moving for this information I said not one word as to the character of the Union Pacific Railway. I simply pointed out that its character, as first constructed, was important to learn, because it was the standard to be adopted for the Canadian Pacific. It was the hon. Minister of Railways proceeding to discuss what the standard of the Union Pacific was which drew out this discussion.

Sir JOHN A. MACDONALD. The hon. gentleman is quite right in saying that he did not promote the original discussion, and I quite agree with my hon. friend from Niagara, and the hon. member for South Victoria, that it is desirable to confine the discussion within its natural boundaries on the main motion which invites the attention of the House. I simply say this—that the House, including my hon. friend who makes this motion, will find that there is full and ample security made for a good standard for the Canadian Pacific Railway.

Mr. CAMERON (Huron). My hon. friend from West Durham made simply an ordinary motion. That motion was not in a very peculiar way by the Minister of Railways and Canals. The hon. Minister attempted to justify that particular term of the contract. He referred to the construction of the Union Pacific Railway, and pointed out that it was in all respects, if my memory serves me right, a good railway, that its standard was taken from the Ohio and Baltimore Railway, which was one of the best constructed railways in the United States, and that, therefore, the Union Pacific having been constructed after the model of the Ohio and Baltimore, and the latter being a first-class railway, the Union Pacific must, of course, be of an equally high standard; and consequently the Canadian Pacific Railway would have to be a first-class road as well. Now, hon. gentlemen on this side, were not satisfied with this statement. The hon. member for Niagara rose in his place to contradict the statements made by my hon. friend from North Norfolk (Mr. Charlton) as to the character of the Union Pacific Railway. The hon. gentleman read from a report, a long, able and valuable report which had been presented to Congress, to show that the Union Pacific Railway, when first constructed, was an admirable road, and, therefore, that the statements of the hon. member for North Norfolk with respect to the road were altogether erroneous. The hon. member for Victoria (Mr. Cameron), particularly took the same ground, practically, he argued, that this road was not finally constructed until 1October, 1874. Nobody disputes that in October, 1874, the Union Pacific Railway was a tolerably good railway; and if we take the condition of the Union Pacific, in 1874, as a standard, then, perhaps, on that ground, one might assent to the proposition of the hon. Minister of Railways. But the hon. member for Victoria forgot to state that 890 miles of the Union Pacific Railway, that portion of it extending from Omaha to the junction at Muddy Forks and Black's Forks, were completed and accepted by the United States Government in the end of 1868 or the beginning of 1869; and it was the balance of the road that was not accepted, and was not received until away on in the seventies, in 1873 or 1874. If that is the case, and that it is the case, the hon. gentleman will find, on reference to the reports presented to the Senate of the United States, then we are bound to take the condition of that road as it stood in the end of 1868 or beginning of 1869 as the standard of the Canadian Pacific Railway. On reference to the report founded on a joint resolution of both Houses on the 30th December, 1868, the hon. gentleman will

find that the character of the road is entirely different to that which the hon. Minister of Railways, the hon. member for Niagara (Mr. Plumb), and the hon member for Victoria (Mr. Cameron), say it was. Now, I regret to have to make any observations on the present occasion. Any observations that I proposed making on this question, I intended making when discussing the propositions brought down; but I do not wish that it should go abroad to the country, either out of the mouth of the Minister of Railways, or of the honorable members for Niagara or Victoria, that this road was practically a first-class road as at first constructed, without taking the very earliest opportunity to show that such a statement is entirely erroneous. The honorable member for Niagara, if I am not very much mistaken, read from a report presented to Congress, and which will be found in the Congressional documents of 1873-4, a report made long after the road from Omaha to the junction at Muddy Forks and Black's Forks was completed.

Mr. PLUMB. I am very sorry to interrupt the flow of eloquence of the honorable gentleman, but I did not read from the report of 1873-4.

Mr. CAMERON (Huron). Perhaps the hon. gentleman will tell us from what report he read.

Mr. PLUMB. The hon. gentleman will find I quoted from the report of 1872-3.

Mr. CAMERON. It makes no difference. The hon. gentleman will find, in the executive documents of the United States on that subject, the report of 1873-4 in the volume containing the report of 1872-3. But what I contend is, that the hon. gentleman did not read the portions of the report which show the character of the road. If he will refer to that report, he will find it stated that the road bed in many places was altogether too narrow, that the ties on which the iron was laid extended beyond the road bed, that the tunnels were arched with wood, that the wood work after two or three years was found to be defective, that the Commissioner recommended the tunnels to be rebuilt from beginning to end, that the bridges were nearly all of wood, that the engineers reported them wholly inefficient for the carrying trade of the section of the country through which the road passed, that the ballasting was exceedingly bad, that the ties were of an exceedingly defective character from one end to the other, being made of cottonwood, that the curves of the road were too sharp and the grades too steep; and yet this is the road that the hon. gentleman said, was a road after the standard of which the Canadian Pacific Railway might well be built. And this report, from which the hon. gentleman read, was a report that was presented, after the United States Government had taken from the hands of the contractors 890 miles of road. It was a report presented to Congress, recommending that 6½ million dollars additional be expended to put the road into anything like a good state of efficiency; and this was long after the road had, to all intents and purposes, been completed. If the hon. gentleman had taken the trouble to refer to another report presented to Congress on the 9th October, 1868, after the 890 miles had been completed and examinen by the Commissioners appointed to investigate into the condition of the road, he would have found out the exact condition of this portion of the Union Pacific Railway extending from Omaha 890 miles westward. In that report which I hold in my hands, and which is signed by the three Commissioners, Mr. Warren and Mr. Blickensderfer and another whose name I forget, the hon. gentleman will find a statement showing the true character of this road as it then stood, which proves that the statements made by the hon. Minister of Railways and the hon. member for Niagara are wholly fallacious and incorrect. Sir, I will trouble the House for a moment, with a reference to one or two of the particulars contained in this report, because I do not want it to go abroad to the country that this Union Pacific Railway, at the time it was first constructed, was a first class road, and that, therefore, hon. gentlemen were justified in using it as a model after which to construct the Canadian Pacific Railway. You will see that, in this report, the Commissioners have gone to very considerable trouble and labour in pointing out the defects and deficiencies of the Union Pacific Railway. At page 24 of this executive document they point out that in six different places, extending over forty or fifty miles, the grades were 80 feet to the mile. At another place the grades were 90, and in another 116-feet. Curves were too sharp, and the road was in other respects altogether defective. The report reads as follows:

"Although generally the line is well adapted to the ground, there are points where the full capabilities of the country have not been developed, and others where, in its details, the location is radically wrong. In a majority of these cases the prevailing idea seems to have been to diminish the cost of the work by the introduction of a greater number and sharper curves than the circumstances required, the saving in cost having been very small in comparisom with the permanent injury to the road. In some other instances no very clear motive for the course taken presents itself. We are advised that among these cases are some where, in the construction of the road, the location, as made by the Chief Engineer, was disregarded. In view of the rapid prosecution of the work, this may have been admissible, but cannot justify a permanent adoption of the line as built. True economy and the best interests of the road require alterations and improvements to be made in the line in all these cases, and the probable cost thereof has therefore been estimated."

And under the head of "road-bed," the Commissioners say:

"The road-bed is designed to have embankments 14ft. wide on top, with usual side-slopes and cuts of not less than 16ft. width of bottom, which slopes depend on the material excavated. These dimensions, although a minimum, are not specially objectionable when fully attained. In the excavations and embankments of moderate height these dimensions, have been generally secured, but the higher embankments are not so well brought to the proper standard, being often incomplete and, in some instances, the width at the top is less than the length of the ties. When the roadway is too narrow and ballast is required, it is impossible properly to supply the deficiency, for when the track is lifted for the purpose of placing ballast under the ties, the width of the embankment is insufficient to retain the material in its place. It becomes necessary, therefore, to have a sufficient width of roadway before one of the most indispensible requisites for a good track can be secured."

They then refer to the cuts not being all to grade—

"Not having been excavated to the depth designed, in consequence of which the grades at those points are higher than was intended, in some cases reaching 90ft. per mile, when much easier grades are shown on the profiles."

They then allude to the cross-ties, as follows:

"The cross-ties are of good quality, with the exception of a considerable portion used in the Platte Valley, which are of cottonwood timber, which although "burnetized" are liable to premature decay, besides being objectionable from the inefficient manner in which they retain the spikes. Many had to be replaced, and all would have to be replaced by ties of better timber before the track would sustain the traffic expected to be thrown upon it."

So the Commissioners go on to point out where defects existed with regard to the road-bed, curves, grades, embankments, ballasting and many other particulars in reference to the equipment of the road with which I will not trouble the House, but the road was wholly defective and inefficient. They made an estimate of what it would cost to make it a first-class road with ad urable basis. The report winds up by saying:

"In estimating the expenditure which would be required in order that the road so far as built may be rendered equal to a fully complete first-class railroad, we have considered each class of work required in as much detail as circumstances and the desire expressed in our instructions will permit." "Changing the location of the road, to improve the line, $200,000; completing the embankments to the full width, $246,000; completing excavation of cuts to the proper grade, $200,000; reducing grades between Omaha and Elkhorn, to conform with condition on which change of line was approved, $245,000; cross-ties to replace the cotton wood, $525,000; ballasting, etc., $910,000."

And so they go on until they make up an aggregate of $6,489,550, required to put the 890 miles completed into anything like an efficient state of repair; and yet this road is to be taken as the standard at that time—not in 1874—as the hon. member for Victoria (Mr. H. Cameron) says,

for the construction of the Canadian Pacific Railway. Why, I was perfectly surprised and astounded at the statement of the Minister of Canals and Railways, and which is reported in the Debates of Parliament, as to the reason, or, rather, want of reason, upon which this term of this contract was based. The hon. gentleman did not appear to have a particle of testimony before him, when framing this clause as to condition of the Pacific Railway, seemed to be wholly ignorant of the condition of the Union Pacific Railway in 1869, and as to what these contractors, this powerful Syndicate were getting under this part of the contract; and when challenged by the member for West Durham, he stated that the terms of this contract were precisely the same as the Allan contract. When the member for West Durham pointed out the terms of the Allan contract, the hon. gentleman found he was mistaken. He then had to fall back on the statement that the Union Pacific was constructed after the model of the Baltimore and Ohio Railway, which, no doubt, has been for the last ten to fifteen years a first class road. But when first constructed it was no better than the Union Pacific Railway was in 1869, when 890 miles were completed. I do not wish the statement to go unanswered abroad that the Union Pacific was a first-class road when completed, when history shows it was anything but that. I wish the fact published to the country that Ministers, who should act with care, and manage the public affairs in a cautious, judicious way, and with all the necessary information before them, did not do so and did not know, notwithstanding the existence of those documents laid before the United States Legislature, that the very foundations on which they based this clause would not sustain them, or justify their position? For those reasons I have thought it right to trouble the House with the present remarks.

Sir RICHARD J. CARTWRIGHT. Two distinct points have been brought before the House with reference to this matter. As to the legal construction of that clause, I am not going to take upon me to pronounce; but what I want to call your attention to, is the fact that another point of very great importance was raised by this discussion. From the mouth of the Minister of Railways, we had the confession that the Government supposed they were adopting a totally different standard for this road from the standard defined in the terms of the agreement before us. If the terms are strictly insisted upon, it may involve an additional loss of several thousand dollars a mile, or several millions in the whole contract. The two sets of conditions differ very materially indeed; and, unless the Minister of the Interior is prepared to tell us that the attention of his Government having been now called for the first time—as appears from the statement of the Minister of Railways—to the very remarkable discrepancy between the contract made by Sir Hugh Allan, in 1873 and that made in 1880 with his successors in managing this Canadian Pacific contract—his Government are prepared to take measures to remedy it, or greatly to modify those clauses, so as to guard against dangers of a much greater description than those ordinary dangers in connection with the great transaction the country contemplates, there will be great uneasiness and anxiety in the public mind. We cannot call the attention of the country too strongly to the fact that Ministers had not even taken the trouble to compare the two contracts, to ascertain the character of the standard upon which they regulated this provision. It would be well for the right hon. gentleman to tell us whether the Government is, or is not, prepared, so to guard and modify that clause as to prevent the very dangers to which the member for West Durham has called attention.

Motion agreed to.

PACIFIC RAILWAY CONTRACTS.

Mr. BLAKE moved for copies of all papers shewing any modifications made under the provisions of any of the contracts for the construction of any part of the Canadian Pacific Railway, prior to the 21st October last, and referred to in the contract brought down this Session; and of any estimates or statements made as to the result of such modifications on the character and expense of the work. He said: It will be observed, by the contract which has been laid on the Table, that the Government is bound to finish those portions of the railway which are mentioned as being under construction by the Government, according to the terms of the contracts made for the construction of those portions, subject, however, to any modifications which have been made by the Government in the provisions of these contracts before the 21st of October last, the date of the contract laid on the Table. It is important, therefore, that we should know before hand that on which depends the precise obligations of the Government, what the modifications are which were made in the terms of those contracts, before the great contract was signed. On this, as on other matters, I am desirous of getting such information as in my judgment the Government was bound to lay upon the Table of the House, before they asked us to discuss this matter at all. They bring down a contract without laying on the Table the information upon which they acted. They bring down a contract which shows certain obligations of theirs which were dependent upon certain other instruments containing the modifications, but which modifications they do not bring down. It is impossible for us, therefore, to know what are the precise obligations of the Government under this contract, and we cannot ascertain them until we see these modifications. I think it also was the duty of the Government to bring down any estimates or statements made as to the results of such modifications on the character and expense of the work. We have a general estimate made by Mr. Schreiber laid on the Table, of what the costs of those sections will be; but what I want is an estimate of the change made in the cost by the modifications which the contract indicates as having been made in these original contracts before the 24th October. I suppose there can be no possible objection to this motion. I will add that, inasmuch as it ought to be before us, in order that we may ascertain what the obligations are which we are asked to sanction, I think the answer ought to be, not merely that the address is agreed to, but that there should be an immediate response to that address.

Sir JOHN A. MACDONALD. My hon. friend is getting reasonable, and, therefore, I shall have no objection to this resolution, and we will see that the matter is attended to immediately.

Motion agreed to.

SURVEYS FROM SOUTH-EAST BAY TO SAULT STE. MARIE.

Mr. BLAKE, in moving for copies of any reports or surveys made since last Session on the line from South-East Bay to the Sault Ste. Marie, or on the line between South-East Bay and Thunder Bay, said: As to the line between South East Bay and Sault Ste. Marie, there was a distinct pledge made by the Government in the other branch of the Legislature, that they would have further surveys made during recess, with a view of submitting a proposition to Parliament this Session to aid in some way in the construction of that railway. Sir Alexander Campbell, in the Senate, on the 21st of April last, in answer to a question, gave a formal pledge, on the part of the Government, that these surveys would be made with the view of those propositions being submitted. I presume they have been made, and I think it material to this discussion that we should have them, together with any reports upon the matter. During last Session the line on the north shore of Lake Superior remained in a very uncertain condition. The distance stated by the Engineer in his general report, and that stated by his letter

of the 16th of April, are by him called "assumed distances." It is obvious that there was at that time no precise or accurate information with regard to that line. This becomes essentially important in the great discussion in which we are engaged in consequence of a fresh statement, as I understand it, made by the hon. the Minister of Railways the other evening, in which he shortened the distance between Winnipeg and South-East Bay, by stating that Linkoping station, on the Thunder Bay line, would probably be the junction, a point further removed from the terminus of that line than I had supposed was contemplated. I suppose that idea is based upon further information—I am sure it is, because the hon. Minister, late last Session, said there was every probability of finding a good line right in the present terminus, and it was probable they would run the railway into the present terminus, and not run it to any point along the Thunder Bay line. It is important, in considering this subject, that we should have all the information available with reference to the line on the north shore of Lake Superior, and the probabilities of connection with the Thunder Bay branch. This notice was placed on the paper before the speech of the Minister of Railways in which he adverted to the possibility of a junction at Linkoping station, and therefore, it speaks of the line as one between South-East Bay and Thunder Bay. I have no doubt the hon. gentleman, if he accedes to the motion in other respects, will agree that it should be extended to any point on the line from Thunder Bay to Red River, which would embrace the point to which the hon. the Minister of Railways alluded. I only repeat, Sir, with reference to this motion, the statement I made as to the last, that this information should have been placed on the Table of the House as preliminary to our discussion, and that we should not have been obliged to ask for it; and I hope there will be not merely an agreement to bring it down, but an immediate bringing down of the return.

Motion agreed to.

MANITOBA SOUTH-WESTERN RAILWAY LAND GRANTS.

Mr. BLAKE moved for a copy of the Order in Council granting about 1,328,000 acres of land in the North-West to the Manitoba South-Western Colonization Railway Company; together with the application for such grant and all correspondence and Orders in Council connected therewith, and a statement of the lands selected thereunder; also, for copy of any Order in Council as to the route or terminus of the railway, and of any correspondence in connection therewith. He said: I think I am correct in saying that the provisions of the charter of this Company was one which left some discretion to the Governor General as to its course and terminus; at least, that is the case with regard to some of these railways. Independently of the information which is asked for in the latter portion of the motion, it is important that we should understand upon what grounds, and upon what application, and by whom prompted, and upon what evidence it was that the Administration determined to make the grant to which I have referred. The evidence of their having made such a grant is the prospectus of this Company to which I alluded the other day. It states:

"The total length of the authorized railway, which will be divided into sections, is about 295 miles, of which the first section of 119 miles is now under contract for construction by a responsible contractor at prices favorable to the Company. The works are in progress, and it is confidently anticipated that at least fifty miles will be completed and opened for traffic by the 1st of September, 1881.

* * * "The Governor-General of the Dominion has approved the report of the Privy Council of Canada, recommending the grant to the Company, at the nominal rate of $1 per acre of an area of land immediately contiguous to the line of route, equal to 3,840 acres per mile constructed, commencing from the south-west boundary of the Province. This grant will thus embrace some 1,328,000 acres, and it is estimated by Canadian experts that a judicious realization of these lands will ultimately produce to the Company the clear sum of £2,000,000 sterling. The Company has refused several offers already made to them for the purchase of large portions at $5 per acre. By the terms of the trust deed, hereafter referred to, the proceeds of the sale of all these lands are specifically appropriated to the redemption of the bonds thereby secured, thus placing the same in entire independence of the success of the railway.

"In addition to the aid thus liberally, yet wisely, afforded to the Company by the Dominion Government, the Company have received from several of the townships, on the line of route, substantial offers of monetary assistance in the form of municipal bonds, created under the provisions of the Manitoba Provincial Municipalities Act, 1880.

"At the Souris River the line will strike the extensive and important coal fields which have recently been discovered at that spot, and which will unquestionably furnish to the Company the means of overcoming the most serious difficulty which has hitherto been experienced in the working of railways through prairie countries, namely, the scarcity of locomotive fuel, caused by the absence of large timber.

"Not only will the Company derive great advantage from being thus able to obtain cheap fuel for its own consumption, but, inasmuch as the Canadian Pacific Railway, for nearly 800 miles of its entire length, the city of Winnipeg, and the various townships in line of route will be dependent upon these coal mines for their supplies of fuel, it is estimated that the Company's mineral traffic alone would justify the construction of their railway, apart altogether from the passenger and grain traffic which must in any event fall to it.

"The railway throughout will run almost on a dead level, and rock cutting will be avoided, thus enabling it to be constructed and equipped at an average of £3,000 per mile. It is proposed to complete the works sectionally in three years, and the engineer's estimates conclusively show that each section will command a remunerative traffic as soon as opened.

"The total amount of bonds authorized under the Act is £1,180,000 sterling, which can only be issued in proportion to the length of the railway actually constructed or under contract to be constructed, nor until at least $250,000 (£50,000) of the capital stock shall have been subscribed; which condition has already been fulfilled, the whole having been taken up in Canada. * * *

"The Corporation of the city of Winnipeg, under their charter of incorporation, undertake the construction, at their sole cost, of a railway and ordinary traffic bridge over the Red River within the city limits, the use of which for their traffic is granted to the Railway Company for five years, free of tolls. By virtue of an agreement dated 26th December, 1879, the Corporation agree to transfer this bridge to the Railway Company upon certain conditions, and, further, exempt from all city taxes for a period of fifteen years, the station, workshops, and lands within the city of Winnipeg occupied by the Railway Company."

It thus appears that this railway possesses elements as a commercial enterprise, which should make it remunerative from the start, and, therefore, of course, that it would pay interest on the capital invested. It seems that to assist in the construction of this railway no less than 1,328,000 acres of very fine land—I believe they are largely in the Turtle Mountain District—have been appropriated by the Dominion Government as is said, as the Company rightly puts it at the nominal price of $1 per acre; that for large tracts of these lands $5 per acre has already been refused, and that it is expected that they will net to the Company no less than $10,000,000 altogether. It seems to me that a transaction of that magnitude is one which should have been submitted for the sanction of Parliament; that it should have been accomplished as a matter of policy by Bill or other procedure, and not by the action of the Executive only. It seems to me that the moving purpose in this is obvious—though, of course, the Government did not sell at less than the minimum price at which Parliament allowed them to sell—that the moving purpose was not to provide money by selling lands at $1 per acre to aid the Canadian Pacific Railway, but to give substantial aid to this other company. That granting of aid may have been perfectly justifiable. I do not say that it was not—I do not say it was, but, it seems to me, we did not authorize the Executive, so far as I know, to grant aids to railways in Manitoba or outside of it; that we did not put power in their hands to do so, and that they should not have so used powers entrusted to them for another purpose, but should have brought down a scheme last Session—or, if they could not do so last Session, then this Session,—and should have submitted it for our consideration and determination before engaging in an operation so important as this. I think, then, we are fairly entitled to the information for which the motion asks.

Sir JOHN A. MACDONALD. There can be no objection to bringing down any Order in Council respecting the route of this railway, though in the absence of my hon. friend, the Minister of Railways, I cannot say whether there are any to bring down. With respect to this grant of land for railway purposes, it is not correctly described as a grant. It is an ordinary sale to this company, the same as to any individual. The House will remember that the regulations of the Government and the whole scheme respecting the land to be appropriated for building the Canadian Pacific Railway, were submitted to Parliament. Parliament knew exactly what was the policy of the Government in that regard. It was provided that there was to be a series of belts, extending from A to E inclusive of both letters, and that the price would vary according to the distance of the land from the railway. The price of the lands in Belt A, within five miles of the railway, which were reserved for defraying the cost of construction, was $5 an acre, the price in Belt B less, in Belt C less, in Belt D less, and in Belt E, about 40 miles from the main line, $1 an acre, to any one who chose to buy. Therefore this company stood in the same position as any private person choosing to pay that price. This company had no greater rights than any person in the world who chose, as soon as the surveys were completed, to go and buy in the odd numbered sections, and it is of very great importance to us that, instead of individual speculators going in, we should get a railway company to go there and run a railway to these lands, thus increasing the value of the land in the even-numbered sections belonging to the Government. Without a railway there the land was to be sold at a dollar an acre, and it was right that the Government should give a preference to this company, which took a railway there, so that for pre-emptions in the even-numbered sections the Government would be able to get a higher price. It was an incidental encouragement to this company. It is a Canadian company, and it cannot be supposed to have a very large capital. It has to seek for capital, and yet the Government do not propose to give them a single acre. It was not part of the proposal to make them a present of the land, but we sell it to them at the same price as to everybody else, as an encouragement to build the road, and if they do build the road with this encouragement, they open up a section of country within a reasonable distance of the Souris district, and bring in a supply of coal fuel to the inhabitants of Manitoba and the immediate neighborhood. It is provided that they should receive no land within the Province of Manitoba, but they are to receive it only in the district west of the Province. There cannot be the slightest objection to the motion.

Sir RICHARD J. CARTWRIGHT. I would like to know, from the Minister of the Interior, exactly how he proposes to give these gentlemen the lands in Belt E under the existing regulations. Does he propose to give them the lands in Belt E for a long distance beyond the terminal point of the railroad, or are they to be between the boundary of Manitoba and the point, about 150 miles west of it, where these coal deposits are found?

Sir JOHN A. MACDONALD. The arrangement is that we are to sell them railway lands within sixty miles of their road, to the extent of, I think, 3,640 acres per mile. Then they will have to take the land west of that, and, of course, that is an additional inducement to them to extend the railway in order to make their lands saleable; but it is all within Belt E, and within the railway lands, which are open to everybody who chooses to pay a dollar an acre.

Sir RICHARD J. CARTWRIGHT. I am not disposed to object to liberal aid being given to colonization roads; but, if I understand the hon. gentleman, 2,200 square miles are given to this railroad. You have got, I think, about 12 miles of Belt E, and no more, and you may not have 12 miles—it depends entirely on the location of the road. My impression is, that this grant will consume the entire portion of Belt E, which is not reserved for settlers, for a distance of 120 miles, more or less, beyond the point at which this road stops. If the hon. gentleman and his Government have made what I may call a firm provision that those gentlemen will go on, well and good; but, if otherwise, the arrangement may interfere very materially with the aid to be granted for the establishment of colonization roads west of this road.

Sir JOHN A. MACDONALD. There is no reason why the individuals forming this company should not come and buy this land; but there is a provision that the land shall be given to them for purchase, only in proportion as they build the road, otherwise there might be an enormous purchase of land by the company merely for speculative purposes. But even if this were so, there would still be the alternate blocks of 640 acres reserved for homestead and pre-emption purposes. It is, however, distinctly provided that the land is only to be granted according to the progress of the road.

Mr. BLAKE. Is any of this land in the neighborhood of Turtle Mountain?

Sir JOHN A. MACDONALD. It is not far from Turtle Mountain. The road runs to the north of Turtle Mountain.

Mr. BLAKE. I suppose the hon. gentleman will be able to bring down these papers rapidly?

Sir JOHN A. MACDONALD. Immediately.

Motion agreed to.

LAND GRANTS TO RAILWAYS.

Mr. BLAKE moved for a copy of any Orders in Council granting tracts of land in the North-West to any railway company other than the Manitoba South-Western Colonization Railway Company, together with the applications for such grants, and all correspondence and Orders in Council connected therewith, and a statement of the lands selected thereunder; also for a copy of any Order in Council as to the routes or termini of any such railways, and of any correspondence in connection therewith. He said: This is a motion similar to the last. It has been stated that an Order in Council has been passed, granting lands by sale to at least one other railway company.

Sir JOHN A. MACDONALD. I only say this, that from my point of view, and from the point of view of the hon. member for Bothwell (Mr. Mills), if we can get money for the lands we had better sell them, and if any of these railways run through any of the belts we shall be very glad to sell the alternate and odd-numbered sections at the price set for each belt, whether it be $5 or $1.

Mr. MILLS. Without any restriction on the railway company?

Sir JOHN A. MACDONALD. I have already explained, provided that they shall only get it according to the progress of their work.

Mr. MILLS. The hon. gentleman will remember that when we proposed to deal with that question, we proposed the railway companies should bring their lands to the market within a certain time. That is the rule with regard to the Union Pacific and other railway companies in the United States. When a certain length of time has expired, the railway companies are bound to sell, or are subjected to taxation.

Sir JOHN A. MACDONALD. This company intends to raise the money on the sale of lands or bonds issued upon guarantee of the lands, and it is, therefore, its interest to sell the lands as quickly as possible.

Motion agreed to.

THE PACIFIC RAILWAY.

Mr. BLAKE, in moving for copies of all Orders in Council, and of all correspondence with the Government of British Columbia, or with the Canadian agent for British Columbia, touching the lands appropriated, or to be appropriated for the construction of the Pacific Railway in that Province, said: It has been stated, Mr. Speaker, that there has been a discussion going on for some time between this Government and the Government of British Columbia, with reference to the arrangements made at the time of the Union of British Columbia with Canada, for a certain appropriation of lands for the construction of the Canadian Pacific Railway. I have no authentic information, I need hardly say, as to what the nature of that discussion may be, or what the demands precisely are which have been made by this Government upon the Government of British Columbia; but, as far as I could learn from the sources of information available to the public, it was a demand something of this nature: that inasmuch as a very large proportion of the land which, under the Articles of Union would belong to the Government, was unsuitable in character, there should be a power to obtain still further lands so as to make that cession of some practical value. That is what I have gathered from these sources to have been the nature of the demand, and these same sources of information indicate a refusal of the demand. I think we are entitled to authentic information on that subject, a subject which is also germane to the question upon which Parliament has been called at this time to decide, because it is connected directly with the question of the resources we have for the construction of the Canadian Pacific Railway—at any rate in the Province of British Columbia. I, therefore, Mr. Speaker, place this motion in your hands.

Sir JOHN A. MACDONALD. There can be no objection to this motion. There has been some correspondence on the matter. The hon. gentleman will remember that the British Columbian Government was to grant, on each side of the road, as much as was to be granted elsewhere for the construction of the Pacific Railway—20 miles on each side. There are a good many ways of making these 20 miles, if you measure up hill and down hill——

Mr. BLAKE. That is the way you will have to measure.

Sir JOHN A. MACDONALD. You may find the 20 miles very little, especially when we get into that inhospitable sea of mountains——

Mr. BLAKE. Order.

Sir JOHN A. MACDONALD. Which my hon. friend spoke of as British Columbia. I fancy it will end in the 20 miles being measured from a higher altitude than the highest tops of the mountains.

Motion agreed to.

THE VANCOUVER ISLAND RAILWAY.

Mr. BLAKE, in moving for any copies of any correspondence with the Government of British Columbia, or with any persons in that Province respecting the Island Railway, said: I observe that there has been some discussion on the subject of the Island Railway, an enterprise in which, as the hon. member for Vancouver (Mr. Bunster) knows, I have always taken a very great interest, and I think it would be important to know whether there has been any correspondence on that subject. The gentlemen, whom my hon. friend has always regarded as the special friends of his Province, are now in power, and have brought down a scheme for the completion, as they call it, of the Pacific Railway. I suppose my hon. friend from Vancouver will agree with me, though on entirely different grounds, that the scheme is a very imperfect one. His reasons will be, the railway does not go far enough west, does not extend to the Island At any rate, it will be interesting to know what is the attitude of the Government with regard to the Island Railway.

Mr. BUNSTER. I am glad to hear the leader of the Opposition (Mr. Blake) has seen the error of his ways in opposing British Columbia. I am glad to see him take a real interest in British Columbia. I am glad to see he is at last convinced he has made a mistake in opposing that Province as he did in days gone by. I see he is seeking a great deal of information in relation to that country, but whether it is for the benefit of that country, or of his own particular Province, or whether he wishes to overturn the present occupants of the Treasury benches, is a question not yet settled in my mind. Every opposition that could have been raised has been raised by the hon. gentleman against the union of British Columbia with Canada. How many times has he not said he would rather see British Columbia go than remain in the Dominion?

Mr. BLAKE. No, never.

Mr. BUNSTER. Then the press is not as reliable as I believe it to be. What chance would there be of making a nation of this Canada of ours if you allowed British Columbia to go? According to the policy of the hon. gentleman, he would change that policy. I, for one, know the value of British Columbia, and I would again inform that hon. gentleman that it is not the inhospitable country he would depict it to be. If he would only seek information for himself by going to that country, he would find it a hospitable country, and much as he has abused it, he would receive a hearty welcome there, and might be led to change his mind with reference to it, so that he would lend a helping hand to the present Government to build a road on Vancouver Island. I do not approve of the scheme of the present Government, because it does not go far enough. According to the Carnarvon Award we were to have a road built on Vancouver Island. There is not a word in the present arrangement about building that road. But let Vancouver go; let her go out of the Dominion. She will make her own road. We have gained nothing by belonging to this great Dominion. We had been living in hopes that Canada would carry out her bargain with British Columbia, and have been deceived. I would ask hon. gentlemen, has Canada carried out her terms? No; the answer is plain. She has not. The present Government were thrown from power seven years ago; hence the road was stopped. Ten thousand tons of rails were sent out there to raise the hopes of the people that the road would be built in good faith. But what was the consequence? Because the people of Vancouver Island were not loyal to that Government, the rails were removed to the mainland, and allowed to deteriorate there, with half an inch of rust accumulated on them, not to speak of the interest accumulated on their price. If they had been utilized on the Island, they would have more than paid for themselves by to-day. Not one is yet laid, and the bad faith of which British Columbia has been made the victim, is not creditable to either the present or the late Government. The road in Vancouver Island will pay from the first, as it will be employed in exporting coal and other minerals, in passenger traffic, and in developing a very rich tract of land. It will pay by bringing to the Custom house a very large additional revenue. Vancouver alone has sent this year $700,000, odd, to the Dominion Exchequer—a great deal more than was expended in British Columbia. Nevertheless, she is abused continually to her injury. When the Americans read speeches made in the House, and denunciations of British Columbia, they say: that is not a country for us to emigrate to. It is not complimentary to British Columbia to denounce her thus, particularly when, on account of imperfect information regarding her, she has not received fair play. I regret very much, for the abuse she has received, that we joined the Confederacy so soon. We should have done better to remain as we were. I say this

in all seriousness and in sober earnest. We were brought into the Union by promises of the right hon. Premier which he thought, probably, he would be able to perform, but which have not been performed. We cannot be accused of being too exacting in our demands when we have waited ten years for the fulfilment of her promises; and now the Island, the most important part of British Columbia, is totally ignored, though one of its constituencies was very much pleased to give the Premier a seat, when he wanted one. I do not consider he has treated his constituents as he should have in leaving the Island out of the Syndicate. It is my humble duty to inform him that I do not think he has given that attention to his constituents which they deserved, or treated them as he ought.

Mr. BLAKE. The hon. gentleman complains that the Premier has not treated his constituents; I want to know how many he would have to treat.

Mr. BUNSTER. I do not know what kind of "treat" you mean—whether it be in beer or whiskey, but I have no doubt the right hon. leader of the Government would be equally happy in entertaining his constituents at either—that is more than could be said for the hon. member for West Durham at any time. Seriously, however, I think British Columbia should be treated with fairness and justice. As to carrying out the Carnarvon Award, accepted by the late Government, the people of Canada, endorsing it practically, said to the present Government, you can return to power, to treat British Columbia fairly, as she is worth all the rest of the Dominion put together. Our province is rich in minerals, including gold, coal and marble, rich in lumber, fish and agricultural resources, possessing as fine rivers as any in Canada, not excepting the St. Lawrence. Till it is better known to the people of Canada and her statesmen, it will not receive fair play. During the whole period of Confederation, the only Canadian Minister who honored us with a visit was Mr. Langevin, who was so pleased with our Province, that he has ever since felt kindly to it. In fact, we have looked upon him as a seventh member. We have had other visitors, including Mr. Edgar, who thought we were in the market, as he offered us $750,000 in lieu of certain rights. But money is not a scarce commodity there. As our banking and mining records can bear witness, we have any quantity of the filthy lucre awaiting investment, in the hope that Canada will carry out her promise to British Columbia. How many men have been ruined in that Province waiting till real estate, in which they had invested, would rise in value through the building of the Canadian Pacific Railway? Quite a number, who placed too much confidence in those promises. Then a certain high personage, no longer connected with the Dominion, came to British Columbia and made all sorts of fair promises on behalf of the late Government, not one of which have been carried out. Is British Columbia being fairly dealt with I again ask? The answer must be—No. The answer of the people at the last General Election was that it had not been fairly dealt with, and there should be a change of Government. I have had considerable trouble in convincing our people that if we gave the present Government time, they would try to do better, but it certainly astonishes me to see the leader of the Government leaving out his own constituency, by not building the Island Railway. The Island is the best part of British Columbia, possessing more capital, more population, and more business for the railway than the rest of the Province. The grades on the Island would be easy and the distance short, and last, but not least, we command the finest harbor in the world. No matter where the railway be built, you will be eventually obliged to bring it to Esquimalt, to command the commerce of the world. I shall take up this question again at the proper time, for the Island road must and shall be built.

Motion agreed to.

SETTLEMENT OR SALE OF LANDS IN MANITOBA OR THE NORTH WEST.

Mr. BLAKE, in moving for copies of all notices issued or published since the accession to office of the Ministry, on the subject of settlement or sale of the public lands in any part of Manitoba or the North-West, said: I make this motion in general terms, because the notices issued and published will not be very long notices. They are of a general character, and it would be convenient, even if one or two have been already brought down, yet that we should have the whole series together, and not be obliged to look up those scattered among the journals. My particular object was, of course, with reference to the notices to which I referred on a former occasion. I want to see what connection they have with the operations of the Manitoba and South-Western Railway Company.

Motion agreed to.

LAND SALES IN THE NORTH-WEST

Mr. BLAKE, in moving for copies of all Orders in Council and correspondence touching the sale of large blocks of land in the North-West to Mr. Brassey, or to any other individual, with a description of any such grant, said: I need not do more than allude to the statement made by the Minister of the Interior of a particularly large grant made to Mr. Brassey. Since then a statement has been made in the papers that two or three large blocks have been sold to the same individual. Another statement has been made, that another large block, in the same neighborhood, had been appropriated or sold to some other person. The object of this motion is to obtain any information with reference to the sale of large areas to individuals, as the object of the preceding motions was to obtain similar information with reference to the sale of large areas to this railway corporation.

Sir JOHN A. MACDONALD. There are no Orders in Council respecting this or any other sale, because no sale has been completed. Mr. Brassey has made an offer with the genuine idea of being of some aid in the settlement of the North-West—he takes an interest in that matter—and it has been favorably received by the Government. We will bring down the correspondence. I may say that Mr. Brassey's preference was to get some of the country close to the foot of the Rocky Mountains for grazing purposes. The Government may have to come to the Legislature for new powers for that purpose. Mr. Brassey has no desire, however, to be a monopolist of land. He has been given to understand, that of those portions of land fit for agricultural settlers, he would only get, as anybody else would get, the alternate block, that there should be no change in regulations concerning the sale of tracts of land, whether to him or anybody else. The Government has adhered to that without any exceptions. The hon. gentleman should understand, however, that if, as is most likely, larger tracts of land are needed in those portions fit for cattle ranches, it may be necessary to ask for the legislation. It may be proper to say that another hon. gentleman in the Upper House, who is a great cattle breeder, speaks of establishing a large cattle ranche somewhere in the vicinity of Bow River, where, I believe, there are most magnificent pastures. I am glad to find, from the recent surveys, that there are large tracts of land adapted to agricultural purposes as well as for grazing purposes.

Mr. BLAKE. There is some provision, I think, in the Statutes, for leasing lands adapted for cattle ranches. What is the price of this proposed sale to Mr. Brassey?

Sir JOHN A. MACDONALD. There is no specified price. He is quite willing to pay the dollar an acre, which we suppose will be the price.

Mr. BLAKE. A little like the other arrangement.

Mr. MILLS. Does the hon. gentleman mean that the Government has adopted the principle of selling only in alternate blocks those lands that are fit only for pasture?

Sir JOHN A. MACDONALD. Oh, no. I say that all the land fit for agricultural purposes must be in alternate blocks.

Sir RICHARD J. CARTWRIGHT. I am glad to hear that explanation, because I thought myself at the time that it was a most astonishing thing for lands fit for settlement to be granted in that way. I would like to know whether any sort of surveys have been made which would enable such tracts of land to be set off. As far as my recollection goes you can hardly set those off without having some rough survey as in the corresponding districts in the United States. In this matter great care ought to be taken not to part with lands which may subsequently prove fit for settlement under the present supposition that they may not be of much value for agricultural purposes.

Sir JOHN A. MACDONALD. Every care will be taken in that respect. A meridian line has been run from Edmonton to the boundary this last year, and it has been found that in the vicinity of Bow River there is most magnificent land for agricultural purposes, which will be reserved for agricultural settlement, according to the ordinary regulations, until they are altered by consent of Parliament. The Government quite understand that the land at the foot of the Rocky Mountains, at the bottom of the slope, is made up of the accumulated debris of centuries, and I anticipate a very considerable immigration from the extreme Western United States into that country, on account of its ascertained richness and its adaptability to agricultural purposes.

Mr. MILLS. Has there been any geological surveys this season, of Bow River, where gold fields have been reported?

Sir JOHN A. MACDONALD. No; I think not.

Motion agreed to.

PATRICK ULTICAN.

Mr. HADDOW moved for copies of all correspondence, track masters' reports, and all other papers relating to the claims of Mr. Patrick Ultican, of Belledune, Restigouche, for damages to his farm, occasioned by overflow of water and other causes in connection with the Intercolonial Railway.

Motion agreed to.

SAULT STE. MARIE RAILWAY.

Mr. DAWSON, in moving for a return of all surveys made by Mr. Brunel or others, during the past summer, of the country between Lake Nipissing and Sault Ste. Marie, with the view to finding the best ground for a railway between those points, said: This survey has been made in conformity to a provision made by the Government last Session in reply to the question:

"Does the Government intend to take any effective measures during this Session, for ensuring, either by the granting of a subsidy or otherwise, the immediate construction of a railway to connect the south-east end of Lake Nipissing with the Sault Ste. Marie?"

It was stated by a member of the Government that:

"It is the intention of the Government, during the present Session, to examine the route carefully westward from Lake Nipissing, and to aid, by subsidy or otherwise, next Session, the construction of a railway to connect the Canada Central Railway terminus, at Lake Nipissing, with Lake Superior, on a line, and with the conditions to be fixed by the Government, and the route to be settled in such a manner as substantially to aid in the eventual construction of the Canadian Pacific Railway, on the northern shore of Lake Superior."

I am glad to see that the Government has not forgotten its pledge. The survey is an important one, and, in the present position of matters in relation to the Pacific Railway, it is desirable that the report of the Engineer should be laid before the House with the least possible delay. I observe that the hon. member for West Durham (Mr. Blake), has made a motion which, I suppose, applies to the papers which I now ask for; and if this is the case, I need not put the department to the trouble of making two returns in the same matter, and will, therefore, allow this motion to drop.

Motion withdrawn.

SEIZURES UNDER THE CUSTOMS ACT.

Mr. CASEY, in moving for a statement of all seizures of goods made by the Customs authorities since the introduction of the present Tariff, stating cause of seizure in each case, and also in which cases the goods were sold or still held; in which they were released and on what grounds; in which application was made for appraisement; in which Bills were filed in the Court of Exchequer for restitution of goods; in which application was made for leave to enter suit for restitution; and the result of such applications for appraisement or leave to enter suit in each case, said: So far as the fyling of bills in the Court of Exchequer is concerned, I am aware that I do not, by the terms of the motion, cover all the ground that I should; but my object is to get the details of all such cases of seizure. I know that proceedings with regard to these seizures, might be taken in other courts, whose records it may not be in the power of this House to obtain; but before I sit down I will ask permission to amend my motion in such a way as to include all the information which I desire. I beg to call the attention of this House to the extraordinary powers with which the officers of the Customs, and the department itself, are endowed by the existing law. The collectors of customs and the appraisers and Board of Appraisers, taken individually or collectively, seem to have practically in their hands power to determine the prices on which the duty shall be paid upon any invoice entered at any Custom house. An invoice, it appears, may be authenticated by affidavit or in any other way; but notwithstanding that authentication, it is within the power of the collector and the appraisers, as I read the law, to say that the prices so authenticated shall not be the prices that are to be paid, and that the prices which they consider the fair market price of the particular goods in the market where they were bought shall be the true prices upon which the duty shall be calculated. Still further, in case a dispute shall arise between the collector and the importer, as to what is the fair market value of the goods, all the odds are in favor of the collector—his decision is final unless an appeal is made against it in a certain prescribed manner; that is to say, *primâ facie*, he is correct in his estimate, and the onus of proof lies upon the importer. The first proceeding the importer may take is to apply to have his goods appraised, whereupon the collector may summon to his assistance "any two discreet and well-informed merchants"—I think that is the language of the Statute—in the same line of business as the importer, and residing in the place where the entry is made; and these, with the collector as referee, form a Board of Appraisers. The importer has no voice in the appointment of these appraisers; he is not allowed to appear before them personally or by counsel—at least has no right in law so to appear and plead his case, or show one. The proceedings of the Board are held to be final unless suit is entered against the Government for restitution of the goods, or the return of duty paid in excess. As I am advised by legal gentlemen, no suit can be entered against the Government in connection with these cases unless by consent of the Attorney-General; that is, the Government themselves have the right to decide whether they shall be sued or not. This, it appears to me, is an extraordinary power to be possessed by the Government, though, of course, it is not peculiar to this class of cases, but applies to all cases in which suit may

be entered against the Government. The reason which is given for this state of the law is, that it prevents vexatious suits against the Crown by persons who would not be responsible in case they lost their suit. I think that purpose would be served by a provision requiring the suitor to deposit security in advance. However, I am not discussing what powers the Crown ought to have in such cases, but I am pointing out powers they have, for the purpose of drawing the inference that the exercise of these powers with regard to Customs, ought to be very carefully watched. In case the importer who feels himself aggrieved, does not take any of these steps, the Customs authorities may retain his goods, advertise them for sale, and sell them. The Board of Appraisers is a new engine put in the hands of the Government, to enable them to control the importations of goods into this country. It consists, I think, of three gentlemen sitting here in Ottawa, and, to whom, I suppose, all doubtful cases are referred, and by whose instructions local appraisers are to be guided. This is an irresponsible court, to which is given power to decide the value of goods entered for duty. We have had, to my recollection, no authoritative report of the proceedings of that court. The simple substance of all I have stated is this: that Parliament, in deciding what rate of duty is to be payable on certain classes of goods, does not really say what duty shall be paid. The amount of duty to be paid is fixed by the collector; although Parliament may fix the rate, the actual taxation is settled by that person who fixes the amount on which the taxation shall be collected. Consequently, the taxation on the importations of this country is practically in the hands of a department—practically in the hands of any novice who thinks his opinion of the value of goods is better than the sworn invoice of the importer of those goods. Under these circumstances, it is necessary that this House, whose special province is taxation, should supervise the exercise of these powers with special zeal. I may be asked how it was that there was no fault found with regard to the exercise of these powers while the late Government was in office. I admit that there was no complaint, and I think the reason is very clear. The operations of the law does not depend so much on the words of the Statute as on the administration of that law. Under the late Government the theory of administration was, that trade was something to be encouraged, and that the only duty of the Customs official was to see that no fraud was committed by importers, and that the revenue legally collectable on certain goods should be collected. Now, however, the theory of administration is changed. It is a principle of our system of government at present, declared not only in speech but on the Statute-book, to discourage the importation of such articles, at least, as those manufactured in the country, by means of heavy duties. This theory is not confined to the legislative part of the Government; it is carried out in the administrative part also, because it has led to the practice of the department of Customs, and the employees of that department, preventing, by the technicalities of the law, as well as by the duties imposed, the importation of goods into the country. It has led to something more than this. The principle of protecting home manufactures has been carried a step further by the department, as it appears that it has attempted to protect existing importers against the intrusion of new importers—rivals in the same line of business. I do not say that one idea is more unreasonable than the other, because I think they are both contrary to public policy. It is certainly in the interest of the public that there should be competition in the business of importing as well as in the business of manufacturing goods. No loss would accrue to the revenue of the country by an increase in the number of importers; the same amount would be collected, whether the goods were brought in by one or by twenty. Such certainly appears to have been the policy of the Customs officers at certain places; and where they could not prevent the starting of new importing firms through the duties imposed by Parliament, they have been enabled to do so by taking advantage of those provisions put in the law for the purpose of enforcing the collection of the revenue, and straining and twisting them in such a way as to weary and harass importers. I may refer to an instance which has been brought to my knowledge within the last day or two. A gentleman hailing from the town of St. Thomas, in my own county, recently established a business as agent for the sale of an American safe. He consulted the Customs officers at once as to the valuation which the safes would have to bear when entered for duty. It was agreed that they would enter these safes at the invoice price, whatever it might be, subject to such appraisement as the Customs officers there might put upon them. In pursuance of this understanding, after having sold several safes, he entered one which, as he tells me, was purchased at wholesale rates from the firm that manufactured it in the State of Ohio, the price being $70. The question of the value of that safe was left in abeyance, in the meantime, until the Customs officer at St. Thomas should communicate with his superior. He received instructions to add to the face of the invoice 50 per cent. of that invoice, thus making the price of the safe $105. Now, it so happened, that my friend had sold the safe to a person in Canada for $100, or $5 less than the price which this sapient appraiser said it ought to bear in the wholesale markets of the United States. My friend thereupon applied to his principals for documents to show that the price at which he had entered the safe was not only equal to its highest wholesale price, but equal to the retail prices at which similar safes had been sold to parties in the United States; and finding on coming down here, that something further was required, he has obtained an affidavit from the secretary to the manufacturing company in question, affirming the invoice price of the safe to be the correct one, the one at which they sold similar safes to all parties, whether in or out of the United States, that they had no second price, and other words to that effect which I need not here read in detail. The case is still, I believe, before the Commissioner of Customs, but he gave my friend to understand that it could not very well be settled at present, because the appraiser happened to be out of town, and he did not know when he would be back. Consequently, the safe must lie in the Customs warehouse, at St. Thomas, and the gentleman who bought it must do without it, and in uncertainty as to the ultimate decision respecting it, until the appraiser returns. I am very familiar with a case which created a certain amount of excitement in, Toronto lately, where a gentleman, well known to myself imported a large quantity of china into this country for the purpose of establishing a wholesale china store. He brought this china to Toronto and entered it at the invoice price. It happened that the figures on his invoice were lump figures, that this china had been bought in a lot and not at a certain fixed price for each article, as it was a class of china which was not sold regularly in the market, but was generally sold in lots. The appraisers in Toronto, on opening the cases, were struck with the fact that this china seemed to be much better than ought to be sold at the price indicated on the invoice Without calling on the importer for any explanation of this fact, they seized the whole consignment of thirty odd crates, amounting to a considerable value. Very shortly after that the gentleman appeared before the authorities, and, being informed that the consignment had been seized in consequence of this peculiarity in the invoice, offered to explain how it had occurred, and offered to make an affidavit that it was all correct, and to obtain from the manufacturers affidavits

and statements to prove the correctness of the invoice. These affidavits and statements were absolutely refused by the Customs authorities, who told him they did not want any explanation from him. My friend did not choose to ask for an appraisement, knowing that he had no chance under the law to establish his case before the appraisers, as any two rivals in the trade, at Toronto, might be chosen, who would value those goods at any figure they pleased. He took the other course, of consulting a legal gentleman, who instituted legal proceedings. The next proceeding of the authorities at Toronto, was to call in a man to appraise those goods, to get him to value them in a quite informal way—informal transactions between Government and individuals seem to be of frequent occurrence—and that opinion as to their value the Customs authorities accepted. When it became clear that my friend meant fight, that he was going to prosecute his claim for restitution of the goods to the furthest point, the Customs authorities agreed to give up the goods on the receipt from him of the same sort of affidavit they had before refused to accept. A short time after, an invoice of similar goods was entered at the same port, and, whatever was the reason, whether the officials did not care to make any trouble this time, or not, I cannot say, but they were so thoroughly satisfied of the honesty of the importer in question that they sent word down to the Grand Trunk warehouse to deliver these goods, without examination, on the word of my friend. It matters not whether the authorities were satisfied of his honesty, or were afraid of raising a disturbance, the practical result was the same. It proved that these goods should have been passed through the Customs in the first instance, instead of being detained on mere suspicion, and without listening to any explanation, thus putting my friend to serious inconvenience, and almost preventing his obtaining a store and settling in the town. The Customs authorities have, of course, the power in law to appoint appraisers, but have no right to do so except under the terms of the Act, and not in the peculiar manner adopted by them. It would appear that the rival merchants chosen to examine these goods made statements to the Government organ in Toronto, that the goods were a poor lot indeed, that they had not been over valued but undervalued, and that the importer was only a crockery pedler. I suppose this information came from the crockery merchants appointed, because it could not have come from the Customs department; but in any case, the injustice done my friend by that unfair criticism flowed directly from the peculiar course taken by the Customs authorities. I do not intend to throw the blame of all this entirely on the Customs authorities at that port. I have no doubt they were acting under directions of the Customs department here, and it is to obtain the important facts in this case, as well as in others, that I ask for the information called for by my motion. I need not go into any further instances. I will simply summarise the drift of my argument: that the Customs department of this country has extraordinary powers under the law; that these powers are exercised by the employees of the department, who are not persons directly responsible to this House; that these powers virtually confer upon those employees the power of taxation, which is a power that should belong only to this House; that while the administration of these laws was managed by an Administration which only looked for a revenue from the Customs, the operation of these laws did not call for any special comment; but when the administration came into the hands of a Government who looked upon the operation of the Act as a means of protection, the operation became oppressive. Certain importers were favored at the expense of others; new importers were hardly treated as compared with old established importers, and these evils have caused me to ask for such information as will enable the House to understand the whole case The hon. gentleman added that he would trust the hon. Minister to bring down the full papers, and he was bound to say that in every case of which he had been personally cognizant of the hon. gentleman's action, he has shown himself personally inclined to interpret the law in a liberal and proper spirit.

Mr. JONES suggested that the motion should be amended so as to cover cases in which goods had been sold and invoices allowed to be amended.

Mr. BOWELL said the Government had no possible objection to bringing down all the papers, but he suggested that the motion should be amended by adding the words "cases in which application was made for appraisement and the result of such appraisement." There were many cases brought before the department where applications were made for appraisement after the goods had been seized for undervaluation, and it was in the power of the Minister of that department to say whether that should be conceded or not. The hon. member had no doubt, in his mind's eye, a case similar to the one which he (Mr. Bowell) had referred.

It being six o'clock, the Speaker left the Chair.

AFTER RECESS.

Mr. BOWELL. It is not my intention to enter into any full discussion of the extraordinary powers to which the hon. gentleman (Mr. Casey) referred as given to the collectors and other officers of the Customs Department. I have simply to remark that that hon. gentleman is equally responsible with any other member of the House, during the late Administration, for the law now on the Statute-book, and for the powers which, to use his own language, give the "right of taxation" to appraisers, irresponsible in their character. Any hon. gentleman who will take the trouble to look at the law, will not come to the conclusion that appraisers have any such powers as they are accused of exercising. Their powers are very simple: to ascertain as correctly as possible the fair market value of any article imported in the principal markets of the countries in which they were bought; and if they find the invoices lower than that fair market value, it becomes their duty, under the law, to compel the importer to raise the prices given in the invoice for duty. This is the duty imposed by the law, which resembles all the Customs laws that have come under my notice. The powers used in the neighboring Republic, in carrying out the Customs law, are much greater than those exercised in Canada; and I venture the assertion that very few offenders against the law on the other side the line escape so easily as offenders on our side. The duty of the Board of Appraisers is not what is supposed by the member for West Elgin (Mr. Casey). They have not any more power under the law than any other clerk in the department. When an appropriation was asked in the House, for the establishment of a Board of Appraisers, to secure uniformity of valuation in all parts of the Dominion, and prevent the entry of goods at less than their value, it met with the general approval of the House, there being, if I recollect right, not a dissenting voice. Honest merchants who had suffered from the dishonest undervaluation of imports by rivals, were gratified at the proposal to appoint as appraisers gentlemen who had been in trade, and were acquainted with the value of the different articles imported. The only point to which I shall now refer is, the manner in which they have performed the very onerous and responsible duties imposed upon them. Their particular duty has been to ascertain the exact price of every variety of goods in the different countries whence they are imported into the Dominion; and when difficulties have arisen at the different ports as to the precise value of the goods, they have been referred to this Board at Ottawa. The appraisers compare the prices with the list of prices they have obtained, upon

which they decide what the fair market value of the goods are, when instructions, through the Commissioner, are sent to the different collectors and appraisers. As to the case to which my honorable friend referred, particularly the crockery case, that of his friend, who considered himself aggrieved, I may say that with neither of the cases of detention of goods, whether in Montreal or Toronto, had the Board of Appraisers anything whatever to do, until the seizure had been made and the report submitted to the department in Ottawa, upon which they were asked to ascertain whether the invoices presented were correct, and whether there had been undervaluation. After the investigation instructions were give to the officers to act in accordance with the law in that particular case. In the Montreal case, when it was represented to me that the party was a stranger in the country, and, through ignorance of the law, had allowed the time to elapse, which gave us the right to claim the value of the goods, I stated that no advantage should be taken of him. Two experts were appointed, and they raised the value of the goods to such an extent that, under the law, we were compelled to impose the penalty of 50 per cent. of the duties, additional. When the papers come down, I am convinced that any gentleman who reads them will acquit the appraisers and collector at Montreal, and the Board in this city, of any intention to do wrong, and will say, on the contrary, that they did, under the law, precisely their duty and nothing more.

Mr. CASEY. I did not allude to that case, or find any fault with it whatever.

Mr. BOWELL. The hon. gentleman referred to it as that of a friend of his.

Mr. CASEY. It was a similar case; the same person, but another case.

Mr. BOWELL. I will come to that in a moment. He said there were two occasions on which this gentleman was interfered with and harassed in the importation of certain qualities of goods. The hon. gentleman acknowledged that, when this entry was made in Toronto, the invoice was not such as to enable the appraiser to judge of the quantity or the quality of the goods, that were detained. It was, if I may use the expression, a sort of lump invoice, so many crates at a certain rate. The appraiser at Toronto asked the opinion of those who were well acquainted with the prices of such articles, gentlemen who had been in the habit of buying from the same firms in England, and they told him that no doubt the price as given for the quantity represented in the memorandum was much below the market value, and upon that the appraiser detained the goods. He did not seize them, if my memory serves me right.

Mr. CASEY. Yes, they were seized.

Mr. BOWELL. He detained them anyway, and the matter was reported to the department in Ottawa. As soon as it was received there, the same mode of proceeding was gone through as in the other case, with the exception of the appraisement. They were instructed to ascertain, by personal inspection, the quality of the goods, and to decide whether the appraisers were really justified in retaining them, or whether the circumstances would justify the giving up of the goods. The department in that case took the only course open to it, that was to ascertain the quality of the goods and the prices at which they were entered, to see whether they were correct. My impression is, that after a full investigation, I ordered them to be given up at the prices at which they were entered. The hon. gentleman is altogether mistaken when he says that any extraordinary powers are given to any of the officers who, he says, are irresponsible. All officers are responsible to the department, including the Board of Appraisers, and the political head of the department is responsible for their action. I do not desire the hon. gentleman, or the country, to understand that the Government desires to shirk the responsibility in any way of the actions of their officers; but if it be pointed out by merchants, or by any gentleman in this House, that these officers have gone beyond their duty, then it will be the duty of the department, and of the head of the department particularly, to see that they are removed. I may say that any gentleman who has had anything to do with the administration of the Customs must be aware that the appraisement of goods is a very difficult branch of the department. Appraisers have a difficult duty to perform, and I can appeal to my predecessor that when we are having constantly false invoices presented to us by various classes of dealers —I do not say the established merchants of the country—but when we find manufacturers in foreign countries sending their goods here at a much lower valuation than they sell them for in their own country, when they write to the department confessing their ignorance of the law, but expressing their determination to have their entries made upon certain prices, any one will see how great are the difficulties with which that department has to deal. The hon. gentleman says, it is the administration of the law; that, during the late Government, few faults were found in connection with this matter. If my recollection serves me right, for five years while I was sitting on that side of the House, upon every occasion when the Tariff was discussed, or any question came up involving the administration of the Customs law, the constant complaint was that the law was not enforced, that a system of undervaluation was constantly going on from one end of the country to the other. So convinced of that fact was the late Minister of Customs, that, year after year, and almost month after month, he was constantly sending out circulars to different ports, calling their attention to the fact that certain articles were being entered at an under-valuation, and that they must add to the invoice price 20, 30, and even as high as 50 per cent. I have in my hand a large number of those circulars that were being constantly sent out. Now, the only difference between the administration of the law by the late Government and the present Government is this: the late Minister constantly issued these circulars; the appraisers in the different ports in the country not having any one to whom they could apply to furnish them with the value of the goods, were not in the same position to carry out the law as they are at the present moment. Circulars would be issued probably, calling attention in some port to the fact that an article had been imported into different parts of the country at 25 or 50 per cent. less than its value, and to keep watch upon that particular article. I do not say the appraisers did not do their duty as far as they could do it; but the moment a circumstance of that kind is brought under the notice of the department now, the Board of Appraisers will at once set to work and ascertain the fair market value of that article in the different markets of whatever country it may be imported from, and the different appraisers and collectors throughout the Dominion are at once made acquainted with the fact. I think it is quite right it should be so, because it protects the honest merchant and the man who will not resort to trickery to defraud the revenue. I will mention one or two articles as an illustration. Scythes, for instance, were entered into this country at six dollars per dozen as the selling price, and the importer wrote to the Government to that effect. In the United States the price was eight dollars and a half per dozen. The importer objected to the extra two dollars and a half being added to the invoice price, because, said he the six dollars per dozen is the price in the United States, for export. It is no matter of the Government what price may be paid for the article in the United States, the merchant or manufacturer may give his goods if he pleases; but what the Government has to do is to see that the price for duty is the price at which he sells that article in the United States

for consumption in the United States. Beyond that we have nothing to do. Many entertain the idea that if they enter the goods at the cost to them at the manufactory, they are within the law. Cases of this kind constantly come under my observation. Men have come to the department, saying: We have entered the goods at the actual *bona fide* cost at the manufactory, and we have added ten per cent. for contingencies. I asked: At what price do you sell that plough, to the merchants and dealers of your own town? He replied: "At $9.50." "Then," I replied, "Under the law, the value for duty is $9.50." That is the principle upon which we have acted. We find also that there are men who sell their goods at what they term export prices, and they arrive at that price upon the principle I have mentioned. In the United States they have a regular system of drawbacks; that is to say, if a man manufactures for export he is allowed a certain amount upon each article which he exports, hence he can afford to sell them in Canada for the regular prices less the amount of the drawback. But we have nothing to do with the price at which the manufacturer sells to the merchant here, for the law which was passed by the late Administration, and which, I think, is right in that particular, provides that the value shall be, not what has been paid for the goods, but what they will sell for in their own market. There is one other point to which I desire to call attention. I have seen it stated in the newspapers that the department favors one importer at the expense of another. I have no hesitation in saying that the charge is false, and I challenge the hon. gentleman, or any merchant in this country, to prove the accusation. It may possibly be, when we have thousands of officers all over the Dominion connected with the Customs department, that some differ from others in their opinions as to the duties of certain articles, for it has occurred that we have had to educate our appraisers to enable them to judge of the value of articles which are imported; for the system of appointing appraisers in the past, and more particularly under the late Administration, has been such that it has been almost impossible to educate these men so as to give them any idea of what their duty is. Since I took charge of the department, I have felt bound to remove some of these appraisers on that account. We have been accused of doing so from political motives, but the real reason was their utter want of knowledge of the business for which they were appointed. Any person who gives the slightest attention to the matter, must know that when there are so many appraisers all over the country, it will occasionally happen that one merchant will get his goods passed without a proper check, while the invoice of another is subjected to a more rigid examination. There is another difficulty—one that has increased to a very large extent within the last few years. We all know the extraordinary character of the rise in iron, which recently took place in England. The result of this rise has been that those who sent orders for iron in the autumn, before the rise took place, and had it shipped afterwards, think they should pay duty only upon the price which ruled when they ordered. This is a mistake; for the law distinctly says, that the value for duty must be the price at the time of the exportation from the country whence it was purchased. I am not going to argue whether or not that is the correct principle, but it was the law which we found, on the Statute-book, and which we are bound to administer. It has been my invariable practice, since I was appointed Minister of Customs to see, that the provisions of the law were rigidly enforced when there was any attempt to evade it. The complaint has been in the past that frequently, when seizures were made and fines imposed, representations were made and the fines were remitted; and for that reason I think it would have been better if the hon. gentleman's motion had gone back for five years, so that we might get at the number of the seizures, and the number of cases on which these remissions and mitigations took place. If I or the Government have erred in this matter—if it can be called an error—it is because when we have imposed a fine we have seen that it was collected, no matter whether friend or foe might suffer. If that is not to be a practice, the sooner the law is repealed the better, for you might dismiss the appraisers and have just a clerk or two to accept the invoices without objection or comment. It would be a great deal better to accept that principle than to place a law on the Statute-book for the protection of the honest importer, dealer or manufacturer, and allow it to be disregarded without imposing punishment on the offenders. Any one who has been connected with the Customs department knows the difficulty there is in administering the law; but I have determined that so long as I shall have charge of the department, those who violate the Customs law shall be punished in the same manner as those who violate any other law; and unless the House and the country are prepared to sustain that mode of administration, the sooner we repeal all the penal clauses of the law, the better for those who have to administer it, and the better for the morality of the commercial community of the country. I thought it necessary to make these few remarks, particularly in defence of officers who I know are very arduous in the discharge of their duties, and in order to disabuse the mind of those who fancy that any attempt has been made to harass importers or dealers in any way. All we desire is, to have the law administered fairly, and those who commit breaches of the provisions of that law should not complain. Neither do I believe they would complain to the extent they do, if they were not backed up by the Opposition press of the country in their efforts to make capital, and by those members of the House who think they have a little grievance because their friends could not obtain concessions, and who attempt to make the law unpopular by encouraging a feeling which is certainly not based on justice.

Mr. CASEY. I am sorry the hon. gentleman closed, an otherwise admirable speech, by insinuating that members of Parliament and the press were encouraging lawbreakers. I have, as indignantly as possible, to deny that charge as applying to myself, because he seems to apply it to me.

Mr. BOWELL. No; the hon. gentleman said he had no cause of complaint.

Mr. CASEY. I said, in my former remarks, that I think it is our duty to call attention to what seems to us to be an unfair exercise of the power given to the Custom house officers. I did not charge the department with favoring one trade more than another; I said it was reported in the papers, and to a large extent believed, that the Customs officials favored one party more than another; which might occur without the knowledge of the department, and which ought to be brought to the knowledge of the department by an enquiry of this nature. The hon. gentleman misunderstood me as referring to the Montreal case. I did not refer to that case, but to the safe and the crockery cases; but as he has referred to it, I will also. The facts are that this gentleman brought out a small quantity of goods as an experiment, which he entered at the actual price paid for them in Ireland, not being aware that, under the provisions of the Canadian law, he was obliged to enter them at the ordinary wholesale value; he entered them below that value, having bought them at a bargain, and, therefore, technically, in the eye of the law, made an under-valuation. As soon as his attention was called to this, he declared his willingness to submit the goods to a valuation, and have them so entered in the Montreal Custom house. The collector, however, seized the goods; but, on the case being represented to the Minister of Customs, he consented to

have the seizure annulled and the goods appraised; in which, I think, he was acting within the law. In the Toronto case, my hon. friend is misinformed. He says the collector detained these goods, while my friend says, they were not detained, but seized. The officials seized the goods on mere suspicion, and, in doing so, caused a great and unwarranted damage to the gentleman's business; and this is just one of those cases in which the officers of the department favor one party more than another. I am glad to hear that the appraisers here had nothing to do with the case—that everything was done strictly according to law, without any irregular interference by the appraisers, The hon., gentleman says he finds it hard to educate the local appraisers up to a knowledge of their duties. I think that is no doubt true, and that is one reason why I think it very dangerous to trust these local appraisers with the tremendous power they have. I think some legal process should be required before goods can be finally confiscated on the word of any appraiser. I think the onus should be thrown on the Government, to prove that the goods were not valued at their proper figure. I do not know why the importer, rather than any other member of the community, should be a suspected person. I must dispute the claim of the hon. gentleman to more vigilance than his predecessor, because there have been more seizures since he has been in the office. That is not a sign of vigilance; it may be a sign of vexatious interference; it may be a sign that the enormous duties imposed by these gentlemen have led, in many cases, to attempts to bring in goods under their value.

Mr. BOWELL. Would it be vexatious to attempt to stop that fraud?

Mr. CASEY. No; I do not say that at all. I say that some of these seizures may be due to factious interference, and others may have been fully warranted; but it may be that the temptation to commit fraud has been given by the hon. gentlemen themselves. The hon. gent'eman said these appraisers had no power to impose taxation, because they had simply to fix a fair market value on the goods in a foreign market. That is the power to impose taxation, because the power to establish the price for duty implies the power to say how much duty shall be paid on the goods. I have not been directing my speech entirely to show that these powers are improper or undue. I have been chiefly desirous to show that special watchfulness should be exercised over men who possess such powers; but truly, if I am called upon to express an opinion as to the judiciousness of giving these powers, I must say that they are greater than should be conferred on any class of men such as the lower class of custom employees must be, however painstaking and zealous they may be. It reminds me of a story a friend of mine told me of an old negro whose children had been excluded from school, under some strained reading of the school law. The old negro complained: "It is lemancholly human nature should be entrusted with such supernatural powers as them;" and I think these are powers with which custom house officers should not be entrusted.

Mr. BURPEE (St. John). The hon. Minister of Customs said truly that the Act was passed by the late Government, and the complaint he made of the difficulty of carrying out that law, was just and proper; but, at the same time, he made two or three remarks, casting reflection on the manner in which the law was carried out under the late Administration, that were entirely unwarranted. He said that circulars were sent, at that time, to the collectors at various ports, calling their attention to the undervaluation of goods. That is true; but a circular, containing similar information, was sent by the hon. Minister. We sent the best price list we could get of the different values of goods in different markets. We adhered to the principle that the value of the goods in those countries was the true value for duty. The hon. Minister spoke of the fair market value of the goods at the time they were shipped. I say that the section of the law referred to did not mention the time the goods were shipped. I know that when the fluctuation of prices took place in the several classes of goods, the department took the value at the time of shipment instead of the invoice, that might have been made out a month or two previous, because the goods had risen in value very much in the meantime. I said, last year, this was an improper construction of the Act, and I do not see in the section which refers to the importation of goods any authority for such a course. Sometimes goods come into one port purchased months previous, and are raised in value; others come in from other ports at the same date and are not raised in value. I have seen instances in which similar classes of goods were raised in value at one port for the imposition of duty, and not changed in other ports, though bought at the same time. With regard to the appointment of appraisers, the hon. Minister said that an appraiser appointed by the late Government, was so unfit for the duty that he had to dismiss him. I know of one case of the dismissal of an appraiser by the hon. Minister who was recommended to us as a most experienced man. The person who recommended him may have led us astray, but we never appointed a person who we knew was not qualified for the position. I know of several instances in which the Tariff has led to trouble in the Department through the mixed way of collecting duties, and I am quite satisfied that if the hon. Minister would get from the merchants generally of the country, their expression of opinion as to the administration of the law, and the collection of duties, he would find many instances of serious and just complaint. I only rise to say that the administration of the law, under the late Government, was carried out as effectually as the law required, and to call his attention to the fact that he misunderstands the sections with regard to the valuation of goods as contemplated by the late Government.

Mr. BOWELL. Do I understand the hon. gentleman to say that, in the administration of these sections to which he has referred, he always took the invoice price as presented for duty?

Mr. BURPEE. We always took the invoice price as a fair market value in the country from which the goods were imported.

Mr. BOWELL. At what period of time?

Mr. BURPEE. If the invoice was made out a month previous to importation, we took the invoice value as a fair market value in the market of purchase.

Mr. ANGLIN. We hear a great deal of grumbling, and, apparently, there are many causes for complaint in various parts of the country, and more particularly in St. John, where I reside, judging from the complaints I have heard from merchants of both parties, during the past year. People complain that the prices are very arbitrarily fixed, that the representations they make to the department are very little heeded. Just now I can call, in particular, to two cases, one with regard, I think, to iron tubing. A merchant in St. John assured me that he entered a quantity of tubing exactly at the cost price in the United States, and found he was met by a decision of the court of arbitrators, who really seemed to be rather a court of legislators, that that was not the proper price, and the value was made to agree with a price list which gave the retail and not the wholesale price.

Mr. BOWELL. That is incorrect.

Mr. ANGLIN. My impression is that the gentleman who gave me the statement, voted at the last election for

the hon. Minister of Finance, and if we had an election to-morrow, would be one of the few who would vote for that hon. gentleman again. He complained bitterly, indeed, of the annoyance given him, and the fact that he was compelled to pay a higher rate of duty than he believed he should pay. Another case is that of an importation of vinegar. The invoice was, I believe, a perfectly honest and fair one. I have entire confidence in the gentleman who imported the vinegar; but the officials at St. John, acting, I believe, under direct instructions from the Board of Appraisers at Ottawa, determined there should be a price put upon the barrels, and, as the barrels were very substantial, they determined to put a high price on them; not such a price as could be obtained for those barrels if sold in St. John, but such as they believed would be charged for them at the place where the vinegar was put into the barrels. That was believed to be a very harsh case. From the statement made to me I was quite satisfied that the price of the barrels would be included in the invoice price of the white wine vinegar itself. These are two of a great many cases I have heard of. There has been a great deal of complaining. I do not know if the fault is with the Minister of the head of the department. He is, perhaps, over zealous or over eager to prove to the country that he is determined to do his whole duty. That is a very good motive, but it will sometimes carry a man too far; and to approve of the decisions and conduct of his immediate subordinates, will sometimes place him in their hands and allow himself to be guided by those whom he should control. A great deal of annoyance and trouble is being caused by the acts of this Board, sitting in Ottawa, who, it was alleged, when appointed, were to settle all disputes and end all troubles of this kind, and establish all over the country a system of appraisement which would ensure a uniform valuation of all articles of the same class entering the country, and the collection of a fair amount of duty from all. The Minister of Customs may say that there are no longer different valuations at different points. If so, this would be compensation to a great extent for the trouble caused by the appraisers overdoing their duty, but as to the fact of a great deal of annoyance and trouble in very many cases to respectable men, who have just cause to complaint, there can be no doubt whatever.

Mr. DOMVILLE. Coming from New Brunswick, I cannot allow any blame to be attached unnecessarily to our provincial appraisers, particularly to the appraisers in St. John. I believe them to be officers who have no other wish than to do their duty. The Chairman of the St. John Board is one of the finest men in the Dominion. I would like to remind the late Minister of Customs (Mr. Burpee) of what was done one time in the case of a cargo of molasses. Where was the honesty in that valuation? It was entered at 10c. or 12c. which was far below its value, the party running the risk of being detected, because he knew he could only be subjected to a fine of a few hundred dollars. I would also refer that hon. gentleman to the importation of a quantity of oil that would not stand the test.

Mr. ANGLIN. When was that?

Mr. DOMVILLE. I refer to the time when the hon. gentleman's friends were in power. Such difficulties must be expected to occur when we see the same kinds of goods sold at different prices at different places. Of course, traders wish to get their goods entered as low as possible. Those not conversant with the laws of the Dominion, imagine they can enter goods at the prices for which they can purchase them. I do not think any one should cast any slur on the St. John appraisers.

Mr. BURPEE (St. John). I do not think any member can say I ever cast the slightest reflection on any customs' officer in St. John, or made any complaint against the appraisers.

Mr. DOMVILLE. I did not say you made any, but that you should not make any.

Mr. BURPEE (St. John). I made no complaints. I know that the head of the office in St. John is a very worthy, respectable man, who knows his duty thoroughly. The hon. gentleman moved for the papers in the case of the molasses referred to, and saw the result of the investigation. I think, if he refers to the papers, he will find there were no molasses imported at the prices named.

Mr. DOMVILLE. I have never seen it; but I have understood that a cargo of molasses was brought into New Brunswick at a low valuation, seized and given up on payment of a trifling fine.

Mr. ANGLIN. I hope the House will pardon me if I appeared to throw any blame on the chief appraiser in St. John, which I certainly did not intend. I think I stated that what was done was upon instructions from the Board at Ottawa. I, too, cheerfully bear testimony to the respectability of the gentleman referred to by the member for King's (Mr. Domville), and the high regard in which he is held. I would be the last person to attack him undeservedly.

Mr. BOWELL. I think the press of St. John made no little noise about the question to which the member for Gloucester has referred. I had the great gratification of meeting, last summer, a large number of the merchants of that city, and, when complaining of the matter, I asked them, is this anything new? They replied—No. I asked: how long have you been paying duty on casks containing vinegar? and he replied, ever since Confederation. I remarked, this, then, is simply a question as to whether the imposition of the duty upon the casks is a correct system. I at once gave instructions, if the duty was imposed on barrels, instead of a quarter cask, as was directed by the appraisers, being taken, they must be accepted as barrels and not as quarter casks. The member for Gloucester says a very respectable merchant told him he entered his goods at the purchased prices. I have not the slightest doubt of it.

Mr. ANGLIN. He said, the regular wholesale purchase prices.

Mr. BOWELL. They may have been the regular ordinary wholesale export prices of that merchant of the United States, but not the fair market value, as provided in the law; hence the appraiser, if he stopped the goods and asked for an increase of their value, did precisely his duty under the law. I am a little surprised when the late Minister of Customs, the hon. member for St. John, says, the principle now carried out was not enforced by the late Administration. I have a score of returns, under my hand, in which the same principle is laid down, and where arbitrary prices have actually been put on a variety of articles, from a wash-tub to a piano, and wherein positive instructions are given to the appraisers and collectors to collect on prices laid down in this circular, and not upon the invoice prices. What more has the present Government done? How can the hon. gentleman complain of my over zeal in endeavouring to carry out the law that he and his colleagues placed on the Statute-book? I think it would be better, in the interests of the revenue and of morality, if opposition, in cases of this kind, should not be employed for party purposes. I think the hon. gentleman should endeavor to assist any officer of the Customs, of any Government, in carrying out this law, instead of endeavouring—I will not say to turn into ridicule—but to make political capital out of everything done by officers appointed by himself. Now I know the case to which the hon. gentleman referred in the city of St. John. I do not know who is interested, but at the very same time the entry—it was an importation of iron, I believe—was made at St. John, another entry of iron of the very same quality managed to get in at another

port at a lower rate. Either the appraiser in St. John did not do his duty, or the officer at the other port did not do his duty. My investigation showed that it was the officer who did not allow the invoice to pass in St. John, that did his duty. That is one of those cases that will arise in any port, particularly in one that collects five or six million dollars in one season. These errors will occur. I do not believe that in this particular case the error was intentional. The whole desire of the department and their officers is to place every importer upon precisely the same footing.

Mr. BURPEE. I admitted, in my remarks, that we did ascertain in every possible way the market value of the goods which were imported, and we very often had to add to the invoices to bring them up to the market value. I would put before the hon. gentleman a case like the following: here is a Liverpool invoice that had been laying in port for three months, during which time the goods have gone up 25 per cent. When the goods arrive here, is the importer to pay duty on the additional price? We will suppose a contrary case, where the goods have gone down 25 per cent. in value; would the hon. gentleman give the importer the benefit of the reduction?

Mr. BOWELL. I could not do that, because the hon. gentleman has placed in the law a clause to the effect that an invoice shall not be lowered for duty.

Motion agreed to.

DOMINION APPRAISERS.

Mr CASEY, in moving for copy of proceedings of Dominion Board of Appraisers since their appointment, and of all instructions as to the appraisement of goods sent to officers of the Customs since the introduction of the present Tariff, said: Perhaps I should have expressed myself better if I had said, all regulations made as to the appraisement of goods, for I find that is the term used in the Statute, as any regulations formerly made by the Governor in Council, I suppose are now made by the Board of Appraisers. I wish to add to the motion "all regulations made under section 10 of the Customs' Act in regard to appraisers." I wish to get at the true inwardness of this Board of Appraisers, to know exactly what they do in their secret councils, what regulations they have advised to be made, what instructions they have given, and on what evidence they base their advice and opinion as to the value of goods. It is evident that there is room for a difference of judgment in all these cases. No man can say absolutely what is a fair market value for goods in any market; that is a matter of individual judgment. The appraisers should have, then, a mass of evidence before them before they tender any advice on such a question. They must have price lists of all sorts of manufactures, and must exercise great care in striking a sort of general average between these price lists. I think it is of great importance that the proceedings of this Board, which is practically a small legislative chamber in itself, should be made regularly public along with other returns. In order to make a start in that direction, I move for these returns.

Mr. BOWELL. I scarcely think the hon. member for West Elgin (Mr. Casey), comprehends the extensiveness of his motion. If he means all the proceedings of the Board of Arbitrators, it would necessitate the bringing down of the result of their investigations in some thousands of invoices in all parts of the Dominion. Their duty is this: that all invoices are sent to the department where they are checked by a class of officers appointed for that purpose. If any doubtful case arises, as to the value of the invoice, the Board investigates it, correspondence takes place, investigation is made in the different markets of the world in which these articles are purchased, and a decision is thus arrived at as to the correctness of the invoice. If the hon. gentleman had added to his motion "all the samples the appraisers had received," it would have made an interesting show for this House, in addition to the invoices, which, perhaps, would make two or three cart loads; he might have added, also, the different samples they had received, from a needle to a small anchor. I have no doubt it would be very interesting; but if the hon. gentleman will go over to the department with me, I will have much pleasure in introducing him to that secret conclave, and he will have full liberty to investigate all the books and papers, providing he will give his word, as a gentleman, that he will not go and expose the private business of every merchant in this country. To bring down all these proceedings would be to lay before the world the invoices of some thousands of importers, and expose prices at which they purchased their goods. I think, probably, all the hon. gentleman requires is the instructions given to the appraisers at the different ports. These appraisers, I may say, issue no orders; they simply report to the department their investigations, and the conclusions to which they come, and the department either approves or disapproves of the action. While I have no desire to withold proper information, I do not think it would be desirable that all the proceedings of the Board of Appraisers should be brought before this House. I should also prefer that the motion should be so amended as to go back, say to 1874, as I find that the instructions issued to appraisers are very much the same now as they were under the late Administration. For example, I find that one appraiser is instructed as to the prices of wash tubs and pails, another as to the value placed on pianos, while another is given instructions to raise the price of certain articles arbitrarily 50 per cent. In bringing down these instructions it would be desirable, also, that the names of the persons mentioned in them should be omitted.

Mr. CASEY. Certainly. As I said before, I have no desire to expose anybody's business. I am aware that my motion is rather vaguely framed, and the reason is, that the proceedings of these appraisers have so far been kept such a mystery that one finds a difficulty in knowing exactly how to shape a motion to get information regarding them. I should have thought, however, that the Board would have kept minutes of their meetings, and I should like to know if they get evidence and information from their agents, say at Manchester, Philadelphia, and other places, as to the prices at which goods are sold.

Mr. BOWELL. I will supply all that.

Mr. CASEY. I should like to know, also, what means are adopted to work up that information, and the instructions which have gone out at their instigation as to the valuation of different kinds of goods.

The motion, as amended, agreed to, as follows:—

"That an Order of the House do issue to the proper officer for a copy of all instructions as to the appraisement of goods, sent to officers of the Customs, from January, 1874, and all regulations made under section 10, chap. 15 and 42 Victoria, in regard to appraisers."

SURVEY OF INDIAN RESERVES.

Mr. CASEY, in moving for a statement showing what progress has been made in surveying Indian Reserves under the Indian Act of 1880, said: I have been told by some of the Indians, upon a reservation on the borders of my county, that great inequality exists in the distribution of the land; that some rich Indians have more than their share, and that the poorer ones suffer accordingly, as the rich Indians make their influence so felt that the others cannot get surveys made. It has been suggested to me that it would be well to find out what progress has been made in the surveys, and to call the attention of the department to the matter.

Sir JOHN A. MACDONALD. I am not aware whether the rumors which the hon. gentleman mentions are well

founded or not, but I will see that the statement is brought down.

Motion agreed to.

THE CASE OF MR. E. V. BODWELL.

Mr. ROSS (Middlesex) moved for copies of the correspondence and other papers on which was based the Commission issued in the case of Mr. E. V. Bodwell, then Superintendent of the Welland Canal; of the Commission and all instructions in connection therewith; of all correspondence and papers touching the appointment of Counsel on the Commission; of the report and evidence; of all correspondence thereon; of all Orders in Council on, or other disposition by the Government of the matter; with a statement in detail of all the expenses connected therewith, including the amount paid to Mr. Bodwell or his Counsel; also, for all papers in connection with Mr. Bodwell's transfer to British Columbia, and a statement of the salary and allowances attached to each appointment, and any allowance made for travelling or other incidental expenses. He said: It seems that Mr. E. V. Bodwell, the late Superintendent of the Welland Canal, shortly after the elections in September, 1878, was removed from that position, and transferred, at very great inconvenience to himself, to a position on the Pacific Railway in British Columbia. The House has not yet been informed of the charges preferred against Mr. Bodwell, or the nature of those charges. It was generally supposed by the public that he was an excellent officer. He received testimonials at different times from those immediately affected by his services. Those who used the Welland Canal and came in contact with Mr. Bodwell, reported him to be a very efficient and painstaking officer. For some reason, which is unknown, charges were preferred against Mr. Bodwell, which resulted in his exculpation—because, although he was dismissed or considered unworthy of occupying the position of Superintendent of the Welland Canal, he was not considered unworthy of another position under the Government. The facts connected with the charges investigated, and the determination of the Commission, so far as this House is concerned, are still unknown. I am anxious to get at the facts, and also to get a bill of the expenses. I do not know whether the prosecution was a vexatious one or not—whether Mr. Bodwell was unfairly treated or not. If he was a good superintendent of the Welland Canal, I fail to understand why he should be removed; if he was an unworthy officer, I fail to see why he should hold any position under the Government. I wish to get at the facts to learn whether he was treated as a public officer should be treated, or, whether at the back of this investigation, there was some improper interference, and, therefore, I submit this motion.

Sir CHARLES TUPPER. I am a little surprised at the motion of the hon. gentleman. I have no reluctance whatever to bring down all the papers to which this motion refers; but I call the attention of the House to the very extraordinary circumstance that this motion, or a very similar one, was put on the paper a year ago. Mr. Bodwell was then in the lobby of the House on public business, he was here for the purpose of acquainting himself with the duties of the office to which he was transferred in British Columbia; and that motion, placed on the paper by one of his political friends, was removed from the paper, I have no doubt, at Mr. Bodwell's own request. I have reason to believe that Mr. Bodwell was very far from making any complaint with reference to my action as head of the department. I have reason to know that he was disposed not to make any complaint at all, but rather to consider that the Government and myself, as the head of the department in which he was employed, were anxious to do all we could to promote his interests. The hon. gentleman cannot understand why, if these charges were sustained against Mr. Bodwell, he was not dismissed from his office, and why, if he was not competent to perform the duties of Superintendent of the Welland Canal, he could be competent to perform the duties of an accountant in connection with the Canadian Pacific Railway in British Columbia. I may state very frankly to the hon. gentleman, that when the report of the Commission and the evidence are brought down, it will be made quite apparent to him why Mr. Bodwell should not be thought able, with advantage to the country, to discharge duties involving the expenditure of a great amount of public money. He might not be able to discharge those duties with advantage to the country, and yet, being a gentleman in whose integrity the Government had no reason to feel any want of confidence, he should be quite equal to perform the duties of the very important and responsible position which he holds in British Columbia. I found, from the report of the Commissioner and the evidence, that it was not in the public interest to retain Mr. Bodwell in the position he occupied, and turned my attention to the means by which as good a position could be found for Mr. Bodwell, and one in which he could satisfactorily discharge the duties incumbent on him. I acted, as the head of the department, with the sincere desire to do justice to Mr. Bodwell, and, at the same time, efficiently provide for the performance of duties which, according to the report of the Commissioner, he was not equal to performing. If the hon. gentleman insists, I will present the papers, but I think it only right to make this explanation frankly to the House.

Mr. BLAKE. I hope my hon. friend will press for the papers. Of course, it is quite possible that while the charges which were made against Mr. Bodwell may have turned out wholly unfounded, still the Minister may have come to the conclusion, as he now declares to the House he did, that Mr. Bodwell was not a suitable person to continue in the duties of Superintendent of the Welland Canal. It is quite consistent with the fact that no impropriety, such as was charged against him, was established, that that result may have impressed itself upon the mind of the hon. Minister, but I will learn with surprise, from all I have heard of Mr. Bodwell's administration of the canal in my time, that such is the result of the investigation. I am sorry that the hon. Minister did not wait until the papers came down, and, with the papers before us, make the statement which is calculated to be so damaging to Mr. Bodwell's reputation for ability and capacity as that which he has made. The case, I hope, in that particular, will remain in suspense in the minds of the House and the public until the materials, which the hon. gentleman says will prove his proposition, are placed before the House. I was not in Parliament when these proceedings took place, but I observed an account of them in the public press, and it had been my intention, during the last Session of Parliament, to have moved for these papers on public grounds and for the reason which I am about to explain. I did not move in the matter last Session because I found my hon. friend (Mr. Ross) had a notice on the paper. That notice was not prosecuted, and when it was dropped it was too late for me to put a notice on the paper. Then, as now, I had no communication whatever with Mr. Bodwell on the subject. I abstained from speaking with him, though he was an old personal political friend of mine, when he was down here. I abstained from inviting any discussion whatever of his position or removal, or anything connected with his case. I have abstained from corresponding with him since that time, because I was determined, if no other hon. member did, to move for those papers, and I wished to be able to say, as I do now say, that my action which is now confined to this statement was not prompted by any

information sent me by or on behalf of Mr. Bodwell. The ground on which I wished to attract the attention of the House to this subject was that it seemed to me that in the proceedings taken there was a very great departure from the usual and the correct course. From what appeared in the public press, I judge that some complaints were made by some persons against Mr. Bodwell and forwarded to the hon. gentleman. It was perfectly correct that the hon. Minister should take cognizance of any charges made against a public officer, and if he thought, after explanation had been rendered, that they demanded investigation, provide machinery for an investigation; but what does appear to me very extraordinary—and I call the attention of the First Minister to it, not in Mr. Bodwell's interest, for the matter is past and done, but in the interest of the public service generally—was this: that the Commission being issued offering an opportunity to those persons who had complained of Mr. Bodwell's conduct to prosecute their complaints, the Government should, as the public prints intimated that the Government did, retain a prosecuting counsel to conduct the enquiry into charges against their own servant. I do not think that that circumstance can have attracted the First Minister's attention. I do not mention it in order to make a point against the Government, but rather with the view of having a settlement of what I think is a very important question. Now, as I said, it appears from the evidence in the public prints, that somebody or other was appointed a prosecuting counsel to conduct the enquiry before the Commissioner. He called witnesses. He called Mr. Bodwell himself, put him in the box, examined, cross-examined, and examined him again in the most severe manner with the view of proving out of his own mouth that he was guilty of some offence or other; and I presume, though I do not know, that these witnesses who were summoned were summoned at the expense of the Government. What does that amount to? If that course is to be pursued, it establishes a general course to be followed with reference to any civil servant against whom charges may be made which the Minister thinks are worthy of enquiry. Now, it seems to me there ought to be no obstruction to enquiry into such charges, that the Minister ought to submit them to the officer, obtain the officer's declaration with such corroborative evidence as the officer can give, and, if after looking at the two sides of the question, he thinks there is something to investigate, he should put the matter into a train of enquiry; but I do think that the civil servant is entitled to have it said that the Crown should not prosecute that enquiry. I think those who made the charge should have an opportunity of coming before the tribunal, represented by counsel, if counsel be required. The civil servant should be equally entitled to have himself defended by counsel from his point of view, and the Government should stand entirely neutral between the accuser and the accused, not lending a helping hand to protect its officer from investigation, but not lending either a helping hand to further the efforts of the prosecution. I think the Government should stand in that independent position, seeing that no injustice is done, in the conduct of the transaction to either side. If, as stated in the Opposition prints, the Government appointed a prosecuting counsel, the enquiry was turned into a Government prosecution. I submit to the judgment of the First Minister whether that is a wise, just and proper way of dealing with the public service. I should be the last to defend Mr. Bodwell, or any one else, from proper investigation, but I think the Government ought to occupy the position I have intimated in regard to those matters, and not assume the position of prosecuting counsel. The expenses of the prosecution were paid by the Government and Mr. Bodwell's expenses also. I think it was very proper, if the Government undertook to prosecute him, and he was put to great expense, and the prosecution failed, that the Government should have paid his expenses; but the whole thing seems to have proceeded on a false basis, in reference to the particular to which I have referred. With reference to the result, Mr. Bodwell having been, as I suppose, from the public prints, acquitted of those charges—as from what I have read in the papers, he ought to have been—having been suspended as he was, and upon this I do not presume to offer an opinion—I can see cases in which it would be proper to suspend an officer—having been, after suspension and acquittal, restored to his office, he is afterwards changed to another place. Well, we know what use has been made of the Welland Canal, and of the patronage of that canal in old times, and it appeared to me there has been a dead set against Mr. Bodwell by those who made use of that canal patronage in those old times; that there was a determination—I do not say on the part of the hon. gentleman—but on the part of over zealous supporters of his to obtain control of the patronage of the Welland Canal and use it as it was used in former days; and that having for this object, by this Commission and prosecution, assailed Mr. Bodwell, and he having been acquitted and restored, pressure was brought to bear on the Minister of a kind which I presume obliged him to make a transfer. If that transfer was made upon the grounds the hon. gentlemen states, I am not to sit in judgment upon it and condemn it, because, as I have just admitted, he might have been convinced that Mr. Bodwell though not guilty upon this charge, and being a man of high integrity, was yet not competent to fill this office. I should be very much surprised if that was the result. But it is satisfactory to know that the Minister of Railways and Canals gives high testimony to his character, because every one of us who knows him will be convinced that he is a person of high integrity and unblemished character quite fit, in my opinion, to fill a high office in the public service. Unless his removal was justifiable, it was a dangerous infraction of the independence of the Civil Service, because you may compel a man to accept an office in British Columbia, very much inferior, relatively to the one he held in the province in which he has always resided, and he may be obliged to accept your proposal and keep his mouth shut—to make no complaint for fear a worse thing may yet come. I do not know if that was so in this case—but if so, it would be a sort of punishment, a course of conduct with reference to a civil servant, wholly unjustifiable, to say, I transfer you from the Welland Canal to British Columbia, upon those terms. There are circumstances which might justify it, and if the Minister's judgment is justified by the evidence, that will, of course, sustain this transaction. But it does seem to me to be rather a determination on the part of friends of the Minister that Mr. Bodwell should cease to be Superintendent of the Welland Canal, which has led to his transfer from the honorable and important position he held to the much less valuable and pleasant position to which he has been removed.

Sir JOHN A. MACDONALD. My hon. friend says he regrets that the Minister of Railways made the remarks we have heard with regard to Mr. Bodwell, before the papers were brought down. I think that my hon. friend is not open to any attack on this ground. Had the hon. gentleman, who moved this resolution, confined himself to the papers they might have been granted without remarks. But he made a speech on the occasion, and challenged the removal of a public officer from one place to another, arguing that if he was blameworthy, he ought to have been dismissed altogether. Now, I happen to know, from Mr. Bodwell himself, that it was made at his suggestion, and that he is perfectly satisfied with the manner in which he has been treated by the Minister of Railways. No one is more anxious to support the independence of the Civil Service than myself. I have always endeavored to do so, and always shall; but still the service is not made for the employee but for the public interest. If it be for the

public interest that a Minister, under his responsibility, should desire the removal of an officer, he has a right to remove him, and may refuse to be accountable to Parliament for his act. Of course, he is accountable in this sense: Parliament may say we have no confidence in your judgment; but, being responsible for the management of his department, he may say it is for the public interest that the officer should be removed. The House of Commons in England always assents to such action of a Minister. But if the hon. gentleman would look back to the circumstances under which Mr. Bodwell was appointed, he must know that a Mr. Smith held office as deputy when Mr. Mackenzie was at the head of the department, that the late Premier removed him and refused to give any reason therefor, or examine into his conduct. He never got any satisfaction, and, as I am told, the whole of the people in that part of the country, without reference to political proclivities, petitioned for the restoration of Mr. Smith as a worthy deserving and efficient officer. As I understand it, certain complaints were made against Mr. Bodwell and sent to him for an answer. On the face of the paper the Minister of Railways thought that a case for enquiry was made out. An enquiry was held; Mr. Bodwell retained counsel, counsel being also retained by the Government in order to marshal the evidence and keep the examination within the limits of the charges. The papers will show the result, and hon. gentlemen will see from them that the Minister of Railways acted with every sort of kindness in transferring Mr. Bodwell to an office of accountability, affording him an opportunity of rising in the service. He now enjoys an advantage not possessed before, of being a civil servant. I may say this, that the salary he now draws is not equal to the salary he drew as Superintendent of the Welland Canal, though it is equal to the salary his successor draws now. The Government thought that the salary paid to the Superintendent of the Welland Canal was too large for the duties he performed, and it has been reduced. It is true my hon. friend may say it is more expensive to live in British Columbia than near the Welland Canal. That may be; but, on the other hand, Mr. Bodwell, by being employed as he is now, is a civil servant and will rise in the world, but he could not rise where he was. At all events, I can assure the hon. gentleman that the aggrieved person did not consider himself aggrieved, as he told me that he was very well treated.

Motion agreed to.

GOVERNMENT EXPENSES TO ENGLAND.

Mr. CAMERON (South Huron), in moving for a return showing the expenses in detail incurred by the several members of the Government and any other person or persons in the service of the Government, or paid by the Government, sent to England or elsewhere on behalf of the Government, or in the service of the Government, from the 10th February, 1880, said: I would like to enquire why it was that the returns for this same subject were not brought down last year. On the 15th of February last a motion in the same words as this motion precisely, was passed by the House, and, as far as I have been able to learn, the returns then called for have not been brought down to this day. I find also that, on the 23rd of February of last Session, a motion worded in the same way precisely, but covering a different period, was also adopted by this House, and, so far as I have been able to learn, the returns have not yet been brought down, although ten months have since elapsed.

Sir JOHN A MACDONALD. I can tell my hon. friend that the returns asked for last year, as well as those asked for now, shall be sent down at once.

Motion agreed to.

SIR JOHN A. MACDONALD.

SUPREME COURT JUDGMENTS.

Mr. KEELER moved for detailed statements as follows: 1. All judgments rendered by the Supreme and Exchequer Courts, since the 1st day of January last. 2. The amount of claim in each suit. 3. The amount of costs in each suit. 4. The amount of fees paid to the Registrar in each suit.

Motion agreed to.

EXPORT OF CATTLE TO ENGLAND.

Mr. DOMVILLE, in moving for a return giving a comparative statement of cattle and sheep exported from Canada to England, during the years 1879 and 1880; the return to be made up by months, showing from what ports in the Dominion they were shipped, said: My view is that these returns will show that we have not yet done much in the lower provinces in the way of exporting sheep and cattle. I shall endeavor to prove by these returns that we require proper communication, and I shall endeavor to bestir the Government to turn their attention to the port of St. John, and lend us some aid in order to re-establish direct steam communication with Europe.

Motion agreed to.

POST OFFICE AT PARKHILL.

Mr. COUGHLIN moved for copies of evidence taken before the Post Office Inspector, in the course of the present year, with reference to the affairs of the Post Office at Parkhill.

Motion agreed to.

NEWSPAPER POSTAGE.

Mr. CHARLTON moved for a return showing postage paid in each month of the year ending June 30th, 1880, by daily newspapers of Ontario and Quebec, including in each case their weekly edition.

Sir JOHN A. MACDONALD. I would like the hon. gentleman to explain why he makes this motion. It is not a matter in which the House or the country can have any interest in the world. It has always been refused in England, as well as by the Post Office Department in the Dominion. It is a matter of the private business of the newspaper. What interest, can anyone have to know whether the Woodstock *Review* or the Brantford *Courier* has the greatest circulation? It is an interference with private business. I am quite sure it would not be granted in the United States, and I do not think it ought to be granted here.

Mr. CHARLTON. The Prime Minister is quite incorrect in saying that this information has been refused in the United States. It has always been granted in the United States. I do not see any impropriety in making public a matter which is of public interest, as this certainly is. In dispute between parties as to their circulation, it may be a matter of interest to the public to know which is right. It is a method which is adopted in the United States, and it supplies information to which, I think, the public are entitled.

Mr. MILLS. I suppose a court of justice could compel a publisher to give the information as a basis for the rates which he may be charging for advertisements, so that the hon. gentleman would be only giving information which could be obtained by a court. Merchants or traders who advertise in newspapers, have a right to know whether the representations which are made to them by publishers are true. I think the information sought for would be to the public interest.

Sir JOHN A. MACDONALD. And if a merchant should advertise that he has the largest, best and cheapest stock in the world, we could bring him up in court, I suppose, and

make him prove whether his statements are true. We would not likely have bought his goods unless we thought he had a good stock. I fear it is impossible to satisfy the unlaudable, but, perhaps, excusable curiosity of my hon. friend from Norfolk.

Motion negatived.

DRAWBACKS ON EXPORTED GOODS.

Mr. PATERSON (Brant), in moving for a return of all claims presented for drawbacks on goods manufactured for export since March 14th, 1879, showing the names of all applicants, their place of business, the articles on which the drawback was claimed, and the amount of each claim, distinguishing between the claims which have been allowed and those which have been disallowed, and those under consideration and not yet decided, said: I find from the 136th section of the Customs Act of 1877, that—

"The Governor in Council may, under regulations to be made for that purpose, allow on the exportation of goods which have been imported into Canada, and on which a duty of Customs has been paid, a drawback equal to the duty so paid; and in cases to be mentioned in such regulations, and subject to such provisions as may be therein made, such drawback may be allowed on duty-paid goods manufactured or wrought in Canada into goods exported therefrom as aforesaid; and the period within which such drawback may be allowed, after the time the duty was paid, shall be limited in such regulations."

I trust the Minister of Customs will not think I have asked too much information. I do not know how bulky the return may be, as I have no idea of how many claims for drawbacks have been presented. My objects in making the motion are, first, to show the extent of our export trade, and, secondly to get some information in which my constituents are interested. If the return should prove to be a very heavy one, I should be glad to restrict the terms of the motion, so that the return might be brought down at an early day.

Mr. BOWELL. I would ask the hon. gentleman to insert in his motion after the word "disallow" the words "and the reasons for such disallowance," as I think it is well to know these reasons.

Mr. PATERSON. I am quite willing, and I would ask the Minister to allow me to add to the motion the words "and copies of regulations which the department may have made."

Mr. BOWELL. I have no objection.

Motion, as amended, agreed to.

RETIRING ALLOWANCES OF JUDGES.

Mr. BLAKE moved for a statement of the number of Judgeships in each Province at the time of the Union of such Provinces with Canada, the incumbents of which were under the law entitled in certain events to retiring allowances; and the number of Judges in each such Province actually receiving such retiring allowances at such time; and a like statement for each year since Confederation, as to each Province during such year in the Union down to, and inclusive of, the year 1880. He said: Those who have looked at the Public Accounts, which show year by year the number of persons drawing retiring allowances, who have been occupants of the judicial bench, must have observed some very extraordinary results, if they contrast the number of judicial offices in each Province whose incumbents could possibly have been retired with the number of judges who actually are so retired. Take the number of judicial officers in the Province of Quebec. Take the number of persons who are drawing retiring allowances, and you will see that unless there is a most extraordinary piece of ill luck on the part of the Dominion in that Province, there must have been some very great mistakes in the appointments, or some very great improprieties in the retirements. I am not blaming any particular Government, or assigning any particular cause; but I think the results are so disproportionate that it would be worth while to tabulate them and ascertain whether this is a sudden rush of annuitants, or whether it is a permanent state of things in one Province as compared with others. The rule ought to be observed—I do not just now say it is not—that a man appointed to judicial office should be of such an age that the public may expect to realize from him a very considerable number of years of active service. He ought to be a person certainly not decaying in years, one who has strength and vigor and ambition to make a place for himself on the bench, who is likely, in fact, to mature and become a better lawyer than when he was appointed to a judicial position. I do not mean to say that that rule is invariable—the condition of the bar at times may be such as to oblige a departure from it; but I think that ought to be the general object of the Government, under these circumstances, and I think the people of this country, always impatient of a system of pensions, would become very restive under a system of pensions which produced for any very long series of years the results which are to be found in Quebec at any rate. Now, I have never at all yielded to the popular prejudice against pensions in respect to the judicial office. I believe it to be necessary to the proper administration of justice, that there should be these retiring allowances. Nothing could be more calamitous than that the House should be in a position to be forced to consider whether a man was so incompetent to discharge his duties as that he should be retired, without something wherewith to maintain his declining years. And if you properly apportion the salary with reference to the obviously great advantages which are derivable from the circumstance that there is to be a retiring allowance, there is in that case a public gain. But while I believe the system to be defensible, there is no doubt a considerable jealousy as to retiring allowances, and we ought to take care that there is no abuse of that system. It seemed to me, on looking at the list to which I have referred, that the results are so very extraordinary that I thought it proper to move for this statement.

Mr. McDONALD (Pictou). The return will, of course, be brought down. I have just one observation to make. Not knowing what the object of the hon. gentleman was in moving this return, I was not able to place any facts at my command; but I am not aware that any judges in Quebec or the other Provinces—I can speak with more confidence of my own Province—have been retired improperly.

Mr. BLAKE. I do not make any charge at present. I say nothing on the subject one way or another.

Mr. McDONALD. In that case, I suppose, there had better be no discussion.

Mr. BLAKE. I may make it the subject of observation afterwards.

Motion agreed to.

JUDGES IN BRITISH COLUMBIA.

Mr. BLAKE, in moving for copies of the Orders in Council appointing two new Judges in British Columbia, and of any correspondence touching the residence and judicial duties of any of the Judges of that Province, said: The House will recollect that last Session provision was made for the appointment of two Judges for British Columbia, and in the course of the discussion, which then took place, a question was raised as to the provision for the residence of those Judges, and also for the residence of one of the existing Judges, the Local legislation in accordance with which we were acting, providing, if I remember rightly, for such a distribution of the Judges as to residence, as would necessitate the change of the residence of one of the Judges from Victoria to some part of the mainland;

and I am not sure whether, of the two Judges to remain on the island, one was not to be stationed at some other point than Victoria. I observe by the *Gazette* that at a very late period, within a few days of the opening of this Session, the appointment of two Judges was made to the Bench in British Columbia, and I should like to obtain the papers referred to in the motion.

Motion agreed to.

JUDICIAL WORK IN QUEBEC.

Mr. BLAKE, in moving for copies of all statements, or representations, or correspondence on the subject of the distribution of the judicial work of the Province of Quebec, said: I observe that there is a proposition to add to our judicial staff by appointing a judge or judges in the Province of Quebec. This subject was under discussion during the time I held the office of Minister of Justice, and it came up in more than one shape—upon representations made at one time by the bar, at another time by some of the judges, and, I think, at another time by the Local Government. Considerable attention was given to the subject, and I certainly came to the conclusion that a re-distribution of judicial work amongst the staff of judges in the Province of Quebec would render it entirely unnecessary to make any accession to their numbers. I believe that there was, at one time, in the district of Montreal, a very considerable pressure upon the judges. That pressure ought, to some extent, to have been since relieved, because it was very largely caused by the operation of the Insolvency Act, and one proposal before us—which I did not feel at liberty to adopt—was, that we should invite legislation for the appointment of a special insolvency judge for the city of Montreal, in order to relieve the judges of a share of their judicial duties. That difficulty has been got rid of by the repeal of the Insolvency Act, and the administration of the estates of debtors, under the law of Lower Canada, is, I understand, managed through the Sheriff. Well, it seemed to me then—and I have heard nothing to induce me to depart from that view—that there ought to be a reconsideration of the whole question of the distribution of the judicial work of the Province, before proposals were made to the Legislature for an increase in the staff of judges at the expense of the country; and I believe the hon. Minister of Justice will find on record in his office—and if he has not got it, I hope he will obtain it—information of the fact, that in several districts, the judges have, I might say, almost literally, nothing to do—that there are districts in which the work is almost nominal, and in which it will be extremely easy to arrange the work so as to obtain all the advantages of a local judge, and yet to utilize his services for a considerable period in other places. I remembered to have read in the public prints—where this question has been for some time agitated, not long ago, a letter from a very acute judge, Judge Ramsay, upon the subject. I think it will be found this letter states distinctly—I speak only from a distant memory of it—the opinion that there is, upon a proper re-organization of the judicial work, quite sufficient judicial strength to discharge the whole of that work. It is material, in view of the proposed legislation, that we should have before us all the information possible on this subject, because I think the public mind may well view with alarm the increases which are taking place, year after year, in the cost of the administration of justice. As I have observed more than once, we have to be unusually jealous with regard to this expenditure, because the fact is that it is not the authority which pays that creates the office. If the provinces had to pay the salaries of the judges whom they legislate into existence, there would be, of course, that check upon their creating the offices; but so long as a province believes that all that it has got to do is to create a judgeship, and it will be, by courtesy, the duty of the Dominion to provide the salary, so long will you have a tolerably lavish creation of judgeships by the province and an intolerably onerous expenditure by the Dominion. I repeat the argument that I have formerly advanced, and it seems to me conclusive in favor of our being entitled and of its being our duty, on any occasion of this description, to investigate into the necessity of the creation of the office, and not to take it as a matter of course, that the funds of the Dominion are to be burdened with the payment of a large salary, because any particular province chooses to create a fresh judgeship. I do not desire to anticipate the discussion which will take place on the hon. gentleman's measure, but to lay a basis for an intelligent discussion of that subject by obtaining the information necessary for that discussion.

Mr. McDONALD (Pictou). Of course, it is obviously better in every way, that the discussion to which the hon. gentleman referred should take place, on the resolution of which I have given notice. I am not aware whether there is any correspondence of the character referred to in the hon. gentleman's notice, but whatever correspondence there is will be brought down.

Motion agreed to.

SURVEYS OF THE RIVER THAMES.

Mr. STEPHENSON moved for copies of any reports or surveys made since last Session, of the river Thames, from Chatham to the city of London, with the view to the improvement of the navigation of that river.

Motion agreed to.

RONDEAU HARBOR OF REFUGE.

Mr. STEPHENSON moved for returns showing the names of parties who tendered to perform the work advertised during the present year in connection with the improvement of the Harbor of Refuge at Rondeau, together with the prices named by said tenderers for the performance of said work.

Motion agreed to; and (at 10:40 o'clock, p.m.) the House adjourned.

HOUSE OF COMMONS,

FRIDAY, 17th December, 1880.

The SPEAKER took the Chair at Three o'clock.

PRAYERS.

PERSONAL EXPLANATION.

Mr. COURSOL. Before the Orders of the Day are called, I desire to bring before the House a matter personal to myself. I call attention to the report of Mr. McDougall, the Auditor-General, which has just been distributed to hon. members. In that report I find a letter signed by him and addressed to the Speaker of the House, under the date of 24th November last, in which it is stated that three members of this House, Messrs. Coursol, Mongenais and Ferguson, had received their full indemnity, although they had been absent during a portion of the Session. Another inaccuracy on the part of the Auditor-General is, that Mr. Ferguson's name is mentioned in his letter instead of that of Mr. Ryan, showing that this official was not well informed in regard to the hon. members who had been absent. If I left this letter unchallenged it would evidently imply that I had received, from the Treasurer of this House, an official cheque to which I had no right; and those who read the Public Accounts only might be under the impression that

the three gentlemen named had received from the country a larger allowance than they were entitled to. I am sorry to say that the Auditor-General seems to have taken very little trouble to inform himself about the proceedings of this House. I believe it is well known to many of my hon. colleagues that during nineteen days, including Sundays, in the first part of the last Session, I was absent from this House on account of illness. I came here on the 2nd of March, I believe, and was therefore not entitled to any indemnity during that time. When the House rose on the 7th of May I received from the cashier the amount I was entitled to, deducting the number of days that I had been absent. While I was temporarily absent from the House, a motion was made by the hon. member for Quebec County, seconded by the hon. member for Kent, which was carried, and which authorised

"The Accountant of this House to pay to C. J. Coursol, Esq., member for Montreal East, J. B. Mongenais, Esq., member for Vaudreuil, and Michael Patrick Ryan, Esq., member for Montreal Centre, the full amount of their indemnity as if they had been present in this House on the 12th of February last, in consequence of the severe illness which prevented those hon. members from attending their parliamentary duties."

Two or three weeks after this order was passed, I received a regular cheque from the department for the balance of the pay which I had not received when I left the House to go to Montreal, and I saw no reason why I should not accept a cheque which this House had ordered to be paid. Now, I think it would be unfair to any member of this House that a mistake of this description should be allowed to go unrectified. Whether the House had a right to pass that motion I know not; but it was done, and it was done in my absence. I had heard that similar cases had occurred, and I had no reason to refuse that allowance when it was sent, three weeks afterwards.

Sir LEONARD TILLEY. I am very glad the hon. member has called the attention of the House to this matter. I imagine the difficulty has arisen from the fact that the Auditor was not cognizant of the resolution that was passed by the House.

Mr. BLAKE. I have not seen the report of the Auditor-General, but if he has reported the report must mention that the payment in question was not made in accordance with the law. An Act of Parliament, and not a resolution of this House, prescribes the mode of payment of the Sessional indemnity. It is the Statute which provides the circumstances under which, and the amount which, a Member of Parliament shall receive, and a resolution of the House cannot alter that law. It is true that such resolutions have not unusually been passed, but they are none the less a violation of the law. If it is desirable to make provision for the payment of the indemnity in any other manner than now provided by Statute, the law should be altered.

Sir LEONARD TILLEY. There are several cases where a resolution of the House has authorized special payments. If the Auditor was aware that the House had passed this resolution, though it was at variance with the law, it was proper for him to have made a note of the fact that it was by order of the House the payment was made.

Mr. PATTERSON (Essex). Of course, the rule laid down by the leader of the Opposition is correct, and I would remind the House that in the Session before last some members on the Opposition benches were recipients of their full indemnity on a similar resolution, and the Auditor-General failed to call the attention of the House to that fact.

Mr. BLAKE. The hon. gentleman is quite incorrect. It was not until this year that the Auditor-General was authorised to deal with the accounts of the sessional indemnity.

Mr. COURSOL. I believe the Auditor-General, at all events, ought to have mentioned that the cheque which was sent to me, at Montreal, had been ordered by this House.

FACTORY LABOR.

Mr. BERGIN introduced a Bill (No. 6) to regulate the hours of labor in the workshops, mills and factories of the Dominion of Canada, and for other purposes.

Bill read the first time.

CANADIAN PACIFIC RAILWAY.

The House again resolved itself into Committee of the Whole on the Pacific Railway Resolutions.

Mr. LANGEVIN. Mr. Chairman: on rising to speak to the motion before the Committee, I confess I feel more than usual the responsibility that rests upon me, in treating this question and answering the hon. member for West Durham (Mr. Blake). This question of the Pacific Railway is one of the greatest, and, perhaps, the most important, that could occupy the deliberations of this House—perhaps the most important question that has ever been submitted to Parliament. Its importance is derived from the fact that this great subject has occupied the attention of this Parliament for the last ten years, and that the construction of this railway must lead to the greatest consequences, and, as I believe, the most happy consequences to this country. Its importance is also derived from the very magnitude of the subsidies in money and land to be given towards this undertaking. Its importance is derived from the fact that, although tenders were asked for some years for the same undertaking, no offers were received; but, to-day, we find capitalists that are bold enough to undertake the construction of this work, concerning which the Government, Parliament and the people themselves had great apprehensions, fearing that the amount of money required for the building of this road, in accordance with the old plan, would so cripple our resources that, for years and years to come, we could hardly undertake any other great work in this country. Its importance is derived from the fact that gentlemen of standing, of respectability, of large means, backed most likely by others of equal means, have come forward and have said to the Government: "We are ready to put ourselves in the position of the Government and to undertake the building of the Pacific Railway, and we will, moreover, work the railway, for all time to come, according to the terms we now submit to you." These terms have now been laid before Parliament by Message from His Excellency the Governor General, and they are the subject-matter of our present deliberations. Before I enter into the consideration of the details of this measure, let me briefly go back to the time when this great undertaking was first mooted, and let us see what has been done from that moment up to the present time. Ten years ago, when British Columbia was admitted to the Confederation, one of the conditions of that union, according to the treaty between British Columbia and Canada, was the building of the Pacific Railway from the shores of the Pacific Ocean across the continent to connect with the Canadian system of railways. That measure was submitted to Parliament, and, after long discussion and deliberation, the scheme was adopted, and it was decided that British Columbia should be admitted into the Union on the conditions therein mentioned, of which the building of this railway was one. In 1872-3, the Government of Sir John A. Macdonald, presented to Parliament a measure providing for the building of the railway by a grant of $30,000,000 and 50,000,000 of acres of land. The contract was given to a number of gentlemen who undertook to build the railway, but they failed in their negotiations, and, therefore, had to give up the contract. After the accession to office of the hon. member for Lambton, that hon. gentleman and his colleagues considered the question of building the Pacific Railway by some other measure than that offered by their predecessors. They wished

to build the railway with land, money, and a guarantee. They advertised for tenders during a long time, and the result was that no offer came—none, at all events, that I am aware of, or that was laid before Parliament. Therefore, the Government of that day with the Parliament at their back, concluded that the only means of building the railway was for the Government to undertake it themselves, taking care that it should be done without increasing unduly the taxation of the country. Two portions of that railway were begun by the hon. gentlemen, that is to say, the portion from Thunder Bay westward and the portion from Winnipeg eastward, leaving between the two a gap of about 185 miles to be constructed afterwards. These were put under contract, and the contracts were being executed, some portions of them being nearly built, when the Government—the second Government of my right hon. friend—came back to office. Previous to that time, the hon. gentleman, who was then leader of the Opposition Government—I mean the member for Lambton—had asked for tenders for a part of the railway now covered by a portion of the contracts in British Columbia. This is the condition in which we found the question of the Pacific Railway when we came into office in the month of October, 1878. Considering the matter with great anxiety, we came to this conclusion: that, unless the gap between the two portions of the railway, from Thunder Bay westward and from Red River eastward, was filled up by building the railway between those two points, we would not derive any revenue or other advantage from the railway under construction; and, therefore, my hon. friend the Minister of Railways, with the consent of the Governor in Council, called for tenders for the construction of that portion of the road. We thought that even after having contracted for these 185 miles, it was due to British Columbia—it was our duty to British Columbia—and we were bound by good faith to perform that duty—to see that the work of construction was begun in that Province without losing a single hour, if possible; and, therefore, tenders were asked for the construction of four sections of the railway from Yale westward. Tenders were accepted and the contracts awarded. This policy was the policy; this action was the action, which was submitted to Parliament last Session. But although the country stood by us, and a large majority of the members of this House sanctioned the action of the Government, nevertheless, it would be childish to conceal that there was a feeling in the country, as well as in Parliament, of apprehension for the future. The feeling was this: that the uncertainty about the amount of money that would be required to build the railway was disturbing the public mind; nobody could say positively what would be the liabilities of the country, or how many millions would be required, not merely to build the road, but to work it, and to work it for all time to come. A great many, remembering the first years of working the Intercolonial, were frightened at the prospects of working the Pacific Railway. They thought that the deficit on the working of that road would be such, that it would be a great burden on the revenues of the country for years and years to come. The Government was not blind to this. They thought they should try to meet the public mind, and dispel the apprehensions which were felt; they should try to put this great undertaking on such a footing that it would be accepted with confidence by Parliament and by the people. This is the reason why they matured the present scheme during the recess, and why they now submit that scheme to Parliament—one which, I hope, will commend itself to the support of a majority of this House. Last year, Mr. Chairman, when we presented to the House the results of our action during the 12 months, we were met by the present leader of the Opposition with these words:

"If it be true, as your High Commissioner said on the same occasion that 'it is impossible for us, with our limited means, to undertake alone the settlement of the North-West; that we have neither the people nor the money to do it;' if this be true, how much less are we able to add to that intolerable task, the Columbia section of the railway? Is this indeed the way to develop even such a poor and attenuated national spirit as is attainable by a people who are not permitted, who, perhaps, do not even aspire to their legitimate participation in the management of the concerns of the great family of nations? Is this, indeed, the way to infuse among us the spirit of unity and brotherly love, to make us one and a contented people? You may, perhaps, partly satisfy the 12,000 souls in British Columbia, but only because your action is the pledge and hostage to them for the completion of this gigantic work, to the ruin of the whole."

I am sorry to see that the hon. gentleman, even at so late a period as this, should raise the question of the small population of British Columbia. This was not a question of whether British Columbia had 10,000 or 12,000 people, but one regarding a great undertaking for a great nation and a great people. True, British Columbia is only a Province, but that Province will be filled with a large population in a few years, and that population will be composed of Canadians as we are, and will form a portion of a great nation, which, of course, must grow as other nations have grown. And when we see that our neighbors on the other side of the line, who had only a population of 4,000,000 when they separated from Great Britain, have now a population of nearly 50,000,000, we have no reason for despairing, or for believing that, with the same energy and determination, and with as good a climate as any other country, we should not increase as rapidly as the United States. The hon. gentleman goes on to say:

"Such is your reckless, your inconsistent, your vacillating, your impractical policy."

Having so characterized our policy, he goes on:

"Do you ask for mine? I will tell it. Set free the springs of legitimate revenue, by removing the obstacles designed to choke them. Open the avenues of legitimate trade, by lowering the legislative bars designed to close them. Free the people as soon as may be from the extortionate taxation by which you oppress them."

One would think the hon. gentleman had forgotten the five years of office of his friends, when they increased the taxation year after year, to the extent of five millions a year, and yet ended their Administration with a deficit of eight or ten millions of dollars. The hon. gentleman continues:

"Return to a moderate revenue Tariff, the only practicable plan in our circumstances, and a necessary incident in whose operation is to give some of the so-called advantages of protection to some of your native industries. By an earnest and searching plan of economy and retrenchment, directed to every branch of the public service, help to redress the balance between revenue and expenditure, while you lighten the people's burdens."

Why did they not do that themselves during the five years they were in office, and when they had the opportunity?

"But if you will do none of these things; if you will, in all else, persist in your mad career, at any rate in this be wise. If, in all else you be rash, in this, at any rate, be discreet. Learn that our position is grave and serious, and that our future is dependent on present prudence. Complete the railway to Red River.

Well, that will be completed within eighteen months.

"Go on with the prairie section as fast as settlement demands. For that, risk something; since, as I have said, the die is cast. But, in order to succeed in that, in order that you may have a chance later to do more, deal with that alone now. Bend to that great effort your undivided energies, your whole available resources. Postpone, meanwhile, the western work, and do not, by your present action, based on airy dreams and vain imaginations, risk the ruin of your country."

Well, I hope it will not be the ruin of the country. It is exactly to avoid the ruin of the country that we have come down with this scheme. It is to dispel the misapprehensions of the public and of Parliament that we have submitted it, and I hope, when the vote is taken, that hon. gentlemen on the other side will see that we interpreted rightly the sentiment of Parliament and that a large majority of this House will sanction this great measure. This was the way the hon. leader of the Opposition met us last year. Let us see how he meets us this year. According to the contract, the amount of money to be given to the Syndicate is $25,000,000, and the amount of land 25,000,000 acres, worth,

say, one dollar an acre. To these two sums, you have to add the cost of the sections completed or now under construction, as far as Burrard Inlet, amounting to $28,000,000; so that the whole amount of money that will have been expended by this country for completing the Pacific Railway is $53,000,000, to which you must add the value of the land at a dollar an acre, making altogether, $78,000,000.

Mr. BLAKE. Hear, hear.

Mr. LANGEVIN. I do not know whether the hon. gentleman means to say that the valuation of the land at one dollar an acre is too low. If so, we will have to consider the question of valuing it at a higher rate, and not do, as the hon. gentleman did the other night, apply that rate only to one contract, but to the contracts of hon. gentlemen opposite, as well as to those of this Government. Thus, according to our plan, we shall have the whole Pacific Railway completed for $78,000,000, and with the guarantee that the company now to be inaugurated, will work the road for all time to come. If we applied that valuation of one dollar an acre to the lands proposed to be given under our contract of 1873, and added the subsidy of $30,000,000, we should have $80,000,000, *plus*, I suppose, the surveys, costing $4,000,000, making altogether $84,000,000.

Mr. BLAKE. Why do you not count them in this contract?

Mr. LANGEVIN. The hon. gentleman will see that, in this sum of $28,000,000, for the constructed portions of the road, a portion of that is included.

Mr. BLAKE. Only a portion?

Mr. LANGEVIN. As my hon. friend on my right (Sir Charles Tupper) stated the other day, the whole of that sum could not fairly be added to the cost of the railway, because it was expended not only for the railway, but for the purpose of exploring the country, ascertaining its wealth, dividing it into townships, and so on, and, therefore, I add a portion of that to this amount.

Mr. BLAKE. But you added four millions when you counted up the cost under the Allan contract. You ought to add the same amount now.

Mr. LANGEVIN. The hon. gentleman will allow me to proceed to show how this valuation of a dollar an acre applies to the work as undertaken by the late Government in 1874. I will not weary the House with long columns of figures, but will show that, under the present contract, the railway completed and in working order, and with the condition that it will be worked for all time, will cost but $78,000,000. Under the contract of 1873 it would have cost $84,000,000, and, under the scheme of the hon. gentlemen opposite, valuing the lands at $1 an acre, $104,000,000.

Mr. BLAKE. Hear, hear.

Mr. LANGEVIN. If my hon. friend opposite, by his cheer, intimates that he thinks $1 an acre not sufficient, let us take $1.50 an acre, and you will have this result: The contract of 1873 would have required $112,000,000, the contract of 1874, $132,000,000, while the present contract would demand only $90,000,000; so that, even putting the price at $1.50 an acre, you will save $22,000,000 on the scheme of 1873, and $42,000,000 on the scheme of hon. gentlemen opposite, by the present contract. But, perhaps, the hon. gentleman (Mr. Blake) is not satisfied with $1.50 an acre, and would prefer $2. I hope the lands will sell for that price, or $4 or $5 an acre. But if we go into a calculation of this kind, hon. gentlemen must remember that $2, $3, $4 or $5 an acre must be applied, not only to the lands we give the contractors, but to those the hon. gentleman would have given the contractors, and to the 5,000,000 acres held as a guarantee for the working of the railway. The hon. gentleman (Mr. Blake) took good care not to speak of those 5,000,000 acres when applying his rate of $4 or $5 to the 25,000,000 acres we give the Syndicate. But, if he wishes to show to the country that we are giving a very large sum, by means of these lands, to the contractors, he should also show that we have a substantial guarantee by keeping 5,000,000 acres that he values at $5 an acre.

An hon. MEMBER. They are our lands.

Mr. LANGEVIN. These are our own lands, no doubt; but the other lands will remain there also. Not only will you have the railway as a guarantee of the good faith of those gentlemen, but besides the substantial guarantee of one-fifth of their lands in your possession. Estimating them all at $2 an acre, by the contract of 1873 the work would have cost $139,000,000; by the scheme of the late Government, $160,000,000, while, by ours, the amount should reach but $103,000,000, or a difference in favor of the present scheme of $36,000,000 compared with that of 1873, and of $57,000,000 compared with the scheme of 1874-75. Hon. gentlemen opposite should not complain, but they should remember that referring to the bargain of 1871 they have declared, themselves, that it was a treaty of union with British Columbia. The present leader of the Opposition said, "this policy is not to be reversed by us." Therefore, hon. gentlemen opposite have accepted this policy with its consequences, and they have worked it themselves. They were in office five years, and tried their best to build the railway. They did not succeed. We had tried our hand, also, without success; but I trust by the present scheme with these wealthy, able and honorable men, and with all the guarantees we possess in the contract, we shall be able to construct the railway without burdening the country to too great an extent. My hon. friend the Minister of Railways showed, the other night, by facts and figures, in expounding this scheme, that the railway would, in land and money, cost but $78,000,000. How was that met by the leader of the Opposition? He said it would take him only ten minutes to answer a two hours portion of the labored speech of my hon. friend. Well, it is very good for the leader of the Opposition to speak of doing so much in ten minutes only. We have yet to witness such a feat. When he speaks, he speaks forcibly and with great eloquence, and, though we do not agree with him, we are always glad to hear him; but his speech on this occasion was no exception to his other speeches, as regards the matter of length. He said, he would in ten minutes answer all the arguments of the Minister of Railways.

Mr. BLAKE. I said I would take only ten minutes with the first two and a half hours of the hon. gentleman's speech.

Mr. LANGEVIN. Well, the hon. gentleman adds a half hour to the two hours I was mentioning, so that the hon. gentleman said, that in ten minutes he would answer the arguments of my hon friend. But what was the result? The hon. gentleman spoke, at all events, an hour and a half, in reply to this two hours and a half speech. I do not think the hon. gentleman came best out of the argument.

Sir ALBERT J. SMITH. We, on this side, think differently.

Mr. LANGEVIN. The fact is, the hon. leader of the Opposition did not meet the arguments, and the historical statements of the hon. Minister of Railways. The historical portion seemed to be particularly unpleasant to the hon. gentleman. He thought evidently that the history of the old scheme, and of all the transactions with reference to this railway, was not such as would warrant his meeting the arguments of my hon. friend. The truth is, he did not meet them, but reserved himself to go into certain details of the measure, as I shall show presently. He sneered at my

hon. friend. He sneered at his arguments, and at the scheme which he treated, in the first instance, as a matter of badinage, but the Minister of Railways came best out of the argument. How did the hon. member for West Durham end his speech? He called the great scheme a sacrifice of our country's honor.

Mr. BLAKE. What I said was, that the last time you were in power you sacrificed our honor. This time you are sacrificing our interest.

Mr. LANGEVIN. I beg the hon. gentleman's pardon. He said this was the second time we were sacrificing the honor of our country.

Mr. BLAKE. No.

Mr. LANGEVIN. It may have been a *lapsus linguæ*, but I heard the hon. gentleman and took down his words. Of course, if he does not wish to stand by his words, as in another part of his speech, he said he was not bound, by any expressions of opinion of his, as to the value of the lands —well, if he does not wish to stand by those words——

Mr. BLAKE. I stand by the words I spoke.

Mr. LANGEVIN. I will not insist on the hon. gentleman being bound by words he may have uttered in the heat of discussion. It was, I think, at the end of his speech, when he may have forgotten that he was applying those words to this scheme. At all events, Mr. Chairman, we are, by this great undertaking, working for the extension of our country and for the consolidation of our institutions. We wish to have those British institutions that we have been enjoying from year to year consolidated. We want them to be the inheritance of our children and our children's children. But the hon. gentleman wishes to know—I will not say so—he has taken back those words.

Mr. BLAKE. Which words? If the hon. gentleman will look at the official report, he will see he is quite wrong.

Mr. LANGEVIN. The hon. gentleman may say the official report is different, but I repeat I took down his words because they seemed to be so strange.

Mr. BLAKE. I understand it to be the invariable custom of Parliament to accept as true an hon. gentleman's statement. I told the hon. gentleman what I did say. The official report, which was unrevised by me, bears out my statement, and it is extraordinary that the hon. gentleman should set up his own recollection of what I said against my statement and against the official report.

Mr. LANGEVIN. I did not set my own recollection against the hon. gentleman's statement. I say I took down these words as the hon. gentleman uttered them.

Mr. BLAKE. You misheard.

Mr. LANGEVIN. The hon. gentleman says he did not utter those words, and I must accept his statement; but I say I took down these words on hearing them, so that I must have misheard the hon. gentleman, and, therefore, I stand corrected. But, Mr. Chairman, how could we be surprised to see hon. gentlemen opposite opposing this measure which is sure to give us the railway from one end to the other, from the shores of the Pacific to our system of Canadian railways, when, at all other periods, they have always opposed all the great schemes that were brought forward by this party to Parliament, and assented to by a large majority of its members? The Grand Trunk Railway was opposed by these hon. gentlemen; the Intercolonial Railway was opposed by them. The House will remember that they thought the Intercolonial Railway was one of those measures that would ruin the country. "Twenty million dollars, said they!" And, besides that "why do you not put this railway on the frontier, between Canada and the United States?" That was the scheme of these hon. gentlemen with reference to the Intercolonial Railway. Well, we thought otherwise, the country thought otherwise, Parliament thought otherwise, and the result was—what? Did they not say that railway would not give revenue sufficient to pay the grease for the car-wheels? Well, the other day, my hon. friend the Minister of Railways declared that, by all appearances, this year this railway and the Island railway would be self-sustaining. The National Policy is another measure that hon. gentlemen have opposed. They would not consent to that. For years, during their term of office, we were insisting that they should give protection to our industries and manufactures. But they were deaf to our representations. They said: "No; you are a small minority"—we could hardly obtain a hearing at certain times in that Parliament—"you do not represent the people; we know better; we want Free Trade in this country." Well, the elections of September, 1878, settled that point; and when we came into office, we came with a National Policy. And how were we met by hon. gentlemen opposite? Did they not oppose that also? And, if the Pacific Railway were left to their tender mercies, I have no doubt we would not see it completed for thirty years to come. This Pacific Railway will be built in a comparatively small number of years, for it is a necessity for the country, not only because we made a treaty with British Columbia, but because the necessities of our position here in the north, north of the United States, require that we should have complete communication with all parts of the Dominion. Now, Mr. Chairman, I will undertake to answer some of the specific objections that were taken by the hon. leader of the Opposition to the speech of my hon. friend the Minister of Railways, and to the scheme. The first objection, the first remark he made about my hon. friend was, that there was a great variety in the estimates presented by him to Parliament; that, last year, my hon. friend had brought down an estimate for the building and completing of the road for eighty-eight millions of dollars, while, this year, he came down with a corrected estimate of $78,000,000. Why he should complain of that, I cannot imagine.

Mr. BLAKE. I said that it was pleasing.

Mr. LANGEVIN. I am glad to find that the hon. gentleman is pleased, for I could not understand how he should take any objection to the altered estimate of my hon. friend (Sir C. Tupper). I should rather think he would accept that estimate, and believe that it would be pleasing to the country, seeing that, instead of an expenditure of eighty-eight millions of dollars the cost will be only seventy-eight millions. If instead of this the Minister of Railways had said, last year, that the cost would be seventy-eight millions, and that, this year, he had said that it would be eighty-eight millions, ten millions more, then I could have understood it; and I have no doubt that my hon. friend the Minister of Finance would have been a little shocked to find that the estimate was ten millions more than last year. But it is not so. My friend on my right, the Minister of Railways, has been able to reduce the expenditure, and the reason for that is this: my hon. friend, after studying the subject more closely, and after having the whole data before him, has been better able to judge of the cost. The hon. member has admitted himself that we have every day better information about the fertility and wealth of the country; we are thus better able to judge. But the leader of the Opposition, instead of doing as he did last year—pooh-poohing the calculations we made last year, when he thought these lands were not worth a dollar an acre—says now that they are worth four or five dollars an acre. He goes on to say that, with the acquisition of population, we must change our position, as it gives us the idea that these lands will sell for more. If that is so, why should not my hon. friend the Minister of Railways have the same advantage? Why, after thinking over the matter for eight or ten months,

after revising the estimates, should he not reduce this amount? But, Mr. Chairman, to whom is this acquisition of people due? While I am on this point, I will call the attention of the House and the public for a few minutes to this: to whom is this acquisition of population in the North-West due? Is it due to the policy of the hon. gentlemen on the other side? is it due to their exertions? You all remember the speech of the hon. leader of the Opposition last year on the same question, and how he decried and disparaged the country, and how he praised the United States of America. Was that the means, was that the way to induce settlers to come to this country? was it the channel through which immigration would flow into our country? I think not. Let us take the exact words of the hon. leader of the Opposition, for, he says, he has nothing to retract, nothing to recall of his speech last year. How can you wonder that a report of the speech of the hon. gentleman, with his beautiful photograph at the head of it, should have been circulated by the railway companies of the United States by thousands all over the continent of Europe? No, Mr. Chairman, the acquisition of population in the North-West is not due to the hon. gentlemen on that side of the House. The present Government have made great exertions in that direction, and I have no doubt that if that speech had not been circulated, as it has been all over the world, if that speech had not been found at the very doors of any intending emigrants, we should have had a much larger immigration into the North-West. Nevertheless, we have had a fair share, and I have no doubt that with this scheme carried into effect, with the interest that the new Company, the Syndicate, must have in the peopling of the North-West, through that agency and the renewed exertions of the Government, we may expect a very large immigration to the North-West, a large acquisition of population, and a large increase in the revenue of this country; for, every man that comes into this country will pay so much into the Treasury for goods imported and goods consumed; and the more numerous are the settlers who will come and settle there upon the lands either of the Company or of the Government, the greater will be the revenue of the country. If they settle upon the lands of the Company, they give an increased value to the lands of the Government, which will be alongside; and if they settle upon the lands of the Government, the price of the lands will flow into the public treasury, and will recoup us for the twenty-five million of dollars we will have to expend to pay the subsidy to the Company. But, Mr. Chairman, there are other causes for this flow of emigration into our country. I do not forget some of the eloquent speeches of Lord Dufferin, when Governor-General of Canada. These speeches were masterpieces of eloquence, and they showed the country in its true light. These speeches have attracted special attention by their literary merit, by the facts contained in them, and by the position of the nobleman who uttered them, and they must have done a great deal to bring immigration into the North-West. I will not speak further of the speech made by Lord Beaconsfield, but that speech was one that must have done a great deal to attract the attention of the British public and intending emigrants, and must have done a great deal of good which is calculated to continue for years to come. Then, the present Government of England, the Gladstone Government, have shown, by the news that we had the other day from the article in the London *Times* newspaper, that they, not more than their predecessors, are deaf to the appeal of the intending emigrant, and that they intend to co-operate heartily with the Government of Canada in bringing emigrants to our shores and in settling them upon this part of the British Empire. The hon. leader of the Opposition says these are not the reasons for the immigration, but that Mr. Parnell and the state of Ireland have more to do with the proposed policy of emigration than Sir John Macdonald, Sir Charles Tupper, and so on. Mr. Chairman, there is no doubt about this: if the Irish people were content in their country, in their beautiful island, they would not emigrate; but, as it happens, a large portion of them are not satisfied and want to emigrate. If they will emigrate, is it not better that they should come to our shores, that we should give them land here and settle them amongst us, than that these emigrants, who are a part of the great nation of which we ourselves form a portion, instead of going to the United States should settle in the North-West? They are good citizens, they are good farmers, they are men who will make the country wealthy, and will be able to bring up their families; and why should we not encourage them to come to this country? We encourage Englishmen, Scotchmen, Frenchmen, Germans and Scandinavians to come to this country; and these other people belong to the same race as a large portion of our own, and why should they not come and settle amongst us? Why should they not come here to enjoy the same laws, the same rights as we have? And, with the same opportunities, they may become ministers, judges, members of the liberal professions, and obtain any positions in this country, the same as any other men in the Dominion of Canada. The country is open to them, and I hope that these immigrants, these Irishmen, who are not satisfied with the treatment and laws they have in Ireland, will come here and settle. The hon. leader of the Opposition says that the estimate of the Minister of Railways for works to be built by the Government was, last year, $32,500,000, whilst this year it is $29,000,000, which shows that the previous estimate was wrong. Well, I am very sorry that the hon. gentleman is not satisfied with that reduction. This is a reduction in the right direction; it saves the money of the people, and will satisfy the country and satisfy this House that the Government are considering constantly how the revenues of the country may be saved, and how the debt of the country can be reduced. In order that the hon. gentleman may have the answer to his question, as to how the reduction is effected, I shall now give him all the details——

Sir RICHARD J. CARTWRIGHT. Will the hon. gentleman permit me to ask a question before he goes any further? He said that $18,600,000 was the cost of the Canadian Pacific Railway up to to-day. Does that include the three millions of surveys?

Sir CHARLES TUPPER. The $18,000,000 cover all expenditure of every kind, even to the Fort Francis lock—every charge that can be made against the Canadian Pacific Railway.

Mr. MACKENZIE. It ought to.

Mr. LANGEVIN. Unless the hon. gentleman wishes me to give him all the figures composing the twenty eight millions, I may say——

Mr. BLAKE. I should like them very much.

Mr. LANGEVIN. The estimate in April, 1880, was: from Fort William to Selkirk, $17,000,000; it is reduced this year to $14,670,000. I will give the reasons after I have made the statement. The Pembina Branch was, last year, $1,750,000; this year it is $1,556,900. Kamloops to Emory's Bar, last year, $10,345,000; this year, $8,431,800. Emory's Bar to Port Moody, last year, $3,620,000; this year, $3,306,300; making a total, last year, of $32,715,000, and this year, $27,965,000; adding the $35,000 for the Fort William Branch, it is $28,000,000 for this year. The reductions are: from Fort William to Selkirk, $2,330,000; the Pembina Branch, $193,100; from Kamloops to Emory, $1,913,200; from Emory to Port Moody, $313,700, making a total of $4,750,000. The details of reductions upon the estimates of last year were as follows:—From Fort William to Red River, by improvement

in location and modification of design, $1,385,000; by reduction in rolling stock, $745,000, and in the cost of workshops, etc., $200,000; total, $2,330,000. Deducting the cost of the Prince Arthur Landing and the steel rails, $35,000, it leaves a reduction of $2,295,000. On the Pembina Branch the reductions are: in rolling stock, $193,100; from Kamloops to Emory they are, by alteration of design, $1,663,200; by reduction in rolling stock, $250,000; and from Emory to Port Moody they are, by alteration of design, $133,700; and in rolling stock, $180,000. After hearing these figures the hon. gentleman and the Committee must see that these reductions were fair and proper reductions, that they were made for the purpose of saving the money of the country and the supplies at our disposal, and that my hon. friend should not be found fault with, because he saw, after his estimate of last year, that he could still further reduce the expenditure. On the contrary, I think he is deserving of praise, not for doing more than his duty, but for doing his duty and doing it well. The hon. gentleman says he is not bound by any expression of his about the value of lands in the North-West. Why, then, should my hon. friend be held bound by his estimates of last year, when he has managed to make a saving for the country? The leader of the Opposition complains that the Union Pacific Railway has been adopted by us as a standard of comparison. The hon. gentleman says such and such was the condition of that road, of its grades and curves and material under the contract, and, therefore, it should not be adopted as a standard by the Parliament of Canada. But the hon. gentleman is entirely wrong. It is not the contract of the Union Pacific Railway that we are bound to take; it is the railway as built, and that railway is a good one. It is a railway on which the grades and curves were a great deal better than upon many other railways which are considered good railways—first-class roads. The Union Pacific was opened for traffic in May, 1869, and I passed over it myself in 1871, and it is a perfectly good road. It is a road on which, though the speed was very great, there were no accidents when I travelled over it from one end to the other on my way to and from British Columbia, though with such a length of road it would not have been surprising if accidents had occurred. We all know that we have had accidents on the Intercolonial Railway, which is a good road, one in which we all take pride. With regard to the curves and grades on the Union Pacific, I find that they are less than those upon either the Portland and Ogdensburg, or the Baltimore and Ohio. Some of the grades on the Union Pacific are high, of course, but we are not to suppose, because there are on that road grades of 80 or 90 feet to the mile, that there will be similar grades upon our own road. We know full well the country through which the Canadian Pacific Railway is to pass; the explorations and surveys have been numerous and costly, and though the line may have to pass through some heavy parts of the country, yet, compared with the country through which the Union Pacific road passes, it is much more favorable for construction. The Union Pacific winds up and around the mountains, so that, at times, when the traveller imagines he has gone a long distance, he all at once discovers that only one-half or three-quarters of a mile has been travelled, owing to the circuitous nature of the route among the Rocky Mountains and the Sierra Nevadas. But upon our line we know by actual surveys, that, instead of the railway ever attaining an altitude of 8,000 feet, its greatest altitude will not be over one-half that height; so that we may reasonably expect that the curves and grades of the Canadian Pacific Railway will be better than even the best portions of the American road. Besides, Mr. Chairman, we must see that it is not to the interests of the Company to build an inferior railway. If the Syndicate were a company formed for the purpose of building the railway and then handing it over to the Government, like most of the public works for which contracts are made, they might have some interest in building a road of an inferior character. But, Sir, it is to be their own railway, to be worked by themselves, and surely they would not be so foolish as to build a poor railway for the pleasure of rebuilding it within a short period. It is said these gentlemen will not use the best material, and will not adopt proper grades and curves, in order that the road may be worked with advantage. These men are not going to work that railway for the mere pleasure of doing so. They are not undertaking it for the sake of patriotism. They are undertaking it to make money, and they will make money, because they know that a railway through that beautiful country, settled with a large and thriving population, must give large returns. The hon. gentleman says it will be an inferior road, built with iron rails. If the hon gentleman had read the contract, he would have seen that the exemption from customs duties of the material to be used in the railway applies, not to iron, but to steel rails, and, therefore, steel rails are the rails to be and must be used, because the Company will not be fools enough to buy iron rails and pay duty on them for the construction of this road. They will necessarily use steel rails that are exempt from taxation. The hon. gentleman and the House may rest assured that there is not the least danger on that score. Another objection made by the hon. gentleman is to the freedom from taxation for all time of the railway and its appurtenances. Suppose we had insisted on having the railway taxed; in that case the Syndicate must have told us: "we must have more money, because that item is undefined; We cannot know what the taxation will be, it may be a very heavy tax; we may find municipalities, when established in the North-West, taking care to pay all their expenses from the taxation on the railway." Surely the hon. gentleman would not press that idea, when he complains that we are already giving too much money for the building of the railway. What then does he want? Does he want to drive a hard bargain with these gentlemen? What reason would there be in attempting to cut them down to as small a figure as possible, in order to make the Company a poor company? It is to our interest, and to the interest of the country, that the Company should be able to construct the railway and to work it afterwards, so that they should not come back to us year after year and ask us for new terms. We want once for all to settle the whole question, so as to say to the Company: "This is the settlement; you build that railway for that amount of money and land, and work it, and we must have a guarantee for the working of it for the first ten years after the building of the road, because, if you work that road for ten years, we may be sure that you will work it afterwards, as there will, by that time, be population enough in the country to secure a profitable trade for the road." More than that, I say that Parliament and the Government must show the Company that they are not our enemies, but that they are the friends of the country, and that we must treat them in the best way possible, taking into consideration the interests of the country at large. If we starve them now by giving them a small subsidy in land and money, and then tax them after they have built their road, the result will be that they will come to us afterwards and say: "We cannot go on." We do not want that; we want a strong company that will be a credit to the country, and be competent to carry forward that great national work, the Pacific Railway. The fact is, this Company is called upon to do what was expected to be done by the Government itself. And what was expected of the Government? That we should make this a good road, and work it. But the country became apprehensive that we could not do it without running deeply into debt. In the meantime we have found contractors—men of means and well-known men—ready to build this road for less than we

believed last year it could be done, by $10,000,000. But it is not a new thing to relieve a railway company of taxation. I will read a telegram which will show what has been done by the United States with reference to the Northern Pacific Railway. The General Manager of that road telegraphs, under date of the 15th December of this year, as follows:—

"Right of way, 400 feet wide, and all improvements thereon, exempt from taxation under charter."

So that the Northern Pacific Railway, is exempt from taxation, not for a width of 100 feet, as is the Canadian Pacific Railway, but for a width of 400 feet. In the United States they were not afraid of that. They knew perfectly well that the Northern Pacific Railway was not a road inimical to the country and the people; that it was for their good and use, and that, therefore, they should put that road on a proper footing for all time; they knew it would be a great highway of the country, and should be dealt with liberally. We expect that our country, which is great in many ways, will be as great in certain respects as the United States; and we want a good and great railway, and also to put it on a proper footing, so as to prevent its owners coming back to us and saying: "You starve us to death, and we want more money."

Mr. CASGRAIN. We have the guarantee.

Mr. LANGEVIN. We have the guarantee no doubt; but, perhaps, the hon. gentleman would prefer to see them come to ask for better terms. I am not of that opinion, nor is the Government.

Mr. BLAKE. They could not find better terms.

Mr. LANGEVIN. The hon. gentleman thinks we could do better; he says the terms are too good for the Syndicate. In what way are they? He says: "You have no sufficient guarantee for the eastern section; how will you build it: you are giving too much for the prairie section." I will show the hon. gentleman presently that that portion of the railway was alluded to by him last year, as well as this, and that there is a very notable difference between the two allusions; and that if Ministers may change their estimates from one Session to another in the way of reduction, the leader of the Opposition can change his policy *in toto*, with regard to the eastern section.

Mr. POPE (Compton). He is not responsible for what he said last year.

Mr. LANGEVIN. The next point the hon. gentleman alluded to was this: he says we have exempted the lands of the Company from taxation for 20 years. Well, in the same way as he finds fault with our scheme by saying we are giving too much money away, I reply to him, if the lands are to be taxed, you must consider at once what would be the result. The Company which has stated to the Government that the amount of money and lands required by them is only a *quid pro quo* for the work they undertake, and the working of the railway will say, if we tax their lands: "You must come to our relief; we have not money enough. It will take ten years to build the road, and, till completed, we can have only a certain number of emigrants yearly; and until it is in operation, after ten years, we cannot derive the benefits necessary as compensation for its construction. So, if you tax our lands, you will have to give us more money." If we were to revert to the scheme of last year, and to that of hon. gentlemen opposite, what would be the result? We should have to tax the people to the extent of $78,000,000 or $88,000,000 on the estimates of last year. The lands would be in our hands, and only those sold would be taxed by the municipalities. Therefore, there will be no more taxation under the present scheme than if the Government were to build the road. Why should we compel the Company to sacrifice every acre of their lands in order to avoid taxation? You must see that their interest is to settle these lands. They would not be so blind as to retain them long for future enhancement. The value or price of an acre is not the point so much looked to as the benefit the railway must derive from the settlement of the lands, and the carriage of produce to market. We have seen that the Minneapolis and Manitoba Railway Company sold their lands at, say, $5 an acre, but with the condition that if the settler put under cultivation so many acres within a year, the price should be reduced to $2 or $2.50, showing the Company considered its main advantage lay not in the first price of the land, but in its settlement and cultivation. This Syndicate will have the same interest in selling their lands for early settlement. Every settler should be taxed as well as every other inhabitant of the country. Why not? Besides, this railway is not to be built for Nova Scotia, Prince Edward Island, Quebec, Ontario, or any other Province particularly, although the trade of the North-West will come down by it to all. But the great, immediate advantage of the road will be to the settlers in the North-West; and, whilst we are giving our millions to build it, and paying interest on the amount, why should not those settlers contribute something to it? What will their contributions amount to? It will be the difference between the taxation of a few acres in the municipality and the amount they would have to pay for those lands being free of taxation. That would not be for all time, but only for the first twenty years, until the lands are sold. For the first few years the settlers cannot suffer, because they would naturally try to settle on the lands in the immediate neighborhood of the railway; and, therefore, those lands would be sold lot by lot. The Government, having the alternate blocks, would be too glad to sell land also, and all the settlers would find them out very shortly. Very little land, after a little time, would remain unoccupied in the municipalities, and, therefore, the settlers would not suffer. Any man desiring land may have it there. He has only to say: "I require this lot of land," to have it; and every settler that goes into that country and settles there will write home to his friends and bring them out. Therefore, in a very short time the parish or municipality will be settled and the exemption of taxation on these lands will not be felt, because really, the lands remaining to be sold will remain there only until the settlement can be extended in that direction, so that, after those twenty years, what will remain exempt from taxation will be just the 100 feet in width on the length of the municipality. I think the roads in the North-West are about 100 feet wide. Is it worth considering in the settlement of that country, that 100 feet in width on the length of the municipality should be exempt from taxation? I think that is a very small contribution on the part of the settlers towards the building of the railway. I am sure if we were to ask the people of any portion of old Canada that is deprived of railway communication: "Will you consent to have a railway on condition that you will neither tax the track of that railway nor the stations?" they would be only too glad to have the railway; but because the Government brings this scheme forward, hon. gentlemen opposite object to it. I have not made the calculation out, which, perhaps, some of my hon. friends who will follow me, will make, as to how many acres, 100 feet in width, on the length of a municipality, will make. It will be a very small amount, and that will be the only exemption in the whole township. Besides that, if some of these lands remain unoccupied and unsold, the neighbors will take care to make of these lands pasture grounds. But the hon. leader of the Opposition will say: "Oh the Company will take precious care to make those settlers, who use these lands as pasture grounds, pay a certain amount every year." In that case, these lands will, at once, be subject to taxation, and, therefore, there is no fear of these lands remaining, even two or three years, without

being taxed. The next point the hon. gentleman has found fault with is the amount that we are giving the Company. He says that, last year, the hon. the First Minister stated in the House, that the regulations of the Department of the Interior were to this effect: the policy of the Government was, that along the railway the lands would be divided into so many belts, there would be Belts A, B, C, D and E, and the first belt alongside the railway would be sold at $5 an acre, the next $4 an acre, the following $3, the next $2, and the last $1 an acre. The hon. gentleman, last year, I may observe, ridiculed the idea of having those lands sold for $4 and $5 per acre, and thought that after such an exhibition the hon. the First Minister should disappear and make place for him. Well, the country thought otherwise. We passed our scheme, and this year here we are with this new scheme. Well, last year the price was $5 an acre, and the hon. gentleman says: "now you are going to give this Company blocks one mile in frontage and twenty-four in depth. He adds: "Apply to them the rate of $5 or $4 per acre, as the case may be, and you have an immense sum for the 25,000,000 acres of land. But if the hon. gentleman applies those prices of $4 and $5 an acre to our scheme, he should apply them likewise to the proposed scheme of his hon. friend next to him (Mr. Mackenzie). If it is too high a rate for us, it must be far too high a rate for his hon. friend. He knows that 55,000,000 acres of land—he was in the Government then——

Mr. BLAKE. I was not in the Government.

Mr. LANGEVIN. If the hon. gentleman was not in the Government, he was not opposed to the scheme. He was in favor of it. He supported it. He never separated himself from his friends on account of it. At the rate of $5 an acre for 55,000,000 acres, you will have $275,000,000. It looks a big sum. The hon. gentleman smiles at it, no doubt it is laughable, but he must remember that he made the same laughable calculation about our old scheme, and if he laughs on one side of the mouth he must also laugh on the other side. My hon. friend at my right has passed me a calculation to show that a strip of land 100 feet through a township would make 72 acres altogether as the whole exemption in the township for all time to come. Well, let the hon. gentleman take the roads in all our townships, and he will find many times 72 acres in each that are not taxed, and why should this highway, this railway, be taxed? I was observing that this rate of $5, or $4 should have been applied by the hon. gentleman to the three different schemes. He should have shown that the $4 or $5 or $3 per acre applied to the scheme of 1873, made such an amount; that applied to the scheme of his hon. friend (Mr. Mackenzie), it made so much; and that applied to the present scheme; it made another amount; and that comparing the three with each other, the amount obtained by the scheme of 1873 was less than that given by the scheme of 1875, and that the present scheme was less costly than either. My hon. friend at my right (Sir C. Tupper), did not apply the rate of $1 an acre to our own scheme and $5 an acre to the scheme of the hon. gentleman. He acted fairly by applying the dollar rate to both schemes, and he found that the amount was exactly what I stated in the beginning of my remarks, that is: In this case, $78,000,000, while it was a much larger sum in 1873, and a still larger sum according to the scheme of the hon. gentleman. Nevertheless, the hon. gentleman declared, and he tried to make the House and the country believe, that our scheme was a bad one. I have no doubt that when the country becomes acquainted with the speeches made on both sides, the people will judge us as they did in 1873; they will see that we have brought forward a scheme for the good of the country, and the best that could be made under the circumstances. Hon. gentlemen ask us: "Is there not something in that scheme you would prefer not to see in it—you would prefer to see changed?" I will answer the hon. gentleman in the same way as we did in 1866, when we came down with the scheme of Confederation. We said to the House that was the best scheme we could present under the circumstances. We said to the country, we have not to deal with an uninhabited country, which will be settled in the future, and to which we will have to give laws and institutions. We have not to deal with a country settled by only one race, and that race having but one religion; we have to deal with a country settled by different races, by Englishmen, Frenchmen, Scotchmen, Irishmen and Germans. We have to deal with a country where the Protestant religions and the Roman Catholic religion, are each professed by a large number; we have different institutions, and special institutions in one of the Provinces, and those special institutions are for the French race, who are attached to them, and wish to keep them—a loyal people, as loyal as any other in the Dominion—and, under these circumstances, we have to consider the interests of all; here is a scheme of confederation, and we ask you to pass it as a whole. It is a question of compromise; it is a treaty between the different Provinces; and though there may be in that scheme—and there were certain things that, for my own part, I would have preferred omitted—nevertheless I accepted it as a scheme of compromise, as one that would secure the future greatness of this country. Why did the Government do that? Because we were not alone to settle this question. We were four Provinces, and we had to take into account the prejudices and the difference of races of each. But there was something else. We knew there were outlying provinces, west and east, as well as territories, which would sooner or later ask for admission into the Confederation. Did we treat them as foreign countries? No; we said they should have the same institutions and the same laws as ourselves. Well, Mr. Chairman, in this case, in this contract, we are not only one party; we have to deal with the Syndicate. These gentlemen are one party and we are the other. We have to make a contract with these gentlemen for the building of this road. Shall we say to them: "You must take that or nothing?" That is not the way contracts are made. You have to give and take; you have to take into consideration the exigencies of the case; you have to see whether your terms are acceptable to the other party, and, after reasoning the matter with him you find that he is right and that your proposal is not sufficient, and you have to give more land, or more money, or other conditions; the result is that you have to agree to give and take on both sides, to prepare the contract and sign it. That is what we have done. Here is a contract, and we say that is the best we can do. I believe it is to the advantage of the country. We shall save money to the country by adopting it, and I hope the answer will be "yes;" from all our friends. The next point the hon. gentleman has alluded to is the sale of land by the Company and by the Government. The hon. gentleman has gone into a very learned and very elaborate calculation to show that, while the Company is going to make a great deal of money with their land, the neighboring blocks belonging to the Government will scarcely sell at all. The Company, he says, will sell their lands for $5 an acre, while our lands, lying alongside, will not sell for more than a dollar an acre. That must be the inference from the calculations of the leader of the Opposition, because he applies his five dollar calculation to the Company's and not to the Government's land. But if the Company are able to sell their lands at this price, we are justified in expecting that the Government's land will sell just as well. I hope the Company will sell their lands at five dollars an acre, and that settlers will be glad to pay

that price; for, then, the Government will be able to sell their lands alongside at the same price, and so recoup themselves in a short time. The speech of the hon. gentleman leaves us no other conclusion. I think I may say that the fair inference from his speech, as published in the "Debates," is, that the Company will obtain $10 per acre, while the Government will not obtain more than $5. I do not know how he reached that conclusion. I tried hard to follow him through his calculations, but they were so minute and so abundant that, with all my effort and with all my desire to do the hon. gentleman justice, I could not follow him all through. But I was able to gather enough to understand that his calculations were not as fair as I would have expected from the hon. gentleman. In connection with this land question he also spoke of the surveys. Well, that is something that cuts both ways. These lands had to be surveyed into townships, correct alignments of the land had to be drawn, and for that purpose the Government required money. The Department of the Interior, I have no doubt, will be able to tell us the cost of the surveys. The hon. gentleman finds fault because the Government will have to survey a portion of these lands. But how will they be surveyed? If we are to give blocks of land to the Company, we must give the outside line of the blocks. But in any case the surveys would have to be made. They would have to be made by the Government if we kept the lands. And when we grant these 25,000,000 of acres to the Company, they will, of course, have afterwards to make their own surveys to divide the lots; so that portions of the expenditure, which otherwise the Government would have had to incur, will be paid by the Company, that is, if they are to make the railway profitable, and I, for one, hope they may do so. It is to the interest of the country that they may be able to work the road advantageously and profitably, and if they should not be able to do so, it would be better that the Government should work the road themselves. But we all know that a company can work a railway at a less cost and with a greater profit than a Government can, better even than so good a Government as the present Administration. The hon. gentleman has referred to the obligations and liabilities of Canada in connection with the railway. He says that they are undetermined—that they have no finality. I generally find the hon. gentleman very logical, but I fail to see his logic in this case. My hon. friend the Minister of Railways says to the House: the portions of the road which we have built and the portions which we are now building cost $28,000,000, and then adds the $25,000,000 which we are to give to the Company, and the value of the 25,000,000 acres of land. I think our liabilities in the matter are as well determined as they could possibly be. Taking the land at $1 per acre, we have a total of $78,000,000 as the sum we have to pay. Surely there is sufficient determinativeness and finality in that calculation to suit hon. gentlemen. But there would be no finality in the scheme of the hon. leader of the Opposition. I cannot conceive what the people of Ontario or Quebec have done to the hon. gentleman that he should say to them that they shall not have a railway. He says: do not build the railway; leave it to the future to determine the liabilities of the country. He adds: that the region north of Lake Superior is so wild and inaccessible, that it is such a wilderness that we cannot build a railway there, and that we must leave it for future consideration. One hon. gentleman —I think it was the member for Algoma, who knows whereof he speaks—informs us that that country is by no means so bad as it is represented; that we would be agreeably surprised at its condition if we went through it. Surely the hon. gentleman cannot complain of the lack of determinativeness in the matter, when he can arrive at the cost by so simple a calculation. The hon. gentleman, who evidently wanted to be facetious, says, that there will be a final relief for the country—and the relief will be that the Minister of Railways will be in his place to present new and reduced estimates. I have no doubt it will be a relief to hon. gentlemen on this side of the House to see my hon. friend in office, as Minister of Railways, for those twenty years; and I have no doubt that the country as well will be pleased with the prediction. At all events, I think it will be better to have my hon. friend here to prepare reduced estimates, which he may have exaggerated, than to have hon. gentlemen opposite in office promising increased revenues and all the blessings of a golden age, only to disappoint a waiting people. We must remember that when these hon. gentlemen occupied the Government benches they were found to be not quite equal to the promises they had made. They say our obligations and liabilities are undetermined; but I should like to ask if they were otherwise when these hon. gentlemen were in office. We had every year a speech on our finances; sometimes very able and very interesting to the country, and we were promised that there would be an end of deficits if the House would only submit to increased taxation. But after waiting year after year for five years, the result was not a surplus—not the liabilities determined, not both ends meeting, but a deficit of several millions of dollars. I think the country will agree with the leader of the Opposition, that it is a great relief to the country that the Minister of Railways and his friends are on this side of the House.

It being Six o'clock, the Speaker left the Chair.

AFTER RECESS.

Mr. LANGEVIN. Before six o'clock I was coming to the eighth objection which the leader of the Opposition urged against this scheme. He stated that the division of money and lands into three sections was not a fair one, and did not offer a sufficient guarantee to the country. This matter was well weighed by the Government when we were discussing the conditions with the Syndicate. By referring to the contract, we find that there are three sections, or rather two sections, with one section divided into two sub-sections; of the central section, 900 miles, go to the Rocky Mountains—to Jasper House,—and 450 miles from Jaspar House to Kamloops; the eastern section, of 650 miles, is that north of Lake Superior. By the contract, the first portion of the central section, 900 miles, is to receive $10,000 per mile, in money, making $9,000,000, and 11,250,000 acres, which, at a dollar an acre, are equal to $11,250,000, making $20,250,000 in money and land. The second portion, 450 miles, is to receive $13,333 per mile, or $6,000,000 in money, and 7,500,000 acres of land, which, at a dollar an acre, are equal to $7,500,000, making $13,500,000 in money and land. The Lake Superior section of 650 miles, is to receive in money, $15,384 per mile, or $10,000,000, and in land, 9,615 acres per mile, or 6,250,000, equal to $6,250,000, making $16,250,000 in land and money. If you take the land and money subsidies together, you have for the 900 miles to Jaspar House, $22,500 per mile; for the 450 miles, through the mountain region in British Columbia, $30,000 per mile, and for the 650 miles of the eastern section, $25,000 per mile. Nevertheless, the hon. gentleman says that this division is not a proper one, and does not offer a sufficient guarantee to the country for the building of the road. Well, the hon. gentleman should remember that he, himself, last year, gave us a speech on this question, in which he brought forward figures to show what would be the amount of money required for these three sections. Of course, his object at that time was to show that the railway would cost a very large sum of money. The hon. gentleman was answering the Minister of Railways, and said:

"Of course, the through traffic depends on the road being first-class, and we must remember that, after we have spent all the hon. Minister proposes, we shall have, not a Pacific, but a colonization road. According to the old system of construction, that central section would cost,

including the other items I have mentioned, altogether over $42,500,000, leaving out entirely both ends. What are the ends to cost? $45,000,000 is, as I have stated, the cost from Edmonton to Burrard Inlet on the West; and from Fort William to Nipissing on the East, the hon. member for Lambton estimates at a length of about 650 miles, and a cost of $32,500,000. Thus, the ends make up together $77,000,000; the centre and the past expenditure, $42,500,000, making a total of $120,000,000."

The hon. gentleman gave us these figures to show what the road would cost. It was, of course, the object at that time to show that it would cost an enormous sum of money, to let every elector in the country know that it would cost $120,000,000; that we were unable to go on with the road, and that it would ruin the country to attempt to do so. That was the cry then. This year we come and say: we are able to build the whole road for $78,000,000, although only last year it was to cost, according to the hon. gentleman, $120,000,000. The fact is, hon. gentlemen opposite do not want the Pacific Railway at all. If we apply the hon. gentleman's calculation to the eastern and the western sections, we will find that every mile of railway in the mountainous section would cost $100,000, and every mile in the eastern section $50,000 a mile. Well, under our calculations, the western section would cost $30,000 a mile instead of $100,000, and the eastern section $25,000 a mile. The proportion here given is more favorable to the eastern section as a guarantee to the Government than that according to the figures given by the hon. gentleman last year. But what is the use of giving them $100,000 and $50,000 a mile if that money is not required? The hon. gentlemen opposite must see that the estimate of the Minister of Railways, if that was his estimate, could be changed this year, as in the case of the reduction in the contracts which brought down the estimate from $38,000,000 to $28,000,000. Therefore, the Government have ample security in this amount of money for the building of the eastern as well as the western section. By the contract these three sections must proceed simultaneously and vigorously. On 1st July next the work must begin on the eastern as well as on the central section; this is a condition of the contract, the bargain with the Syndicate, and, at the end of ten years, the whole railway, the eastern as well as the central and western sections, must be completed. The prairie section may be built faster than the others. If so, so much the better. It will open up the country sooner; emigrants will flow in, and our lands, as well as the Company's lands, will be the sooner taken up. It is a specific condition of the contract that the two sections be finished within ten years. For this eastern section we have reserved 16,250,000 acres to build the 650 miles, and $25,000 a mile. As I stated before recess, it is now known that the country north of Lake Superior is not the barren region many people imagine. It appears a large portion of it is a good country that will furnish traffic to the railway. Fortunately for Ontario it is within its boundaries, and the railway will open up the country; but that does not prevent our being sure that this fact was not quite sufficient to secure the building of that section. The next objection of the leader of the Opposition is, that the Company may build railways where they please; that other Canadians have not the same privilege, but must come to Parliament for power. Well, the Company may construct branch lines in the North-West; what harm is there in that? Do we ever refuse gentlemen who wish to form a company permission to build a railway where there is no other railway, and where one is wanted? Never; we always give them a charter, and they are very often subsidized by the Federal or local authorities. In this case the Canadian Pacific Railway Company does not ask a dollar subsidy either in land or money to build those branch lines. They say, we want that power. We give them 25,000,000 acres, a great deal of which will not be near the road; much of the land may be 50, 100 or 200 miles distant. How are they to reach those lands? They have a great interest in those lands. Why? Not only because they must be sold to give them capital

to recompense them, but those lands settled will give traffic to the main line. So, it is their interest to construct side and branch lines; and why should it not be so? This road is not to be a sham, but a railroad or highway from one end of the country to the other; and why not offer all facilities for the opening up and settlement of the country? But the Company's blocks of land 100 or 200 miles in the interior will have on each side blocks belonging to the Government, and the Company's branch railways will benefit the Government by opening up its lands and enhancing their value. People will not settle 200 miles in the interior where there is no railroad. I am surprised at the complaints of hon. gentlemen opposite on this head. I am sure that the settlers in that country, 10, 20 or 30 years hence, will not thank them for trying to prevent the Company from constructing branch railroads to open up the country. The leader of the Opposition says that Canadians do not stand on the same footing as the Syndicate. No doubt, and it is because other people will not belong to the Company, or assume the same obligations. Not only the Company, but the country is interested in having branch lines. It is for the good of that region that such powers should be given to the Company. Any other company that will come to Parliament, will not, I am sure, be refused an act of incorporotion. Suppose some of the gentlemen living in Winnipeg wish to have a railroad to the Peace River; does any one believe there will be any difficulty in giving them a charter? This Syndicate could not stand in their way. They could not prevent other citizens building that road if they chose. Do we not remember the famous Bill of the member for Bothwell (Mr. Mills)? It favored the construction of all railways in the North-West, not only by a Bill as we propose, but by giving projectors aid in money or land. Therefore, if it was then good under the Government of the hon. member for Lambton—and the present leader of the Opposition must have favored its policy—to aid railways to that extent, it cannot be bad in us to aid them when we are giving neither money nor land. The next objection the hon. leader of the Opposition has made is this: that the Company will invest only $5,000,000, and will recoup themselves soon by the sale of their lands. Well, Mr. Chairman, what objection is there to this? These lands will be their lands, and they will sell them, and the money will come into their coffers to recoup them for the money expended or subscribed by them for the road. That is the case with every other company that has lands to sell and a railway to work. The receipts from the sale of lands and traffic go into railway companies' coffers, and are devoted to paying expenses and dividends, and I suppose this Company will be allowed to do the same. But if these lands are sold, the Syndicate will not carry them out of the country. These lands must remain in the North-West, and, if sold, to whom must they be sold? They must be sold to settlers, and if they be sold to settlers, we will have obtained exactly the object we had in view; that is, to bring settlers to settle in that country, to open it up, to make it a great country, to have new provinces in that region. We will have new British subjects there, men who will have the same objects in view that we have, who will elect their representatives, whose representatives will sit in this hall, if this hall is large enough to hold them, who will, at all events, sit in Parliament with us. They will come here and legislate with us, and they will have the same rights that we possess. But, the hon. gentleman complains that this Company will have the advantage of selling these lands and settling these settlers there. The object we have in view is to build the road. We do not wish to spend $55,000,000 in cash, but $25,000,000 in cash and 25,000,000 acres of land; and why should we not do so? If the hon. gentleman is correct, if the Company will recoup themselves by the sale of these lands, then what becomes of the affirmation of the hon. gentle-

man who calls this a monopoly that will shut out people from the North-West. How could they shut them out if these lands are to be sold to settlers and bought by them? You cannot have both things. It cannot be a monopoly that will close up that country and yet recoup themselves by the sale of their lands to settlers. The hon. gentleman said they would become the landlords of the North-West. Well, that cannot be the case, because, in the first place, they will be obliged to sell the lands in their own interest, and, according to the hon. gentleman, they would recoup themselves very soon by the sale of those lands. Of course, the Company may, if he uses the word monopoly in another sense, be a monopoly in this way: that it is a railway company which will have the traffic of this country over their railway; but in any case, such power must be given to a company, and it is better to give it to a powerful than to a weak company. But the hon. gentleman, following his argument, said, as I stated a moment ago, that the Syndicate would be landlords of the North-West. Well, as I have stated, they cannot be the landlords of the North-West, for the very good reason that, out of 250,000,000 acres of land there, they will have only 25,000,000, or one-tenth of the whole. But the hon. gentleman, in his fear, has forgotten that, in his position as leader of the Opposition, in that high position which his talents and the confidence of the Liberal party give him, a threat should not be thrown here to Parliament. He told us that the men who will settle there would be less than men if they allowed such a law to stand. "You talk, said he, of sending Irishmen to the North-West!" The hon. gentleman would wish these men to do—what? To prevent this Company having the power that they possess under this measure. He says the settlers would be less than men if they allowed such a law to stand.

Several Hon. MEMBERS. Hear, hear.

Mr. LANGEVIN. That law would stand as long as Parliament wished it to stand; and if Parliament wished to abolish the law, I suppose the Company would be treated as any other company, or as any individual, and be indemnified for the loss of their rights.

Mr. MILLS. Hear, hear.

Mr. LANGEVIN. If you go and take from that Company a portion of their lands, of course, you must give them compensation for that. Perhaps the principles of the hon. gentleman who says "hear, hear," are different from these.

Mr. MILLS. Hear, hear.

Mr. LANGEVIN. I would be very sorry that in this country we would ever say: property is robbery. Property is not robbery. Property is one of the great foundations of society, and, therefore, I am astonished that the hon. gentleman, who holds a prominent position in his party, who has been a Minister of the Crown, should propound such a doctrine here. I have no doubt that Parliament will never assent to such a doctrine in any case, whether it is this Company, or whether it is an individual, or whether it is a man who is an agent of a company that is disliked. Parliament will always do justice. Parliament always does justice. It is one of the great features of our legislation that, whenever an acquired right or a right of property has been put in danger, Parliament has always indemnified the parties that have suffered.

Mr. MILLS. Not always.

Mr. LANGEVIN. Of course, the hon. gentleman will persist in his views; I cannot change them. His views are very advanced, but I doubt very much whether, in this Parliament, he would find many supporters in a course of that kind. Let him try it.

Mr. MILLS. Question.

Mr. LANGEVIN. Let him come with a motion, and see whether Parliament will assent to such a doctrine.

Mr. MILLS. You have such a Bill before the House.

Mr. LANGEVIN. If the hon. gentleman will allow me to return to the subject which is under consideration, then, when he brings in the bill he speaks of, I will be ready to meet him. The last portion of the remarks of the new leader of the Opposition on this point goes further than we might believe. He says, in effect, speaking of the sending of Irishmen to the North-West, that no Irishmen are required, 'No Irish need apply." They are not to go to the North-West; that is reserved to the hon. gentlemen on that side of the House, and no Irishmen are to be allowed there. We generally find Englishmen, Scotchmen, Frenchmen and Irishmen working together on the railways, trying to do their part there; and we know perfectly well that the Irish are not less industrious, less useful laborers than the others. But what does the hon. gentleman want? I have no doubt you remember his speech in 1874. He would prefer Chinese labor. He would prefer the Chinese to the Irish. I do not object to the Chinese, when they are here in the country, so long as they respect the laws and are good citizens; but what I say is this, let our own fellow countrymen, the Irish, who leave their beautiful island, come here by all means. There is plenty of labor and land in this country for them, and they will be received as friends, and not as foes. I now come to a very important point—a very important remark made by the hon. leader of the Opposition. He says he is in favor of an eastern connection, but not at an enormous expenditure. He does not want the Lake Superior section at all events for the present, and prefers the Sault Ste. Marie line. He says that the line would be 87 miles longer than the proposed line by the north of Lake Superior, but that we would have it seven years sooner. Well, Mr. Chairman, that is not exactly in accordance with the views of the hon. gentleman last year. Now, he says, here is the eastern connection to the north of Lake Superior, it is too costly; don't let us have that; let us have the Sault Ste Marie line that will bring you through the United States to Manitoba. The hon. gentleman will remember that the policy of this Parliament has not been to have a railway going through a foreign country, nor to expend millions upon an Intercolonial railway to the east and a Pacific Railway to the west for the purpose of having a road through the United States of America. We want a road on British soil; we want a road of our own, for the maintenance of British institutions upon this continent. We want a road that will be a benefit to Canada and the Canadians; but we do not want a road that will lead our emigrants through the United States, and have them then carried away to the western prairies of the United States, and lost to Manitoba and the North-West. If the hon. leader of the Opposition wants a road of that kind, why did he not, when he was on these benches, come with his Sault Ste. Marie scheme, if he had that intention? But, no; he was not sure. He knew that he could not have that eastern connection by the north of Lake Superior; he could not get a company, he had not the means at his disposal, and he never spoke of the alternative. But now let us see what the hon. gentleman stated last year. It is very interesting, because it shows what the policy of the Opposition was towards the east of Canada, and when I speak thus I mean the region from Lake Nipissing to the east, including Ontario, Quebec and the Maritime Provinces. Let us see what was the policy of the hon. gentlemen on the other side as to the east, and what we might expect from them if they were on these benches. I do not wish to be too long on a matter of this kind, but I think that the House will bear with me while I read some extracts from the speech of the hon. gentleman. I do not ask the permission of the hon. gentlemen on the other side, because it is a

speech of their own leader, and, of course, they will be glad to hear it again. The hon. gentleman said:

"We must not altogether forget the eastern connection. The hon. gentleman has not been altogether oblivious of that part of the through line. It was politic on his part to throw out some faint hopes of the construction of that link. Quebec has spent some $11,000,000, which she can ill afford, for the construction of a railway principally designed to tap the Pacific trade. Quebec has stretched her arms out towards the great west, as far as this city, and the question is, how soon is she to get further, how soon that great expenditure is to be productive of the benefits expected? I am glad to know her road is paying something as it is; but what Quebec expected was not simply that it should pay, while it is new and cheaply worked, some fraction of the interest on the cost of construction, but that it would pour a great tide of traffic into her principal cities, and bring prosperity into her midst. But unless and until an eastern connection of some kind is made, these expectations of the Province of Quebec, on the faith of which she proceeded to construct her railway, cannot be realized. My hon. friend felt that. I should not be surprised—I do not know anything about it—but I should not be surprised if my hon. friend had been told something of that sort in private. I should not be surprised if some hon. member from Quebec had forcibly expressed to him, in private, the same observations which I have now made in public. I should not be surprised if it had been indicated to him, in language as strong as was consistent with the politeness due to a powerful Minister, that it was essential that he should throw out, at any rate, some ray of hope, however faint, that at some early day the Quebec Railway should be connected with the through line; that he should say to the members from Quebec: 'Gentlemen, at the present time we can only burn the candle in the middle, and at the western end, but the time will come sooner than you expect when we will be burning it in the middle and at both ends, when it will be alight in the east also.' That is in fact, what the hon. gentleman has vaguely suggested to us to-night. But my hon. friends from Quebec will consider how nearer they will be to the attainment of a connection with the Pacific Railway by engaging immediately to construct the western end, and to spend, according to the revised estimates, $30,000,000 in British Columbia. They will consider how much it is going to hasten the day in which our surplus cash will enable us to make the connection for which they long, to fling $30,000,000 into that 'Brown Country,' which is depicted in the hon. Minister's map. They will judge whether our purse is like the widow's cruise of oil, in which, however much you may draw from it, there will always remain enough. They will consider whether even out of our abundance, even out of our prosperity, even with our large capacity for raising loans and obtaining moneys, we will be all the better able to deal with the eastern end, because we are commencing now to build the western end. They will reflect upon the possibility, nay, I will say the strong probability that the effort to build the western end, if so precipitately engaged in, may crush this country, destroy the whole scheme, and render impossible for all time, or, at any rate, for a very long time, to attempt an eastern connection. According to his fashion, the hon. gentleman was not quite consistent in this matter. He was at pains to point out, in order to soothe the anxious fears of his friends and supporters, that the Government was in a position to go slowly. This contract, he says, contains clauses which give an absolute power to stop the work at any time; and if we find the resources of this country are going to be too heavily weighed down by building this 125 miles in British Columbia, depend upon it we will stop. We are not going fast; we are going slow. We expect, however, within ten years, having saved that ten millions I have spoken of, to do this much, at any rate; but we will not engage to do it within ten years. We do not consider ourselves bound to British Columbia to do it by 1890, and we will not do it within ten years if it presses too heavily on our resources. So much was necessary in order to soothe the fears of those who dreaded that the taxation would be too great and the expenditure too rapid. But then the honorable gentleman had to draw back, and in order to show that even all that expenditure would not indefinitely postpone the work at the eastern end, had to show 'the silver trimming'—I think the hon. Finance Minister calls it—he had to show the 'silver trimming' of the cloud; and he said in effect; 'So confident am I of the success of my scheme that I will not name the day in which the blushing East shall be married to the rosy West, but it will be very much sooner than any of you expect.' One moment he said: 'I will go slowly in the West, because the work may be too heavy for us—don't be afraid,' and the next moment he exclaimed: 'I can get on so fast in the West that I shall be able to begin in the East quite soon—don't be afraid.' Such were the hon. Minister's consistent statements. Well, I say that these suggestions are intended, no doubt, to be satisfactory and consolatory, and, perhaps, they will prove so; but to my mind, looking at this from a practical point of view, I believe that the suggestions of the hon. gentleman are impracticable of execution, and that it may be found out of the question to commence the eastern end until we have got through the centre and the western end, if the work is to be carried on according to his scheme and his views, which, I believe, as they stand, are beyond the resources of the country. Quebec may expect the eastern end to be commenced when the western road is finished—that is, that it will be begun in 1890, and may be finished in 1897, and I hope they will all be alive to enjoy it."

That is what the hon. gentleman said last year, when he was speaking to the Quebec members. He was looking for their support, and he told them that the Quebec members were not properly treated by the Government of the country, that their interests were neglected, and that the eastern connection of this section to the north of Lake Superior had been postponed, because they wanted to expend thirty millions of dollars in British Columbia, and the revenues of the country were not sufficient; that our purses were not large enough to do more than the British Columbia line, therefore poor Quebec was left in the back ground. The east was being neglected, said the hon. gentleman; but if he could only have the chance of coming back to these benches, what would he not do for poor Quebec? By all means, said he, bring me back, give me another chance for five years, and I will do what I have not done for the last five years; give me the chance to give you the railway that this bad Government will not give you. Let us see now, Mr. Chairman, what the hon. gentleman tells us to-day. We have this proposed railway, and we come before Parliament with a contract and a Syndicate, and what do we find? We find that not only the central section, not only the western section, but the eastern section is secured. The hon. gentleman sees at once that this section being secured, Ontario, Quebec and the east will have connections with the Pacific Railway. He sees, at once, that his speech of last year will be quoted here, and that it would be known to all that the bad Government which was not favorable to the east had secured the connection for which these poor Quebecers had expended their $11,000,000. But the hon. gentleman is a cunning fox—I hope that is not an unparliamentary expression—I think that it is a proper one, but I do not mean it to be unparliamentary.

Mr. BLAKE. I do not object to it.

Mr. LANGEVIN. I am pleased that he does not object to it; he says that he does not object to anything that I say because it will not hurt him. He is not so invulnerable as he thinks he is, or would appear to be, and though my blows may not be so hard as the blows of some other members of the House, I may say, without presumption, that some of my blows have been felt by the hon. gentleman. At all events the hon. gentleman is a cunning fox, and seeing that he would be called upon to support the policy that he propounded last year, he says: "No; do you not see that it is not to your interest as Quebecers; do you not see the true policy is to leave that out and build the Sault Ste. Marie line?" Why he, an Ontario man, putting himself above all party consideration, above all local consideration, says: "You see that the railway will bring down all the trade of the west and the trade of the United States, North-West,—where? To Montreal. And, therefore, you gentlemen of Quebec, will you not lend me a hand and support my measure when you see that by my project of the Sault Ste. Marie line I am urging the trade to Montreal and Quebec. Therefore, you must stand by me and not support the Government. And you members coming from Ontario do you not see that this Government is not looking after your interests, that if you follow them you will follow them to your loss? But come with me and I will take care of you. I will guard your interests." I tell the hon. gentleman that he need not expect that they will do anything of the kind. Hon. gentlemen and a large majority of this House know perfectly well that this is as good a scheme for the construction of the railway as could be laid before Parliament. It is a scheme which will secure the construction of the road—a scheme which will subserve the interests of all sections of Canada, and give us a railway on British Canadian territory, instead of one which would carry a portion of our trade through the United States, and carry away immigrants from Manitoba. We know full well what is occurring every day in connection with the western provinces and territories of Canada: that we are obliged to send our immigrants through the United States, and that at every station we find

runners from the American land and railway companies calling upon these immigrants to go to beautiful Kansas and those other western territories of the United States. They tell them to get upon the cars and go to a country where they will find friends, but not to go to Manitoba which is an inhospitable country. They say: "Do you not see this little pamphlet? It contains a speech from one of your most prominent men in Canada, the leader of the Opposition; we do not deceive you for there is his photograph." So they go to the United States, and hon. gentlemen call their conduct patriotic! I think, Mr. Chairman, I have dealt with most of the arguments brought forward by the hon. gentleman, but as there are others to follow they will doubtless take up any points which I may have omitted. I believe, at all events, that I have shown how we were induced, in the first place, to undertake the building of this railway, that the different Governments which have succeeded one another have adopted a policy for its construction. I have shown what exertions have been made, the plans which have been submitted, and the sacrifices which have been demanded from Parliament and the country in each case. I have shown, by taking the price of the lands at $1 per acre, that the amount in cash and land which we ask Parliament to agree to give the Syndicate—this amount expended and to be expended is $78,000,000—is the smallest by far of any of the sums which have been mentioned in the past as the probable cost of the railway. I have shown, moreover, that not only will the railway be built by the Syndicate, but worked for all time to come, and that we have sufficient guarantees in our hands to ensure both these objects. I have shown, with regard to the exemption from taxation, that it is only a temporary matter, and that the quantity of land which is to be exempt for all time to come is equal to about 72 acres per township; that in those townships we have in ordinary roads ten or, perhaps, twenty times as much land that is in the same position, and will never be taxed, and that, therefore, this great railway which will afford the settlers a means of access to the markets of the world will cost them nothing but the amount they would derive from the taxes of those seventy-two acres of land in each township. I have shown that this contract is one which should as a whole receive the assent of Parliament, though there may be some of its conditions which some hon. gentleman would have preferred to have seen omitted. When the great scheme of Confederation was before the House we found that one member objected to one clause and another to another, but the promoters of that scheme said: Is it not a beneficial change, as a whole, a great improvement upon the present state of things? The assent of Parliament was given to it, and people have benefitted largely by the institutions conferred upon us in 1867. The leader of the Opposition asks, why so monstrous a contract as this was brought down to Parliament? I tell him that it was to secure our institutions, to increase our population, to enrich this country.

Mr. RYMAL. Hear, hear.

Mr. LANGEVIN. Yes; I say to enrich this country. The hon. member who came to Parliament at the same time that I did myself, knows that a farmer who borrows money to build a house or barn is certain that, though he goes into debt, his loan must soon be repaid by the products of the land. The same principle holds good in building the railway, for it must open the country for settlement. It is often asked why more people do not settle on our lands in the North-West, but every one knows that the tide of emigration will not flow into that country, that its resources will not be developed, until a railway gives its people communication with the markets of the world. We want to people also the North-West. We cannot people the North-West otherwise. With all our exertions, and with all the powerful machinery the Government can have at its disposal to bring emigrants to this country, we cannot bring more than 15,000 or 20,000 a year; but with this powerful Syndicate, having all their interests for the future in bringing emigrants to this country, to co-operate with the Government, we shall certainly secure an immigration which will at least be equal to the immigration which we have seen flowing for years into the United States of America. In fact, Mr. Chairman, we intend, by this railway, to make this country one of the most prosperous and powerful on this continent. With our small population, the time has not yet come when we may speak of our country as a powerful nation. Not many years ago the United States had a population not larger than ours, but now they are one of the most powerful nations of the earth; and why should we not have an equally brilliant career? We have as good a country as theirs; our population is composed of as good elements as theirs; our population is as prolific as theirs, and the immigration from the British Isles has not diminished that quality. Before many years we shall have, in Canada, a large population, and with population we shall have wealth, and with wealth and population we shall have power. This continent is not to be entirely in the hands of the United States. Providence has ruled that there should be another great power in the north of this continent, that our institutions should be different from theirs, that they should be modelled on the great, free and beautiful institutions of England, that we should hold forth these institutions as a model for other nations, and that, with these institutions side by side with those of the United States, we should show the world that we can prosper, live happy, and possess all desirable liberty under the British flag. Of course, hon. gentlemen may or may not rise above mere partizanship. Hon. gentlemen may or may not see that this is one of those great measures that a party even in Opposition should not hesitate a moment to support. This is one of those rare opportunities that public men have to show how they can appreciate great measures, and how they can foresee the future of their country. This is a measure which we, at all events, as public men, as the representatives of the people of this country, as the representatives of the representatives in Parliament, consider will be the crowning act of our lives; and for my own part, having taken a prominent part in the bringing about of the Confederation of these Provinces, and having contributed my mite to the present condition of the country, I shall be proud to have contributed also, as a member of the party, as a member of the Government, to the bringing about of a settlement of this great question; and when the day shall come for me to retire from Parliament and go back to private life, I shall be happy that, this day, I had the good fortune, not only of holding a seat in this House, but also of being one of the members of the Government that were called upon to submit this great measure to this Parliament.

Sir RICHARD J. CARTWRIGHT. Mr. Chairman, for seventeen years, more or less, I have had the honor of sitting in Parliament, along with the hon. the Minister of Public Works. During that period I have often had the pleasure of hearing that hon. gentleman address the House, and it is but common justice to him to say that, on the great majority of those occasions, he was not only clear, but often forcible in his presentation of the subject. If, therefore, on the present occasion, I cannot congratulate the hon. gentleman on having attained his wonted lucidity or his wonted force. I am bound to believe that the difficulty is not in him, but in the unhappy character of the subject with which he has been forced to deal. We have heard, at very great length indeed, the views of two important members of the Ministry—the hon. the Minister of Railways and the hon. the Minister of Public Works—on this, which they most rightly call one of the greatest questions which has

ever engaged the attention of the people of this country Mr. Chairman, it is instructive, and it is interesting, too, to observe the rather remarkable difference in tone and mode of treatment in a great measure adopted by those two hon. gentlemen. I allow much for the difference in character between these two ornaments of the Ministry, but the fact is that, whereas, when the hon. the Minister of Railways brought this measure before us, three days ago, no words were too strong, no language too glowing, to describe the prize which the happy people of Canada were about to obtain; although we were told that this was absolutely and in itself the best possible bargain that could be made—and, if he had only inserted the words "for the contractors," I would wholly agree with him—although that hon. gentleman, with all the force of language and all the volume of voice for which he is remarkable, enforced upon us that we were the most happy people under the sun, not merely to enjoy such a Government, but to have an opportunity of ratifying such a measure; although he told us—and the hon. the Minister of Public Works, perhaps, has borrowed a little from his hon. colleague—that it was the proudest moment of his life when he came to lay this measure before us; although he told us, if I understood him aright, that the fact of his being a prominent party in conducting this negotiation would enable him to leave a substantial legacy to his children after him, and, perhaps, it may be so——

Sir CHARLES TUPPER. The hon. gentleman stands in this House, Mr. Chairman, making a statement which he knows is as utterly at variance with that which I made as it is possible for language to convey. I am astonished that even that hon. gentleman should be willing so to lower himself.

Sir RICHARD J. CARTWRIGHT. I take the opportunity of saying that we are not dealing with men whose characters and antecedents in managing Pacific contracts are not wholly unknown to us. The hon. gentleman must stand here and must bear to be reminded of all those circumstances which attended the inception of a former Pacific Railway contract, and I am strictly in my order and in my right in referring to them. What he said was that: "If he had no other bequest to leave to his children, this would be the proudest legacy he could desire to leave." If I am to understand, Sir, that it is not a substantial legacy, but merely a legacy of fame, I admit the correction; I am sorry for my mistake, and I am sorry for the poor children. However, Sir, one hon. gentleman tells us that this is a wise plan, carefully matured, carefully considered, deeply studied, with the aid of my hon. friend from Argenteuil (Mr. Abbott). The other hon. gentleman insinuates that, after all, it was rather a necessity forced upon the Ministry, that it was a question of compromise, a matter of give and take. If the compromise, if the give and take, had been fairly apportioned, I would not object, but this has been wholly and entirely a question of concession and grant from the people of Canada to the gentlemen of the Pacific Railway Syndicate. We must swallow it whole; we must swallow it without notice, without that due information which my hon. friend demanded and had a right to obtain; and why? The reason is, Sir, lest the people of Canada might come too soon and too early to a conviction that their rights were being trampled on and their property wasted. But, Sir, whence the difference in tone between these two hon. gentlemen? Why is it they talk in this depreciating style of a bargain on Friday, which, on Tuesday, was lauded to the skies. What has happened in the interval to cause this wonderful change? Well, Sir, this has happened. My hon. friend beside me (Mr. Blake) has addressed to this House winged words, which have gone abroad, from one end of this country to the other, and which are now going abroad from one end of this country to the other, and, following up his argument, he has shown the House how grossly ignorant, how grossly incompetent, how grossly unaware of meaning of very important clauses contained in the construction of this contract, is the hon. the Minister of Railways, in whose especial charge it was. Now, there were certain matters which the hon. Minister of Public Works was called upon to show. He was called upon to show why the construction of the Sault branch, at the present time, would not answer all the ends of Canada, and particularly of Quebec. He was called upon to justify the extraordinary monopoly which, by this contract, he proposed to give. He was called upon to show why, if we ever desired to free ourselves from the monstrous bargain we are entering into, we should be asked to pay such an enormous ransom. He was called on to show how the Government, containing men of such experience and knowledge of public affairs, could have perpetrated the extraordinary error to which my hon. friend alluded. On not one of these points could we get any distinct or accurate information as to his views or those of his Government. It was almost as hard to find out his real opinion on these points as to find out what had become of that mysterious $32,000 of which he became possessed at the time of the last Pacific contract. I can very well understand that these gentlemen do not like to be reminded of the crime which eight years ago hurled them from power, although it is appropriate to this discussion to show the mode and manner in which the last Pacific contract was managed; but as it appears to be unpopular with the intelligent and virtuous supporters of hon. gentlemen opposite, I shall not waste the time of the House in reviving it. The hon. Minister of Railways said that, looking at this matter as he did, he was surprised that members on this side of the House should oppose this contract. Looking at it on party grounds, and in his anxiety for the welfare of the Liberal party, he has most earnestly advised us to preserve a judicious reticence in treating this question. He was so anxious that the Liberal party should not put themselves absolutely in the wrong, that he advised us to let this measure pass with the merest perfunctory criticism. Now, Sir, for once in my life I wholly agree with the hon. gentleman. Were it possible for me to regard this from a purely party standpoint, and were it possible to treat this not as as a question involving the interests of Canada, but simply as involving the interests of the Liberal party, I would quite agree with the hon. Minister of Railways and would say: let this measure pass; let the country understand what it is these men are about to inflict upon it. This Bill, to us, would be a real election bonanza. I have no doubt that some, at any rate, of these gentlemen may expect to find it an election bonanza in quite another sense. But, Sir, I say that this Bill, in every clause, every important feature, appears to me to have been so drawn as to offend every honest instinct, every wholesome prejudice, of every important class from one end of the Dominion to the other. I do not care whether you appeal to the farmer, the merchant, the trader, or to the judgment of the advanced political thinker, each and all will, from his own standpoint, find that there is enough, and more than enough, to induce him to condemn the agreement to the uttermost. We have land monopolies and railway monopolies, and, more, we have, to all intents and purposes, the control of four-fifths of the territory of the North-West handed over to a corporation which, if not directly hostile, has at any rate conflicting interests with ours. This is to be done with a country which, for geographical reasons, it would be extremely difficult for the people of Canada to retain in the Dominion if any serious disaffection should occur there. We have been asked to give a careful and attentive perusal to this remarkable document. Well, Sir, within the last few days I have done the best in my power to give it a careful perusal, and I have arisen from that perusal with the firm conviction that it would be

utterly impossible for those gentlemen to have made it worse in any one particular. I must say it is a question of some considerable wonderment to me how those hon. gent emen could have been induced to come down and lay this measure before Parliament at all. I have been accused, I need not say how unfairly, of not rating the hon. gentlemen opposite very highly either mentally or morally; but I have always admitted that there were among them at least two or three men of unquestionable ability, even if they were of still more unquestionable unscrupulousness. I say, that I cannot understand on any reasonable hypothesis, how these gentlemen were induced to bring this agreement down. I may say there are three alternatives, or three hypotheses, which present themselves to my mind, and which alone can, it seems to me, account for this most remarkable document. One solution of the difficulty would be that the Ministers had become temporarily demented. I cannot understand, Sir, how any gentlemen, having their experience, their knowledge, knowing, as I must presume they know, something of the past history of this country, could have brought this down if they really were in their sound senses. There is a second hypothesis. Perhaps it might be said of them as a certain lady in Don Juan said of her husband, "They were not so much mad as bad." Recollecting their antecedents and past history, I say we cannot wholly dismiss from our minds the hypothesis that this contract may have been obtained by improper means. Knowing what has happened in the past, we know too well what may possibly have happened now. I do not say that that is my own opinion, but undoubtedly that theory is not one to be lightly dismissed, particularly when from one end of the country to the other we find wise and experienced business men asking themselves whether the name of the Minister of Railways which, I see upon the last page of this document, really means the agent of the party of the first part or the agent of the party the second part thereto. There is a third hypothesis, very ably and eloquently put forward by my hon. friend beside me (Mr. Blake), viz: that this document is introduced because these men, by their own exceeding folly, had rendered themselves utterly helpless to deal with the other parties to this contract. For myself, Sir, I say frankly that I incline to this view. Look at the position in which these hon. gentlemen had placed themselves. They had gone to England; they had made repeated declarations, when in England, that they came in a position to complete the contract on advantageous terms. We were told by their organs, from one end of the country to the other, that when these gentlemen appeared on the scene in London, the Rothschilds, Barings, Glynns, Mills, and other noted capitalists of England and France, who had money to invest were jostling and crowding at the doors of the Ministers begging and praying for permission to construct the Canadian Pacific Railway. The hon. Minister of Railways was good enough to tell us a good deal of the extraordinarily favorable impression which he and his colleagues had made in England. He was good enough to tell us much respecting that remarkable and most accurate piece of information which the hon. Minister of the Interior had communicated to Lord Beaconsfield, touching the great influx of American settlers from Minnesota, Dakota, Wisconsin and Michigan, who were going into our territories in the North-West, to fill and people those desert plains, as he calls them. But, Sir, I fear that, if the truth were known, the impression produced by that right hon. gentleman and his friends in England was hardly quite so favorable as the lovers of their country could desire. Sir, we know what the London *Economist*, a paper of very high standing, said of the doings of those gentlemen. Here is an extract from the London *Examiner*, a paper also of influence:

"The Dominion Ministers have grossly mismanaged their mission. They have repelled confidence when they ought to have nourished faith. They have created distrust when they should have cultivated hope, and they have been mysterious and fussy at the same time. They have flourished about their object, and have inspired communications that have proved to be misleading. The upshot is that, with the best intentions, perhaps, they have cast no credit on the Canadian Pacific Railway."

That is the account of the great credit which redounded to the Dominion of Canada from the actions and conduct of these hon. gentlemen during their long mission to Europe. I will show them, before I sit down, that their conduct on this side of the Atlantic has in no degree detracted from the opinion formed of them by eminent and impartial persons on the other side of the Atlantic. In this contract, we have the result of the greatest ignorance and incapacity, to say no worse, brought into contact with practical ability and experience. Now, Sir, I do not care which of my three hypotheses you adopt, whether you say that these hon. gentlemen were, as in my first hypothesis, crazy; or, as in my second, bought; or, as in my third, sold. Possibly, there may have been a little of all three. I do not pretend to say that any cash passed between the high contracting parties, but if they do hereafter extend an alms to their Ministerial bondsmen, who can say it has not been well earned. I say, Sir, that this document is not a bargain, but a capitulation, and a capitulation without the honors of war, the terms of which were dictated to those hon. gentlemen by the agent of the the Syndicate. Now, let me be understood distinctly. I attach no blame whatever to the gentlemen of the Syndicate for their part in this transaction. Quite the contrary. They have shown themselves most capable business men, and I wish to heaven the interests of Canada had been half as well served by our agents as the interests of the Syndicate were by theirs. Of the Bill itself, I find it difficult to speak with patience. Like my hon. friend I regard it as simply a monument of folly. I say that, in this Bill, every lesson which ought to have been drawn from the past experience of the United States has been deliberately disregarded; that every lesson which ought to have been drawn from the past history of this country, whether as exemplified, by the dealings with land questions in a great part of Lower Canada, or in the Province of New Brunswick, or Prince Edward Island, or the Province of Ontario, has been set at naught. What have we done? We have bought out, at a considerable cost, one great monopoly, and at a hundred fold greater cost we are about to create another and far more dangerous monopoly. Every reasonable protection which the history of late events in the United States have taught us, appears to have been deliberately neglected; every danger which we ought to have taken care to avoid seems to have been invited; every clause appears to have been drawn against us; and it is quite apparent, from what happened the other day, that the Minister who brought down the document did not even take the trouble to compare the clauses which he cited. I say, that the price which we are called upon to pay to these gentlemen for the task they have undertaken, is a most extravagant price, when we take into consideration the present actual value of the lands they are about to receive. I say, further, that a very large amount of this expenditure is utterly useless, and will be rendered still more useless by certain extraordinary provisions of this contract, to which I shall, before I sit down, call your special attention. I say that they have taken no care whatever, as we did, to ensure that those lands should be sold at moderate terms to actual settlers; that they have delivered the whole of the North-West, tied hand and foot, to this Company; that they evade altogether the most important question of rates to which my hon. friend most properly called attention; that they have weighted us down with a most tremendous future obligation, which will cost, not one, but hundreds of millions

should the people of Canada pass this Act, and, at a future time, try to relieve themselves from its burden. This can only be considered as a most fitting sequel to the original bargain by which we bound ourselves, for the sake of some petty political ends, to gratify some petty personal vanity, to execute a bargain which every man of sense in Canada knew to be utterly impossible of fulfilment at the time it was made. This is an abdication of all the rights and duties of Government throughout the best portion of an enormous territory in favor of a private company. We are about, virtually and substantially, to give up the control of the North-West. Only one thing is lacking, and possibly my hon. friend opposite will, at his leisure, as we have practically given away our civil rights over this country, construct a clause which will give to its new masters power of life and death over every one in the North-West. Now, I will proceed to descant on the chief and leading blunders which appear to me to have been committed in this document. I may be accused possibly of indulging in repetition. It is not easy for any man, after the exhaustive speech of my hon. friend (Mr. Blake) to go over this ground without appearing, to some extent, to repeat what he has already said, and said better than I can say it. But I say this is a case in which we should not be afraid of repetition, in endeavoring to make every man, woman and child, in Ontario, and the Dominion at large, as cognizant as we are ourselves of the crimes and errors of which this document is full. Now, I say that the first and greatest blunder is the blunder which my hon. friend pointed out, of needlessly and uselessly attempting at this moment to construct the line north of Lake Superior, when a vastly more easily constructed line at a vastly smaller cost would supply all possible needs of Quebec and of Canada. I say that is a most grave and serious blunder. I am not myself wholly indifferent to the sentimental question on which the hon. Minister of Public Works has dwelt. Other things being equal, I would greatly prefer to see this road running from end to end through British territory; but when we are called upon to expend $20,000,000 or $25,000,000 for the purpose of building this road entirely through British territory, and when we see, by other provisions in this document, that if we spend this money, subsequent provisions will render the expenditure almost entirely nugatory, when we know, at the same time, that by expending what would construct the first sixty miles of the road we are about to build, we would attain all the advantages for Canada, all the advantages which could ever flow from the construction of the north shore line, and, at the same time, bring to us the trade of an enormous portion of the most fertile part of the United States,—it does seem to me the very perfection of stupidity and blindness to insist on throwing away $20,000,000 when $1,000,000 would give all the trade you could compass by the larger expenditure Moreover, there is the strongest internal evidence in this document that, whatever the Government may say, the gentlemen of the Syndicate do not intend to construct the line north of Lake Superior. When you look at the enormous proportion of land and money which is assigned to the central section and the comparatively very small proportion assigned to this same north shore line, you see quite clearly that if the time comes when it is convenient and desirable to abandon this line, it will cost the Syndicate very little indeed to throw aside altogether the whole task of constructing this road on the north shore of Lake Superior. That, I say, is one very prominent blunder. Another is the most exorbitant price which hon. gentlemen opposite propose to pay the Syndicate for the construction of that central section. For that 1,450 miles the Company are to receive $15,000,000 cash and 18,750,000 acres of selected land, worth, to-day, as lands are selling in the North-West, at least $37,500,000, in all $52,500,000 of money or money's worth for the construction of the 1,450 miles. Now, let us see how this monstrous grant compares with the sums which have been paid by other roads for the construction of at least equally difficult and equally long lines, and lines, Mr. Chairman, which are constructed, I am given to understand, on far more favorable grades, and far more favorable alignments than those which are provided in the extraordinary clause to which my hon. friend called attention. I have here a detailed account, and it was obtained from parties who had no notion whatever it was going to be used as a stand of comparison with the cost of constructing our 1,450 miles. I take the road which, among all the main roads, is the nearest to our road and affords the fairest chance of comparison. I take the cost of the construction of the Northern Pacific Railroad from Bismarck to Puget Sound. There are 557 miles from Bismarck west which are but partly built, and which are expected to cost about $12,000 a mile. There is a mountain division of 198 miles, a very difficult country, which is expected to cost $25,000 a mile; there is another section of 282 miles at $15,000 a mile, and one of 210 at the same rate, besides one of 250 miles at $25,000 from Columbia River to Puget Sound. This 557 miles at $12,000 a mile is equal to $6,600,000; 198 of the mountain division, at $25,000 a mile, is equal to $4,950,000; 250 miles, at $25,000 a mile, is equal to $6,250,000; 492 miles at $15,000 a mile, is equal to $7,380,000; in all, for the construction of 1,497 miles over a country, to say the least of it, decidedly more difficult than our 1450 miles, from Selkirk to Kamloops, they are to pay in all $25,260,000 in round numbers, being an average of about $17,000 a mile. We, Sir, for our 1,450 miles, are to pay $15,000,000 in cash and 18,750,000 acres of selected lands, worth, at least, $37,500,000. Therefore, our 1,450 miles will cost us fifty two and a half millions, being an average of $36,200 per mile. The Northern Pacific will get their road, 47 miles longer than ours, for an average of $19,200 a mile less, and we will have to supply all the cost of building the entire road and give the contractors a bonus of $27,000,000 besides. Now, I had occasion very recently to enquire from a friend of mine connected with the Kingston and Pembroke Railway—a road well known to some of the members of this House, constructed through a rocky country, and by no means easy to construct—what was its average cost per mile. There I found that at a time when iron was dear and the cost of construction greater than it is now, the total cost was barely $15,000 a mile, though the grades were considerably better than the standard of the gradients which are prescribed for our railroad. I think that comparison will show the House that I am thoroughly justified in saying that the cost of this central section of 1,450 miles is so exorbitant as to call urgently upon the House for a thorough and immediate revision of the same. Then I take objection, in the third place, to this most extraordinary provision whereby a monopoly of constructing all roads in a particular direction, is to be granted for 20 years to the gentlemen who construct our main line. Now let us remember that we are dealing with a country the growth and development of which are out of all proportion to the rate prevailing here, that in a prairie region five years will do the work of 20 years here, and that 20 years in the history of that country means a much greater growth than 20 years in the history of a country like ours. I say nothing at the present moment of the stopping of other roads which, if they are not violently interfered with, are ready and willing to extend themselves through our territory from one end to the other, and to give to the people of the North-West what above all things it is important they should have—numerous independent competing lines, by which means alone, except indeed, by a very rigorous interference on the part of the Government can those monstrous monopolies, with their

extravagant charges, which have done so much harm on the other side of the border, and to which my hon. friend referred at such length and with such force, by any possibility be avoided. I do not think that many members of this House fully understand that at this moment some five or six important and powerful corporations in the United States are looking forward, if we do not violently interfere, to making a connection with the North-West, thus giving our people who settle there the opportunity of conveying their produce, not to a foreign country, but—if we have the wisdom to take the advice given by my hon. friend—to a line which would pour the whole produce of that country and of other countries, by Sault Ste. Marie, down the valley of the Ottawa, and into the City of Montreal. Moreover, it is known to every mercantile man whom I address, that whenever you give a road like this the power of determining where lines of traffic shall go at the outset, you enable it to fix for a very long time where the traffic shall go in the future. There is nothing harder than to divert traffic from well-established roads into which it has once got the habit of going. I think that is one of the main reasons why this monoply is insisted on, as it is one of the main reasons why no intelligent Government, understanding the situation, should ever have given to one single company, no matter how powerful, the opportunity of controlling a matter so vital to the interests of the country. But there is another grave blunder to which I wish to call the special attention of this House, and afterwards of the people of this country. I noticed that the hon. Minister of Railways passed over very lightly that important provision by which almost unrestrained power to fix the main line of the Pacific Railway, wherever the gentlemen of the Syndicate please, was given them. He told us that the railway company would know best. I do not, in the least degree, doubt that the railway company would know where it was best that the main line of the Pacific Railway should go to serve their interest; but I doubt exceedingly if the House—I doubt exceedingly if the Ministers themselves—know what is contained in this apparently trifling clause giving power to direct the location of the main line of the Pacific Railway wherever these gentlemen see fit. Sir, I wish with all my heart that the wise suggestion of my hon. friend from North Norfolk (Mr. Charlton) had been followed, and that magnificent map which is now adorning the Railway Committee room, could have been placed here so that we might all see it. I admit that it is a valuable map—I admit that, perhaps, the mechanical resources at the command of the Government may not be sufficient to transport it safely from one room of this building to another. But, valuable as it is, I submit that the territory it represents is of a good deal more value to the people of this country, and that that territory is likely to be most seriously prejudiced by the power which it is proposed to give the Syndicate. Now, as we could not get that map, I have taken the trouble to have a map constructed which might show us this matter for ourselves, and, although it may be somewhat contrary to our practice, I will ask, with leave of the House, to use one or two of our pages here to extend that map for me while I endeavor to point out what a grievous blunder, in my judgment, is likely to be committed by the impolitic course to which these hon. gentlemen have committed themselves by allowing that Company to locate their line as they see fit. I have very good reason to believe that the St. Paul and Manitoba Company are prepared ——

Sir LEONARD TILLEY. Does the hon. member pretend to state that it is not subject to the approval of the Government?

Sir RICHARD J. CARTWRIGHT. I am now calling attention to the great importance of the question which will arise in connection with the location of this road, and after the remarkable statement made by the hon. the Minister of Railways, that the Compay were the best judges of the location, I had a right to assume that the Government did not, at any rate, whatever they may do hereafter, propose to interfere.

Sir LEONARD TILLEY. That is an assumption in direct contradiction to the terms of the contract.

Sir RICHARD J. CARTWRIGHT. It may be, Sir, but it is in direct conformity with the language of the Minister, whose name appears as a party to this contract. At any rate, no possible harm can follow my venturing to point out to the House a certain danger which, I think, is likely to occur, unless strong steps are taken to prevent it. Everybody knows that the original intention was to cause the main line of the road to be located at a distance of not less than 100 miles, and generally a great deal more from the American frontier. We have heard that that line is to be deflected southward, first at the Portage, thence to the rapids of the Assiniboine, and so south of the Moose Mountains, south of the Assiniboine, and by such pass as the Company may choose across the Rocky Mountains. Now, I understand that the St. Paul and Manitoba Railway Company are contemplating the construction of a line from Duluth to Crookston, 90 miles south of the point where their present line enters Manitoba. From that place, the line extends to Grand Forks. They talked, when I was there a few months ago, of extending to the Turtle Mountains, and then through about 50 miles of very favorable country to a point a little beyond the rapids of the Assiniboine. Now, I wish to show the House what will be the practical result if that plan is carried out. I have not said that the Government is going to permit this; but, as I said before, I shall take the opportunity of requiring the Government to give a formal statement of what their intention is upon this point. From that common point the distance to Selkirk is about 180 miles; the distance to Grand Forks, in the Red River, is 210 miles; from that place to Crookston is 261 miles; while from Crookston to Duluth is supposed, by the projected line, to be 234 miles. The result to which I wish to call the attention of the House is, that if the main line of the Canadian Pacific Railway be deflected southward to within 50 miles of the American boundary, as I have reason to believe it is intended to be deflected, at that common point the road is nearer Duluth than Thunder Bay by at least 116 miles. And as the outside difference between the line north of Lake Superior—going by Linkoping—and the line passing by way of the Sault, thence through our own territories, and down the valley of the Ottawa is less than 100 miles, it is quite apparent that unless and, indeed, even if we had a first-class road contrary to the provisions of this contract passing north of Lake Superior, still all the traffic of that immense region lying west of the point of junction, must of necessity flow to Duluth along the southern shore of Lake Superior, and to other points through our own territory or elsewhere; and, consequently, that the road north of Lake Superior, if this divergence is taken, will be rendered practically useless in competing for the traffic of anything west of that point, though it may compete for a small strip of country between the Assiniboine and Selkirk. I would not have ventured to dwell on this point, but for the extraordinary statement of the Minister of Railways, that he considered that the Company were the best judges of where the road should be located. Now, Sir, I have not the slightest objection that that road should ultimatly be constructed by the St. Paul and Manitoba Railway Company at their proper cost, or even with some reasonable assistance, if it be useful for developing that country. But I do most strongly object that we should give $80,000,000 of money and of money's worth to construct a very excellent branch line to divert for all time to come the traffic of that Company along the line of the St. Paul and

Manitoba Railway. Suppose it does take that course—I put it simply as a hypothesis—what will be the result to us? I venture to say that its certain result will be that a very small portion, if any, of the north Superior section will be built, and that we will stand in this position. We will have given a bonus over and above the cost of the road of $27,000,000, we will have given a road of 2,000 miles, 700 miles of which will be a first-class road, through a very different country, for the purpose of giving an excellent branch line to the St. Paul and Manitoba Railway. We will have given them a twenty years monopoly besides, and perhaps then the Company would permit us, after all that is done, to build at our proper cost a line of 800 miles from Portage la Prairie to Jasper House, so as to secure for our Thunder Bay line a portion of the trade of the Pacific Railway. Fifthly, Sir, I take issue entirely with their omitting to fix such rates as would prevent the future population of the North-West from being put under the power of these grinding and terrible monoply tolls, which have proved such a tremendous detriment to the progress of the country on the other side of the border. Now, Sir, these gentlemen tell us that this need not, in the slightest degree, disturb us, because, say they, the Government can fix the rates. Well, as my hon. friend pointed out, the Government can fix the rates. The Government must fix the rates in the early periods of the railroad, and at a very high point. I think every reasonable man will admit that. But, Sir, by the provisions of this contract, you take away from the Government, for ever, the power of revision; you do not permit these rates, once fixed, to be altered until there is a profit of 10 per cent. on the total cost of the railway, which will be, according to the estimate of the Minister of Railways, $78,000,000; according to my own estimate, and that of my hon. friend (Mr. Blake) at least $100,000,000, because I say the lowest figure at which you can estimate the value of these lands to-day is $2 an acre; and that sum not provided by these persons, but provided by us out of our own pockets, and out of our own lands. We are, if I understand the terms of this contract—and my hon. friend beside me (Mr. Blake)—the first lawyer in the Dominion—gives the same interpretation as I do, we are to pay ten millions of dollars, or ten per cent. on whatever the road is to cost, before we are allowed to lower a single toll; and I suppose if this road develops a vast traffic, if there be a profit of $10,000,000 a year, if we thought well to acquire control of this road, the lowest sum we should have to pay would be two hundred millions of dollars before we could deliver ourselves from the monopoly which these gentlemen ask us to-day to establish. I have spoken before of the sixth error of omitting to compel sales of the land. Now, I am inclined to believe that a very considerable amount of the land may be sold, very likely will be sold, and on liberal terms, in the first instance, by the gentlemen of the Syndicate. But this exemption from taxation will induce them, I fear, to hold very large tracts of land indeed until the progress of the country will enable them to dispose of the land at a very high figure; and I say, that is a fatal blunder that ought to have been guarded against, that hon. gentlemen are inexcusable for not guarding against, because it had been guarded against by my hon. friend the member for Lambton (Mr. Mackenzie) in the measure he brought down. As to the seventh error, that of giving the road in perpetuity under the pretence that it is unlikely, if not impossible, that the Government can work it profitably, it is, I admit, a question on which there is fair scope for argument: whether or not it is wise for the Government to attempt to control a great railroad? But, I say, if the Government does decide on that course, that departure should be carefully guarded and power of resumption should be reserved, so that if the railroad became a profitable and lucrative concern, the Government could resume it on favorable terms. I do not object to large and liberal provision being made to compensate the Syndicate for the money which they themselves put into the road. I should not object to 15 per cent., if you think fit, being allowed to them for the money they expend on constructing the road. But it is a monstrous thing that hereafter, if we are likely to require to resume the road, we should be compelled to pay 10 per cent. on the profits of our own money invested in it. Moreover, it is well worthy of the House to consider whether, after all, it may not be possible, in the condition of a country such as the North-West, for a Government road to run profitably. I do not doubt that hon. gentlemen, on the other side, are aware that on the continent of Europe—in France and in Spain—it is not the custom to grant roads in perpetuity, even when no Government aid is given. The roads in these countries are granted for short terms of years—fifty, sixty, seventy, eighty—I believe ninety-nine is the longest period. They ought to know that in the Australian Colonies and in India, where the conditions are similar to those in the North-West, Government roads are run and worked at a great profit; and I say they are too precipitate in giving this road in perpetuity to anybody who will take it off their hands, and giving also, as they do, a monstrous premium on on its construction. Now, Sir, I call attention, in the ninth place, to the extraordinary degradation of the road, and to the remarkable ignorance which the hon. Minister of Railways displayed on this essential item of his own contract. Now, what is the consequence of this? Well, Sir, there is one very remarkable consequence. We know perfectly well that, in dealing with this Syndicate, we are, to a great extent, if not altogether, dealing with a certain powerful corporation on the other side of the line. If that road be deflected—as I believe it will be deflected, let Ministers say what they please to the contrary—one consequence will be this. It will, I admit, be very much in the interest of the Syndicate—very much in the interest of the St. Paul and Manitoba Railway—to construct well, perhaps, with a very high standard, the greater part of the central section of 1,450 miles; but it will not be for their interest, in the slightest degree, to construct, according to any higher standard than that prescribed, any portion of the other sections, or at any rate that section which runs along the north shore of Lake Superior. I do not myself believe, as I said, that if this contract stands, that section will be built at all; but it would be very easy to build it, literally in the terms of that contract, and yet leave it perfectly worthless for the conveyance of heavy freight. Now, Sir, there is a tenth objection, and a formidable objection, I think. The hon. gentleman was good enough to tell us that he had enlisted the aid of a very powerful corporation, and that he expected great benefits in working the road and in promoting immigration in consequence. Sir, that is very well, but this corporation has interests not necessarily hostile, but which may be conflicting with ours, and even hostile, in certain aspects. Consider this whole position in conjunction with certain facts to which I have called attention. Sir, it is not the interest of that Company, it never can be the interest of that Company, that there should be free competition in railroads in the North-West. It is not to their interest that the tolls should be reduced; it is not to their interest that settlers in the North-West should be allowed to get their produce to the sea-board at the cheapest possible rate. It is distinctly the reverse; they are bound to take the highest toll they can get. I do not doubt they will get it, nor do I severely blame them for so doing; but the result of that will be, that if you pass this Act and take away the power, which, as soon as you have constructed the Thunder Bay Branch, you would have in your own hands of

establishing direct competition with the St. Paul and Manitoba Railway, you will deprive the people of the North-West of the only practical security they will ever have of getting their produce to market in this generation at a fair and reasonable rate of toll. Now, these ten objections are all objections on which, I think, the time of the House would be well spent on separate motions, and are objections on which, I trust, every man in the House, whether he be an opponent or a supporter of the Government, will be compelled to record his vote. All these, I say, are very great objections, but not by any means the whole of the objections which lie against this scheme. Sir, what are we to say about the very curious and intricate provisions for the reception of the twenty-five millions of dollars on deposit? I forbear, partly, because my voice to-night will not allow me to enlarge upon the point, and partly because I desire to hear what the Minister of Finance, whose special duty it is to expound these clauses to the House, has to say upon them, what he proposes to do with this money should it be taken advantage of, and should the present condition of the money market continue such as to induce the Company to float a large loan. I desire to know from him how he proposes to deal with the objection taken by my hon. friend, that, as you do not know when this $25,000,000 are to be paid, there would be undoubtedly a considerable difficulty in deciding how much of it the gentlemen of the Syndicate ought to be allowed to receive under the condition which enables them to exchange the cash payments for the payment in guarantee bonds, or rather the guarantee of certain bonds. I do not say that this may necessarily prove a bad arrangement, but I do say there are certain considerable risks here, and that we ought to have a very full explanation from the Minister of Finance, both as to what he intends to do with regard to this matter, and as to how he construes these several clauses. But, Sir, what are we to say of the provision for the issue of $25,000,000 of stock? There are certain curious provisions here which certainly deserve some publicity. I think, when the stock is issued, we ought to know, and the public of Canada ought to know, into whose hands it goes, and who holds it. We have not forgotten, some of us on this side, though I suppose that I shall be told I am insulting these virtuous gentlemen, by recalling the fact to their recollection, that there still exists an arrangement, signed by a late colleague of theirs, binding them in honor to recoup Sir Hugh Allan for certain moneys that were once advanced by him. Perhaps, in the administration of these $25,000,000 of stock, some means may be found for recouping that disinterested gentleman for the losses and risks he ran. There was a propriety, as my hon. friend pointed out, in choosing the Union Pacific as the standard of this road, in more respects than one. I think, when that clause was drawn the hon. gentleman ought to have remembered what the records of the United States revealed as to the mode and fashion in which the Union Pacific was constructed. Let us consider the excuses these hon. gentlemen bring down. Their argument is this: they say there may be some defects in this wonderful measure, but they tell us that if there are defects the Syndicate will be controlled by a due regard to their own interests. Which interest? Its interest in running the Pacific Road or its interest in running the St. Paul and Manitoba Road? I think it is an unworthy excuse to make, to be told when granting extraordinary powers and franchises, that we can safely divest ourselves of rights which we now hold, because it will be to the interest of these people to administer properly the affairs that are entrusted in their hands. Why, Sir, there is not a despot in the world who might not say that he desires to administer the affairs of his subjects well; there is not a single plea which could be advanced for this, which might not be advanced on the part of the benevolent slaveholder, that he took good care of the interests of his slaves for his own sake. These hon. gentlemen think it is hardly worth their while to say anything in defence of the accusation that they are about to create a monopoly. There was a time, not so long ago, when these hon. gentlemen held quite a different view of this subject. They have given us unlimited extracts from *Hansard* of the speeches of my hon. friend the present leader of the Opposition. Let me read what their present leader, the former chief of the Opposition, said in discussing a strictly analagous question. In page 1691 of the *Hansard* of 1878, you will find that the right hon. Sir John A. Macdonald spoke in this wise:

"The arguments used by his hon. friend from Lisgar and Marquette were unanswerable when they said it was unavoidable that one line should have a monopoly of the traffic for ten years. He considered that to give such a monopoly was not only an injustice, but a fraudulent measure. The article which had been so often quoted was printed, because it was deemed proper to disabuse antagonistic parties of misapprehension, and thus save valuable time. The hon. gentleman said it was not necessary for him to reply to the question which had been put to him. He (Sir John A. Macdonald) thought it was desirable to do so, because this article seemed to say, in behalf of the bondholders of the St. Paul line: 'We have made a bargain; we have got ahead of you; do not throw away valuable time; we have a monopoly of ten years.'"

And, Sir, no less a person than the present distinguished Minister of Railways, in the course of that debate, re-echoed the views of his then and present chief. He said:

"The question no doubt is surrounded by difficulties, but the discussion would come better before the House when the lease was brought down. He was sorry to hear that it was necessary to extend the lease for ten years, because it would be a virtual monopoly. It would not be an uncontrolled monopoly, but it would be a monopoly. He thought it was very unfortunate that, with the work so far advanced, it should be found requisite to grant a ten years lease to a line which would be a formidable competitor to our own line of railways."

There is, Sir, a deal of difference, as hon. gentlemen will perceive, between the views they hold now on the subject of monopoly, and the views they held a very short time ago—only two years ago—on that important subject. I, for my part, only see one possible chance for the people of the North-West. I have a very high opinion of several members of this Syndicate, with whom I am personally acquainted, and of several of their sleeping partners, whose names do not appear formally in this document. I think it quite possible that these gentlemen may not abuse the extraordinary, the enormous, powers entrusted to them so much as it may be in their power; that they may rise to a high level and take a much more wise and statesmanlike view of the position than did the men who entrusted them with those powers. But this is a most precarious position. It depends on the lives of some two or three men, and on the chance whether they may choose to sell out or retain their present interest in the management of the road. If the hon. gentlemen opposite want my own opinion on the subject, I will say, frankly, with the utmost candor, that if it was to be a choice between the gentlemen of the Syndicate in perpetuity and the gentlmen on the Treasury benches, my voice is for the Syndicate, at all hazards. But it is not so. Establish the Syndicate, and you establish an irresponsible and irremovable body, over whom you have no control by any means that would stop much short of revolutionary measures. But in the case of Ministers, although they have a great majority at their back, in this House—though not so strong in the support of the people outside the House—I take leave to remind them that one or two contingencies might occur. It might occur to a certain distinguished personage that it is expedient the people of Canada should be consulted before their heritage was finally bartered away; and whether that were to happen or not, in a little more than two years, the people will have an opportunity of pronouncing whether or not these gentlemen have been faithful defenders of the public interest. It is very interesting, indeed, under the present circumstances, now that we are about practically to create a set of new masters for a very great portion of this country, to learn as much as we can

about the character of these same new masters. Fortunately, Sir, that same volume of *Hansard*, to which I have referred, contains some means of information as to the opinion of gentlemen on the Treasury benches, of one at least of the most prominent and important of the gentlemen about to be charged with those great and extensive powers. It will be in the recollection of members that my esteemed friend, Mr. Donald A. Smith, having been very unfairly assailed in his absence, by gentlemen on the Treasury Benches, took, on the last day of the Session of 1878, the only opportunity in his power of vindicating himself. Let us see how that hon. gentleman who, we are now told is one of those honorable and able men—and I do not dispute the assertion for a moment—whose character, standing, experience and general ability are so great that the Government with a light heart are about to entrust to them the most extensive powers ever entrusted to any set of men within my experience, in this century—was described by members of the present Government. It will be interesting to know how some of those hon. gentlemen then regarded that hon. member to whom I have referred. He had been defending himself from a very unjust and very unfair attack made upon him. Here is what the present Premier of Canada was good enough to say of that hon. gentleman. I quote from page 2561 of the *Hansard*, 1878:

Sir JOHN A. MACDONALD. There is not one single word of truth in that statement—not one single word. The hon. gentleman is now stating what is a falsehood. * * *

Mr. SMITH. These statements were true, as surely and certainly as the hon. gentleman and I are here.

Some Hon. MEMBERS. Order, order.

Mr. TUPPER. Mr. Speaker, I rise to a question of order, and I want to ask you whether it is competent for any hon. gentleman to stand up in this House and detail what he himself admits are private conversations. Is it competent for a man to detail private conversations, while falsifying them?

Some Hon. MEMBERS. Order. * * *

Mr. SMITH. I do not look upon them as private conversations, and I give the exact truth. I was sent for as a member of the House by the gentleman at that time the head of the Government, and he——

Some Hon. MEMBERS. Order.

Mr. TUPPER. The statement that he never sought a favor from the late Government—

Some Hon. MEMBERS. Order. * * *

Mr. TUPPER. Is as false a statement——

Some Hon. MEMBERS. Order.

Mr. TUPPER. As ever issued from the mouth of any man, and he has continued——

Some Hon. MEMBERS. Order.

Mr TUPPER. With a tissue——

Some Hon. MEMBERS. Order.

Mr. TUPPER. Sir, of as false statements as were ever uttered——

Some Hon. MEMBERS. Order.

Mr. TUPPER. By any man. That is what I will show him.

Mr. SMITH. I never asked, prayed for, desired, or got a favor from the last Government.

Mr. TUPPER. Will the hon. gentleman allow me to tell a favor he asked for?

Then, apparently, the Sergeant-at-Arms makes his appearance. Mr. Smith proceeded with his defence, and the Minister of Railways interrupted him with the cry of "coward, coward, sit down." Mr. Smith again proceeded to justify himself when the Minister of Railways again assailed him with the cry "coward," "coward," "coward." Mr. Smith thus replied:

"You are the cowards."

Some Hon. MEMBERS. Order.

Mr. SMITH. Nay, further, there were two gentlemen, members of this House——

Some Hon. MEMBERS. Order.

Mr. SMITH. The day after that 4th November——

Mr. TUPPER. Coward, coward.

Mr. SMITH. Who came to me with a proposition to throw over the right hon. gentleman and the present member for Charlevoix, if I would consent to give up the position I had deemed it my duty to take in the House the evening before, and would support the Government by voting against the amendment of the hon. member for Lambton.

Some Hon. MEMBERS. Order.

Mr. TUPPER. Mean, treacherous coward.

Mr. SMITH. Who is the coward, the House will decide—it is yourself.

Mr. TUPPER. Coward, treacherous.

Mr. SMITH. I could not support them——

Mr. SPEAKER. Admit the Messenger.

Sir RICHARD J. CARTWRIGHT.

Sir JOHN A. MACDONALD. That fellow Smith is the greatest liar I ever listened to.

Now, Sir, I give these hon. gentlemen their choice of this dilemma. It is perfectly well known that one of the most prominent member of this St. Paul and Manitoba Railroad Company, and, by consequence, of the Syndicate, is that honorable gentleman, termed by Ministers, the late member for Selkirk. I entertain for him, as I always entertained of his friends with him in this contract, a very high opinion indeed. But I really think that unless the statements made last night by hon. gentlemen opposite are intended to be received as, perhaps, they will be received by that gentleman as a full and ample apology—considering that he and they are now to be entrusted with sovereign power—some formal apology ought to be made to them, or those pages should be expunged from the *Hansard* of 1878. The sins of hon. gentlemen opposite will find them out. Let this be a lesson to them to keep their tempers under control in this Chamber. This affords the very best proof of the substantial correctness of the contention of my hon. friend the member for West Durham. It is quite clear they have very imperfectly comprehended the remarkable strides and development of the American railroad system. When brought in contact with men of great practical experience and ability, who thoroughly understand all the workings and developments of that system, I am not astonished those hon. gentlemen proved quite unequal to the encounter. I think it is remarked by the late Mr. Kingsley, in one of his works, that where savages and civilized men come in contact, a very curious result ensues. The savages are apt to be overpowered and dazzled by the wonderful achievements of civilized men, and to fall into the not unnatural error of mistaking the very vices which are a blot on civilization for the things which give that civilization its strength. It appears to me the hon. gentlemen on the Treasury benches are somewhat in the same position in dealing with the extraordinary development of the American railroad system. I admire, as much as any man can, the great enterprise, talent, inventiveness, and practical resources which the Americans have displayed in pushing and extending their railroad system; but I call attention to the fact that the great virtues of the American system are these, mainly: they have provided, to the utmost of their power, for unrestricted competition in railroads, and their policy is always liberal both as regards the general Government and the States in dealing with actual settlers. These hon. gentlemen deliberately turn their backs on these features of the American system which are good, and deliberately select those which are bad. They deliberately select or favor, so far as lies in their power, all those grinding monopolies which, in cases where competition is restrained, have proved detrimental to a very considerable portion of the United States. And they deliberately mould their land policy so as to discourage to the utmost the actual settlers. There is another aspect of the question. We are not giving to those hon. gentlemen of the Syndicate things that cost us nothing. I would like the House to reflect what is the sum total the North-West has cost Canada up to this time. I doubt very much whether it would be wise for us to take the latest standard of cost furnished to us by the Minister of Railways. I prefer to take the standard furnished to us a few months ago by Mr. Sandford Fleming, who, I suppose, it will be admitted by everyone, is at least as competent a judge as any other engineer; but, Sir, I will not insist on this if the hon. gentleman objects, but will strike off two or three millions from that estimate. According to Mr. Fleming's previous estimate the railway we give would cost $33,000,000. According to his later and revised estimate the amount is $29,000,000. The surveys, purchase money, etc., may be put at $5,000,000 more.

The subsidy which is proposed to be given is $25,000,000. But besides that, we have incurred annual obligations forever for the extinction of the Indian title, of at least $600,000, which sum capitalized will give $15,000,000. Then if we include the extraordinary expenditures up to date, such as those for the survey of Dominion Lands, the maintenance of the Mounted Police, the payments to Indians, the cost of the Red River expedition, and the subsequent maintenance of a garrison in Manitoba, the construction of the Dawson route, and so on, all incurred expressly and specifically for the benefit of the North-West, taking Mr. Fleming's former estimate, we have expended, or will have engaged to expend, up to the 1st July, 1881, the sum of $87,683,000 for the acquisition of the North-West, or, taking the lower estimate, $84,683,000. We paid a million and a half to get rid of the Hudson's Bay Company, and we are now called upon to pay nearly $100,000,000 to create the Canadian Pacific Railway Syndicate and monopoly. You will observe, Sir, that, in taking this matter into calculation, I have not counted the past interest which has accrued, amounting to a large sum. I have not counted the charges on account of the establishment of government in Manitoba, or the many annual sums we will have to pay before the railway is completed for such purposes as the completion of the surveys, the maintenance of the police, and, perhaps, further contingent charges on account of the Indians. My hon. friend was perfectly correct in saying that all the possible land sales you can make during the next 10, 20 or 30 years will not, in all human probability, clear you of the annual interest you will have to pay on these amounts alone, and that, as on the 1st July, 1881, you may put the cost of the North-West Territory to the people of Canada at probably not one penny less than eighty-three or eighty-four millions of dollars. I say, Sir, that our demand, our reasonable and most moderate demand, that time should be allowed to the people of Canada to consider what all this thing involves, ought, for many reasons, to have been granted to us, and that not merely for political reasons, although even on that ground I have a very strong opinion indeed. It has been my practice, and I believed it to have been my duty, whenever great new questions which had not been before the people at the time of my election or the election of any individual members were brought up, to take all reasonable means to ascertain what the views and feelings of my constituents were, in order that I might fairly represent them on the floor of the House. No man can say that, when, on the miscalled National Policy, the last election carried hon. gentlemen to power, this question which we are now considering was, to any considerable extent, before the minds of even a fraction of the people of Canada; and, Sir, as it is the duty of hon. members to take this course, in my opinion, so it is the duty of Ministers in a still higher degree. In England, where these things are better understood, and where more real deference is paid to the rights of the people in a great many very important respects, it is always the custom for leading members of the Ministry to explain to public meetings, or in such other way as may seem to them most convenient, any important matter affecting their policy, at the first convenient season they can obtain; and I say that these hon. gentlemen ought to have taken an early opportunity of doing this, so that the public might have had a fair chance of considering this question before it was thrown suddenly before them in the way it has been thrown. I am not going to deny that possibly cases may arise where it is vitally necessary, in the interests of the people, that a government should act promptly, and when a government, in the interests of the people, acts promptly and comes before the House, and asks for an Act of indemnity, it is not likely that the representatives of a free people will refuse to grant it. But there are more practical reasons why there should be delay in this matter. I say that the position and practice of old Canada, in railway matters, is in a very slight degree indeed, a guide to us to the true policy to be adopted in the North-West. When our railway system was introduced in old Canada, our position was totally different from our present position in the North-West. We had to deal with an old settled country, with a forest country, and the consequence was that our development was of necessity vastly slower than it might be expected to be in the treeless prairies of the North-West. Moreover, it was our good fortune to have to deal with a country which was accessible by water at almost every possible point. I cannot call to mind any important part of old Canada which was more than 50 miles distant from water communication. We had thus wonderful natural highways provided for us, and in a situation so widely different as this, it is a matter of extraordinary difficulty for us to realize fairly and properly what is involved in the construction of railways in the North-West. There is but one excuse that I can see to be made for Ministers and that is that, belonging as they do to an older school than a great many other gentlemen in the House, their minds have not been properly opened to the development which has taken place in a great portion of North America. But, nevertheless, although all the conditions were different, every man knows what an enormous influence railways and railway policy have exercised in this country. Now, try to imagine, if you can, what the situation will be in the North-West. Try to imagine the magical effect which the introduction of railways involves in a country like that. Here the introduction of a railway is a matter of convenience and speculation. There the introduction of railways is a matter of life and death—a real vital necessity. What cannot railways do there, where they fix the value of every man's farm and every man's land, where they decide where towns and villages shall be, where railways, or more correctly, the rates levied upon those railways, do practically fix the limit of cultivation, decide the standard of comfort among the people, say where these people shall be, and how many there shall be. Sir, I say as a statement of literal fact, that the railways and those who control them, are the supreme arbiters of the whole material interests of such a country. To such a corporation you purpose to give an absolute monopoly—a monopoly, it may be claimed, for 20 years only, but really and practically, a monopoly in perpetuity. And for what country are you about to give the monopoly? If the estimates of it—and brought down by these hon. gentlemen—are even approximately correct, we are creating a railway monopoly which will completely control a country as large as France, Spain, Italy, Germany, Austria, the British Isles, and half a dozen minor continental kingdoms to boot. I have my doubts, and very serious ones, whether it is wise for the Government of a free country, in this age, to divest itself absolutely of power even here. I know, from the examples I have pointed out, that a very different course to that which we have adopted has prevailed in various continental, and some of our own colonial dependencies; but I say, Sir, that what you propose to do now, would be inexpedient even in this country, and would be most utterly disastrous if applied in the North-West. I say, Sir, there are hon. members here who, if they pleased, could confirm what I say; that were you to propose such a Bill as this in a western state, you and those who introduced it would have literally to flee for their lives, because there the people understand what a tremendous power and grinding monopoly you would be establishing. Sir, the hon. Minister of Public Works disapproved of the language of my hon. friend (Mr. Blake). He accused him of threatening the Government: that if they introduced this measure they might have occasion to rue it in the North-West.

Well, Sir, all I can say is this: that when you get half a million of people established in the North-West, you will find it extremely difficult, indeed, to maintain the provisions of this Bill. I believe, when there is a quarter of a million there you will be confronted with extremely formidable demands for the repeal of many of its most important provisions. I tell you, Sir, not as a threat, but as a warning, which you will do well to heed, you are providing ready material for a most formidable and dangerous agitation throughout this country. You know that by your blundering you have caused one Red River Rebellion, and do you now wait to provide material for a dozen with such a Bill as this. Now, among the other charges brought against my hon. friend (Mr. Blake) was this: that my hon. friend used different estimates at different times for the prices of lands. Most undoubtedly he did, most undoubtedly it was his duty to do so. There is nothing plainer than that the whole situation has been radically changed within the last six or seven years. I say, Sir, that terms which might have been perfectly justifiable for the construction of the road in 1872, or even as late as 1874, would be monstrously extravagant and entirely without warrant in the condition in which we now find ourselves. I repeat that every single individual element which can affect the condition of this country has been radically changed, and, that, within the last ten years there has been a perfect revolution in the rates of transport over all the railroads in America. I believe I am within the mark in saying that one-half the rate which appeared only a good working rate ten years ago is cheerfully accepted now by the largest railroads in America. Do we not know that there is a great risk that all the enormous sums that we have expended and are expending on our whole system of canals will be rendered worthless by reason of the enormous changes which have taken place in the cost of transportation by railroad? Do not we know that there has been an enormous change in the cost of construction of the most difficult parts of railways, and also in the cost of materials? I say, Sir, everybody knows that the improved system of rock drilling, the steam shovel, and other mechanical appliances, have effected an enormous reduction. Take an instance in which the hon. gentleman (Sir Charles Tupper) has greatly glorified himself, the enormous reduction which has been effected in the cost of steel rails alone, and see how enormously all these new conditions have reduced the cost of any railway that may be built. Sir, I say nothing of the future possibilities of still further reduction in the rates of transport or the cost of construction; but I do say this: that I believe $60,000,000 would go quite as far to day in the construction and equipment of a railway of first rate grades as $100,000.000 would have gone ten years ago, when this project was first under consideration. And not merely has the value of land and the cost of construction changed, but, as everybody knows, there has been an enormous reduction in the price of money. There has been an enormous increase and change in the value of land in the North-West. Sir, the hon. Minister of Railways called attention to the case of the late Mr. Foster. Now, I can give him and the House some little information on that case from my own personal experience. He correctly states that Mr. Foster, five years ago, in vain endeavored to construct some 85 miles of railroad on a certain subsidy, getting, with 25 years' interest, I think, on $7,500 and 20,000 acres of land per mile. Now, to show the enormous change that took place, I can say this, and I dare say there are some hon. gentlemen here who were acquainted with Mr. Foster, and can say the same, that Mr. Foster in the same year, I think, 1875, in discussing this proposal in my own office, I being then Minister of Finance, offered to me to surrender the whole of that 20,000 acres which he was to get, for a cash payment of $4,000 per mile, or 20 cents per acre; but we did not deem it wise to accept it, nor was Mr. Foster, as was perfectly well known, able with that subsidy to go on and build the railway. Sir, there is no possible ground for comparison between the value of land in 1871, 1872, 1873, 1874, or even 1875, and the value of land to-day, in 1880. These lands which Mr. Foster would have gladly sold at 20 cents per acre, or the privilege of taking other similar lands, would be gladly bought to-day, as the hon. Minister knows right well, for $2 or $2.50 per acre, in those portions of the North-West in which Mr. Foster would have been then perfectly welcome, and had an opportunity to select them. And, Sir, these hon. gentlemen ought to delay for another cause. Not only the cost of the lands, but our own power to construct the road is far greater. There is a very good chance of keen competition springing up among rival roads for the trade of the North-West, and, under these circumstances, I cannot conceive why the hon. gentleman should not allow the people to be consulted, that time may be taken to communicate with our constituents, time to learn what they really do think of these proposals which they are only now beginning to understand in their purport and meaning. These are not the only changes by any means. The position of whole peoples on the continent of Europe has most materially changed, to their loss and our advantage, since 1872 or 1874. All over the British Islands there has been a succession of bad seasons, amounting almost to famine in some cases, which has rudely shaken the whole fabric of society from one end to the other, and which, as the hon. gentlemen truly said, was likely if well used, to afford us the means of securing a valuable immigration to our own shores. All over Europe the people are groaning under the enormous expense of their excessive armies, and many men dreading that the war volcanoes, which are slumbering there for a time, may suddenly break out, are looking abroad for another country where they will have reasonable expectation of enjoying the fruits of their industry in peace, without being subject to the excessive exactions which they have to submit to at home. Permit me, Sir, in illustration of what I have previously stated, to illustrate it by a fact or two with reference to the prices of land. I believe that the St. Paul and Manitoba Railway, up to 1880, have disposed of 634,000 acres of their land for the sum of $4,334,338, very nearly $7 an acre; and I submit that that is a tolerably good proof that my hon. friend (Mr. Blake) was perfectly justified in saying that you have no right whatever in estimating the amount you are about to give these people for the construction of the railroad, to estimate the land, not at the real value which they bear to-day, but at any imaginary value which either he or you, or anybody else, chose to put on them, four or five years ago, before there was any practical means of communication with the North-West at all. Now, you have got one means of railway communication, thanks to the enterprise of the gentlemen who form the present Syndicate. You have several other roads in the hands of other corporations which would have been completed in a very few years, probably, in a very few months, if you did not deliberately take away from the people of the North-West the only chance they have of obtaining fair, unrestricted competition in the matter of rates to the sea-board. By the measure you are now proposing, you are not merely debarring them from getting these other rival routes into Manitoba, but are practically nullifying the value of the road you have nearly completed. Our intention was that when the Thunder Bay branch was completed, the people should have a direct competing route with the St. Paul and Manitoba road. You are now about to place, to all intents and purposes, that competing road in the hands of its competitor. What chance will you have then to regulate the rates of traffic by any other standard than that which my hon. friend laid down—the extreme amount the traffic will bear. Moreover, our knowledge of

that country is greater now than it was before. I can tell the hon. gentleman there is a very great and intelligent interest all over Canada, particularly in Ontario, felt in this question. There is hardly a single county, township or concession in Ontario, in which you will not find several men who have themselves travelled over the North-West, who have an interest in the North-West, who have friends or relatives there, and who are keenly alive to the dangers with which this measure threatens them. Hon. Ministers, I must say, have very little personal knowledge on this question. I am not going to condemn hon. Ministers for this, for even when they go, in their ministerial capacity, into a country, they find it difficult to obtain accurate information. I know what are the conditions under which a Minister visits this part of the Dominion. I know he is overwhelmed with business, is surrounded everywhere by persons whose interest it is often to prevent him obtaining correct information as to the real interests of the country; but that ought to be a cause for proceeding with greater caution than these hon. gentlemen have shown in their proceedings. I regret to see the hon. Minister of the Interior has not been in the House on either occasion when hon. gentlemen on this side were discussing this question at length. We can understand that the hon. gentleman may have shirked the severe castigation to which it was the duty of my hon. friend (Mr. Blake) to submit his bantling; but he is hardly treating his party and the country fairly in not being here to listen to, to answer if he can, the objections which were taken by my hon. friend, and those which may be taken by myself, or other hon. members, against the scheme for which, in his double capacity as Minister of the Interior and leader of the Government, he is mainly responsible. In one respect, I am bound to admit I have a high opinion of the capacity of that hon. gentleman, namely as a politician; but, however able and intelligent he may be, it must be remembered that he himself is absolutely without any personal knowledge whatever on this subject. Unless I am greatly misinformed, he has never been beyond the confines of Canada in that direction. I am quite sure he has never been in the North-West country, the country over which he at present presides. Sir, before I close I desire to call attention to one or two of the attempted replies which have been made to points taken by my hon. friend. I see that the Minister of Public Works attempted to make a strong ground of objection to my hon friend, that whereas a year or two ago he told us that $120,000,000 would, in all probability, be the cost of the construction of the road now about to be built by the Syndicate. It appears by the figures submitted by the hon. Minister of Railways, that $78,000,000 will be sufficient I take objection to that statement on two grounds. First of all, I say there is an enormous underrating of the value of the land about to be given, and that the true cost, at any rate, taking the very lowest estimate, will be $103,000,000 and not $78,000,000. But, I say, the hon. Minister of Public Works must know quite well that my hon. friend's estimate was based on the idea that we were to construct a first-class road in every respect, not a road degraded to the standard provided for in the present contract. There is no fair common ground of comparison between these two hon. gentlemen's statements, and no fair ground of reproach to my hon. friend that he should estimate for a first-class road an amount considerably higher than what the Minister of Works now estimates for a road so seriously degraded as the one to which he refers. Sir, I had intended making some reference to the Minister of the Interior, but as he is not in his place in the House, I shall defer the remarks which I had intended to have made with regard to him until a more fortunate occasion. But I desire to say this. We ask for delay now. We know perfectly well what was the result of the decision of the House at the time of the bargain for the original construction of the Pacific Railway. I ask the members of this House, Mr. Chairman, to recall to mind the repeated protests which were presented by members of this House—not merely from the Opposition benches, but from members holding an independent position—the entreaties which were preferred by us, that time should be taken to obtain information, to ascertain what the people thought of this question. Sir, we were compelled to rush blind-fold into that bargain; we found ourselves as we find ourselves now, hampered at all points, for the reason that no time was given, no due precautions were taken, in completing that bargain of 1871. Our task would be child's play if we were not fettered by the obligations we then so recklessly incurred. There is every indication that there will be a repetition of that same folly now; that indeed there will be even worse than that folly committed. I recall the warnings which were given then—by Sir Alexander Galt, by myself, that were given—to do him justice—I regret that he is not in his seat—by the member for Halton (Mr. Macdougall); the warnings that were given by the late lamented Sandfield Macdonald. And I might recall the doom which, two years later, in 1873, overtook the men who treated with scorn the warnings we had uttered. I think the country is likely to repeat its vengeance, and that if these gentlemen do not take great care, the doom which overtook them in 1873 will be visited upon them in 1883. And, Sir, I might, with your permission, recall one remark which I heard drop from your own lips, whether in this House or on the public platform I cannot now remember, but it made a deep impression upon my mind. You were at that time, if you will allow me to say so, rather a political babe, but from babes and sucklings, according to the opinion of some wisemen, wisdom is elicited which their later and riper utterances do not always confirm. At any rate the remark you made was, that you believed that confounded—I think that was the word you used—Pacific Railway was likely to be the death of half a dozen Ministers before it was done with. I fear you will prove a pretty true prophet in making that prediction. We see the same men on the eve of committing the same error, the same crime I I must call it; and I believe that if they persist in this, if they will force their followers—as I believe, with regard to a good many of them, against their better judgment—without delay, without reasonable discussion, without communication with their constituents, without attempting to ascertain what the true opinion of the people of this country is—if they force them to vote for their folly—force them again, as they did before, they will rush upon the fate which awaits them so soon as the people have an opportunity of pronouncing their opinion at the polls.

Sir CHARLES TUPPER. The House having treated me with so much indulgence when I addressed them at such great length the other day, I shall not, at this stage of the debate, interpose myself at any length before those hon. gentlemen on both sides of the House who intend to speak upon the subject now under consideration. But I rise for the purpose of noticing a remark with which the hon. gentleman who has just taken his seat opened his observations. I know, Sir, that I am within the judgment of the House when I assert at once that the hon. gentleman was obliged, by reading the remarks that fell from me on a recent occasion, to convict himself of having attempted to place a gross misconstruction upon those remarks. I am in the judgment of the House when I say that that hon. gentleman finds himself in a position in which, unable to deal with this great question in a manner and spirit which the discussion of so great a question requires, he finds it desirable to turn aside into gross and unmanly personalities directed against myself. My hon. friend the Minister of Finance says it is his nature and that he cannot

help it. Well, I am free to confess that deeply as I regret that the dignity of the House should have been infringed upon by base and unmanly insinuations coming from an hon. gentleman who ought to be superior to the utterance of such insults, there is no source from which any such remark, bearing upon myself, could come more harmlessly, or from which I should be more pleased that such a remark should come than from the lips of the hon. gentleman. I do not forget that during the last five years that hon. gentleman offended the dignity of Parliament and the proprieties of parliamentary debate, to an extent which they never before were violated on the floor of this chamber, by the vile insinuations which he made with reference to the leader of the present Government. What did the hon. gentleman accomplish by the unmanly course he chose to adopt? Did he injure the right hon. gentleman whom he thus attacked. Sir, when the independent people of this country had the opportunity of judging between them they consigned him to oblivion, so far as they were able, as well as the administration of which he was a prominent member. They left him without a seat in Parliament, and they left the party with which he was connected, and the Government of which he was a member, with a mere corporal's guard in this House. So, Sir, I repeat if there is any source from which I should prefer to have had a reflection thrown upon myself, or an unmanly insinuation against me to emanate, that source is the hon. gentleman. I can make a great deal of allowance for him. Men generally judge of other men by their own hearts. The man who is dishonest himself, is the man who suspects dishonesty in others. It is the man who, looking into his own heart, says, what would I do if I had that opportunity, who suspects others of doing that which is base, unmanly and dishonorable. Sir, what is my position in this matter? The hon. gentleman has ventured to refer to the Canadian Pacific Railway contracts; what is my position with regard to them, before this Parliament, and before this country. If there was ever a Minister of the Crown, or a Minister of Public Works, who occupied an impregnable position, it is myself. Before this Parliament met, the duty had devolved upon me, of letting the contracts upon the Canadian Pacific Railway, to the extent of $6,000,000, and when Parliament met, two years ago, at the instance of hon. gentlemen, I brought down every document and paper they asked for, bearing on the question, and with every opportunity at their command. Not a single word of insinuation, not a single question was raised among those hon. gentlemen. The House rose, and the editor and proprietor of a public newspaper, the Toronto *Globe*, who, I am glad to know, is within the sound of my voice, drawing venom from the depths of his own black heart, said that, in the columns of his paper, which if there was a word of truth in it, convicted the leaders of his party of being unworthy of public confidence. If there was a word of truth in the false and libellous utterances of that paper, it only went to show that the party of which he was the organ had the misfortune to have men representing them in Parliament utterly unfit to discharge their duties. The utterances of that newspaper showed that, with all the documents before them, these hon. gentlemen who were acquainted with public life, men second to none in ability, to scan with clearness and accuracy the acts of Members of Parliament, had no fault to find with them. Then, I say, how dare any journalist so insult the intelligence of the public, as to fill his columns with lying and slanderous utterances after Parliament had risen, and when, after all the facts were before the House, no man could be found in the party to venture an insinuation against me. What happened? We were told to wait till Parliament met, and then see where the Minister of Railways would be. Parliament met; the hon. gentleman asked for further information and more papers—the information was given, and the papers laid on the Table of the House. They had these documents in their hands for weeks, and yet after all these denunciations in the press, Parliament rose without a man being found to endorse the contemptible utterances of that lying and slanderous paper. That was my position in this House. That is my position in this Third Session of Parliament. And goaded on to desperation by my challenge on the public platform, to any hon. gentleman to venture to formulate a charge against the integrity of my conduct as a public man—a challenge to discuss my conduct in the House or out of it—or to investigate it before any tribunal; it is only now that the hon. gentleman ventures, not to formulate a charge, but to do that which is the most unmanly act which one man can do to another—to throw out an unworthy insinuation. Suppose that instead of standing in this impregnable position, fortified as no public man ever was fortified, in regard to public acts upon which he was assailed—I say, instead of standing in that position, suppose this had been my position; suppose I had been entrusted as a public servant with the sale of public property; suppose that £3,000,000 of public bonds had been put into my hands to sell; and suppose that I had gone to England; and suppose that I had adopted a new and different mode from what my predecessors had adopted, and instead of placing them open to public competition I had sold them by a secret and private bargain; and suppose that when I came back I was not able to show the amount of money they were worth, and on being asked to whom I had made the sale, I refused to disclose it down to this hour. Why, Sir, I should have excused the hon. gentleman for venturing such unmanly expressions—I should have excused him for forgetting, not what is due to me, but what is due to himself.

Sir CHARLES TUPPER.

Sir RICHARD J. CARTWRIGHT. I do not wonder, Sir, that the man who has only got to look on his right hand, when his friends and colleagues are in their seats, to see the man of the other ten thousand, and on his left hand to see the man of the thirty-two thousand, should not like to have called to his mind that most infamous passage in the history of Canada, when the honor of Canada, the interests of Canada, were sold and sacrificed by these men, as far as it was possible for them to do it, for Sir Hugh Allan's three hundred thousand or two hundred thousand of money; and, Sir, I have to tell this hon. gentleman that, although I could have excused him for not having deserted his chief in his hour of need, yet, Sir, after the facts were proven and disclosed, and after his daring to justify and defend that most outrageous transaction, I hold him at the least to be an accomplice after the fact, and very nearly as guilty, in intention, as the man who was himself the criminal. As for the insinuation which he ventures to throw out against me, Sir, every man in London acquainted with the Stock Exchange, every man acquainted with the financial history of Canada, knows perfectly well that a more untrue statement or insinuation, whichever you like to call it, that I instituted a new mode of selling the bonds of Canada, never was made. I adopted the plan adopted by my predecessors, which was approved by the authorities in London, and which, I believed, was most in the interests of the country. And if there had been a shadow of suspicion arising out of that transaction, that suspicion would have attached to Messrs. Baring & Glynn or to Sir John Rose, rather than to myself.

Mr. PLUMB. I think I am justified in rising at this moment to call the attention of the hon. gentlemen on both sides of the House to the unseemly exhibition made by the hon. gentleman who has just sat down. I have sat in this House for many years, and I do not remember, in the whole course of the stormy period of four or five years during which we sat on that side of the House, and in which

these gentlemen indulged in vituperation of the grossest kind, that I ever heard any gentleman so violate the proprieties of debate, or so insult the decorum of this House, as that hon. gentleman who has just sat down; and I say the cause must be poor indeed that that gentleman has to advocate when he has to resort to the kind of argument he has used to-night. I say the cause must be desperate when he drags into a debate like this—a debate so important—a debate which should be approached by the man who has been Finance Minister of this country with gravity—when he drags into such a debate such personalities, such gross accusations, such slanderous insinuations. If there could be anything calculated to unite any who in the slightest degree hesitated in regard to this question, it is the language used by that hon. gentleman. Much as I have heard of that which I may call his vitriol-throwing from public platforms all over the country, I never listened to anything so gross as that which I have been compelled to listen to to-night, and I believe that in rising now to express my indignation, I express the feelings of both sides of the House. I say language like that will not be tolerated, either by this House or the people of Canada, and I hope every word of this debate will go forth to the people, and that they will judge of the kind of argument that is used by a gentleman from whom, from the position he has previously held—a position more responsible almost than that held by any other member who sits on the Opposition benches—we might have expected better things. I was glad to hear my hon. friend rise in his place and challenge the gentlemen on the other side to formulate, like men, the charges they have been insinuating against him. I was glad he rose in the hearing of the man who has been pouring out his venom upon him in the public press week after week and month after month with diabolical ingenuity that just stopped this side of libel and that has never been equalled in the press of this country, licentious as it may be. Yes, it was a fitting opportunity, and I hope every gentleman within the sound of his voice has profited by his experience to-night. We are not in a temper, nor do I think this is a proper time, to enter into a discussion of this question in answer to the hon. gentleman, who has not only, I may say, degraded the debate, but he has introduced in almost every word of his argument fallacies that can be answered even by the most casual hearer. Point after point made by that gentleman can be refuted by the simplest reference to the statute. He stated a little while ago that this company which was to be chartered might have such tolls as it chose, when he had only to turn to the statute to find that, whereas the General Railway Statute permits a railway company to charge until it makes 15 per cent upon its paid-up capital; in the case of this Syndicate the restriction had been brought down from 15 to 10 per cent The hon. gentleman could easily have seen that no location of that line can be made unless it is approved by the Governor in Council. He could easily have seen that the standard by which that line was to be accepted was the standard of the Union Pacific Railway, as first constructed. It was the only line at that time which was analogous to this, and the hon. gentleman knows that in dealing out those vile insinuations with which he has interspersed his speech—those flowers of rhetoric by which the hon. gentleman is distinguished—the hon. gentleman lashed himself into such a passion that when he rose his voice was almost inaudible. But I must say that, apart from the venom with which his speech was charged, I never heard, even from him, a speech so devoid of argument, and I believe that the hon. gentlemen to whom he seemed specially to address himself, who sat behind him, felt themselves disappointed in every possible way, first by the manifestation of temper with which he approached the subject, and next by the weakness with which he handled his points. I am willing that his arguments shall go to the country uncontradicted. I do not think anything that has been said in this House is better calculated to strengthen our case. I do not think that any utterance which can be made on our side will be better calculated to draw the attention of the public to the strong points of this contract. I believe we only need a few more speeches like that for us to allow the question to be submitted to the country. When the proper time comes the judgment upon that hon. gentleman and his confreres will be similar to that which was given in September, 1878, a judgment for which he, in his campaign speeches, is mainly responsible, and which he has largely brought upon his party. It is notorious that that hon. gentleman, with the aid of the newspaper which published his speeches *in extenso*, were the main causes of the delusion by which a bright and intelligent party was so utterly wrecked, that they came back to Parliament with but, to use an expression which I quote with pleasure from the hon. leader of the Opposition, a corporal's guard.

Mr. BLAKE. I rise, not to speak on the subject of debate, but simply to express my great regret that we have heard the language which we have heard from the last speaker and the hon. the Minister of Railways. If the hon. the Minister of Railways had aught to complain of in my hon. friend's allusion, I believe he would have better served his own cause and conserved the dignity of this House and inspired us with more confidence in his repudiation of the charge, by keeping himself within the limits of parliamentary language. I think it is a very great mistake in any member, because he conceives himself to have been aggrieved to put himself in the wrong by the use of language, which the hon. gentleman did use, language which was unquestionably of the most unparliamentary character. We heard from him the words, "base," "unmanly," "lying," "slanderer," "most dishonorable."

Mr. BOWELL. Quite true, quite true.

Mr. BLAKE. We heard from him, also a repetition, as against the hon. member for Centre Huron (Sir Richard J. Cartwright), of the very same thing which he was so indignant at the hon. member for Centre Huron imputing to him. Now, if it be wrong for the hon. member for Centre Huron to suggest an insinuation against the hon. gentleman, which he publicly withdraws a moment afterwards upon reading the speech in the *Hansard*, and accepting the hon. gentleman's explanation, is it right for the hon. Minister of Railways to make an insinuation against the hon. member for Centre Huron. The hon. Minister of Railways said that the hon. member for Centre Huron had made a sale in secret, by private bargain of £3,000,000 of bonds on the London market, and that he had never disclosed and refused to disclose the names. There was but one result of the insinuation, that there had been some personal and corrupt transaction on the part of the hon. member for Centre Huron in that matter. Now, the hon. Minister of Railways does not make his own attitude before the House or the country any better in replying to insinuations against him by making insinuations against other people. I venture to say that this House would be much more respected in the future if we abstained during the rest of this session from a repetition of the unparliamentary language which has been used this evening. I say another thing: I do not believe myself that all that outburst of indignation which the hon. gentleman—and we know he is very good at outbursts of indignation—in this case, directed against the hon. member for Centre Huron—because he believed he had an opportunity of hitting another person over his shoulder—was real. I say that it is degrading to the dignity of this House that we should find hon.

members attacking persons who are not permitted to reply, and using towards them language so grossly offensive, I must say, as that which was used by the hon. gentleman. I do not object at all to his having and expressing very keen feelings at his public conduct being assailed, but I think it will be better if we shall make an effort on both sides to maintain the dignity of this House, and preserve better feelings amongst us by abstaining, at any rate, whatever charges we may find it necessary to make in the discharge of our public duty, to one side or the other, from the use of offensive and unparliamentary language, such as proceeded from the hon. member for Niagara (Mr. Plumb), and from the hon. Minister of Railways.

Mr. BOULTBEE. It is very kind of the hon. member for West Durham to lecture this House on the proprieties, and I dare say it will do a great deal of good. It will, no doubt, do us a great deal of good if we follow the moderate tone with which he has just laid down the rule as our guide. It is certainly an objectionable thing to give way to abusive language. People of strong feelings and impulses, when goaded by attack, are apt to lose their sense of the dignity of their position for the time being and to say things they should not say. I would suggest to the member for West Durham, if so humble a member as myself may be allowed to give a little advice to a gentleman holding so high a position, that, if he wishes to produce the effect he says he does, if he is honest in the matter, he will exert his influence upon some of his supporters. I thought myself, while the hon. member for Centre Huron (Sir Richard J. Cartwright) was saying some very bitter things, that the member for West Durham was inspiring him. If I was mistaken, I withdraw the remark. I am very glad the hon. gentleman shakes his head in dissent, and to know that I was wrong. If the hon. gentleman is honest, however, and wishes to bring the debate to a proper state, he can do so effectively and quietly and without teaching us, on this side of the House, how to debate, if he would turn his attention earnestly and energetically, but privately, to the hon. gentleman who sits beside him. He may do a great deal of honest labor in this way and make good use of his time if he can reduce that hon. gentleman to such a shape as will induce him to rise and insult the good feeling of the House less frequently. If he succeeds in this, he will have accomplished solid good. It certainly did not look well for a gentleman holding the high position which the hon. member for West Durham holds, to make the remarks we have heard about the Minister of Railways and the member for Niagara. It was not right for him to censure those hon. gentlemen when they had been goaded into retaliation by the attacks of the hon. member for Centre Huron, without passing one word of censure on that hon. gentleman. It seems as if he was willing, when, from his side of the House, comes the severest language, conveying the worst kind of insults and injuries, such as go down against a man, are published and never forgotten, to tolerate it without objection. Much indulgence must be allowed men attacked on the floor of the House in base insinuations, which, if they contained a scintilla of truth, would degrade a man not only in the estimation of hon. gentlemen among whom he sits, but would condemn him in the eyes of the public as unfit for his high position. Much must be forgiven men so attacked. I think I may fairly say that, if the member for West Durham is honest in his desire to have our debates conducted properly, to prevent speakers descending to personalties which lead minds away from the true subjects of debate, he had better address his whole energies to the work of amending the habits of the hon. gentleman who sits beside him, with that worthy object.

Mr. BUNSTER. This debate is highly injurious to the Canadian Pacific Railway. I think that the Minister of Railways forgets that the member for Centre Huron (Sir Richard J. Cartwright) has an object in trying to injure this railway. Hence, probably, his reason for trying to gain a little advantage by riling the Minister of Railways by saying what he did. I would therefore ask the House to adjourn till such time as it comes to a better state of mind for dealing with the Canadian Pacific Railway. This would be more in the interest of the country than to continue the debate in the present fashion. I therefore move the adjournment.

The Committee rose and reported.

Sir LEONARD TILLEY moved the adjournment of the House.

Mr. BLAKE enquired the intention of the Government with regard to the Christmas adjournment.

Sir LEONARD TILLEY said, very likely the Government would be able to state its intention on Monday next.

House adjourned at 11:45 o'clock, p.m.

HOUSE OF COMMONS,

MONDAY, 20th December, 1880.

The SPEAKER took the Chair at Three o'clock.

PRAYERS.

BILL INTRODUCED.

Mr. GAULT introduced a Bill (No. 7) to incorporate the Wrecking and Salvage Company of Canada.

Bill read the first time.

CONTRACT FOR THE MAILS FROM WINNIPEG TO ST. ALBERT.

Mr. ROYAL enquired, Whether it was the intention of the Government to enter into a new contract for the carrying of the mails from Winnipeg to St. Albert, in the North-West Territories, and if so, whether the new contractor began the execution of his contract on the 11th of October, as he was obliged to do according to the advertisement of the department on this matter?

Mr. LANGEVIN. In view of the proposed extension of the Pacific Railway in this direction, the Postmaster General entered into a contract for the space of one year only, from the first of November, 1880, for carrying the mails between Edmonton and Winnipeg, with Mr. James McLean, of Winnipeg. This contract was continued until the 31st October, on the representation of the former contractor, the Hon. James McKay.

CAPE TORMENTINE RAILWAY.

Sir ALBERT J. SMITH enquired, Whether it is the intention of the Government to make provision during the present Session for the construction of the Cape Tormentine Railway?

Sir CHARLES TUPPER. The Government have not yet decided to make provision this Session for the construction of the Cape Tormentine Railway.

THE CUTTING OF TOBACCO.

Mr. STRANGE enquired, Whether it is the intention of the Government to amend in any way the Excise regulations at present in force prohibiting the cutting of tobacco by retail tobacconists, and the sale thereof?

Mr. MOUSSEAU. It is not the intention of the Government to make any change in the regulations. I may add

that there are no Excise regulations that prevent the use of small lever knives for cutting tobacco, such as have been commonly used for cutting single plugs by hand. But many tobacconists, who hold no license as manufacturers, have had in their shops large cutting machines capable of cutting several hundred pounds in one day. The use of such machines is clearly a breach of the law, and, if permitted, would facilitate the cutting and sale of tobacco that had not paid duty.

REPAIRS IN THE CHAMBLY CANAL.

Mr. BENOIT enquired, Whether it is the intention of the Government to grant the funds necessary to effect repairs of great extent in the Chambly Canal, in order to place it in a condition to afford the facilities of transport necessary for the carrying on of a considerable trade between this country and the United States?

Sir CHARLES TUPPER. The question is now in the hands of the Chief Engineer of Canals, and I have awaited his report before deciding what is necessary to be done.

RESIDENT JUDGE AT RIMOUSKI.

Mr. FISET enquired, Whether it is the intention of the Government, at an early date, to appoint a resident Judge at Rimouski, in the stead of the Hon. Mr. Justice Maguire, deceased?

Sir CHARLES TUPPER. It is the intention of the Government.

LIFE-SAVING STATIONS.

Mr. KEELER enquired, Is it the intention of the Government, in view of the great loss of life by shipwreck of late, to establish any life-saving stations on Lake Ontario?

Mr. POPE (Queens). It is not the intention of the Government to establish any life-saving stations on Lake Ontario. The Government would be quite willing to supply boats at dangerous points, provided individuals or municipalities would agree to man them. Nothing of the kind is done in England.

THE PUBLIC DEBT.

Mr. CHARLTON enquired, Will the Government inform the House what is the net increase of the public debt for the fiscal year ending 30th June last?

Sir LEONARD TILLEY. I cannot give the hon. gentleman the exact figures, but I can state the amount within $1,000 or so. It will be found that $9,453,000 is about the amount.

DUTY ON SALT.

Mr. FARROW enquired, Is it the intention of the Government to deal with salt as they have with other manufactured products of Canada, by giving a moderate protection to salt against the large quantities of foreign salt brought into Canada yearly, always excepting that for the curing of fish?

Sir LEONARD TILLEY. It is not the intention of the Government to ask Parliament to change the duty on salt this Session.

MONEY ORDERS.

Mr. WHELER enquired, Whether it is the intention of the Government, at an early date, to reduce the charges for money orders issued in Canada, payable in Canada, Great Britain or the United States?

Mr. LANGEVIN. Correspondence is going on; I cannot just now give a positive answer to the hon. gentleman.

STEAM COMMUNICATION BETWEEN ST. JOHN, N.B., AND ENGLAND.

Mr. WALLACE (South Norfolk), for Mr. DOMVILLE, enquired, Whether it is the intention of the Government to place a sum of money in the Estimates to assist a line of steam communication between the Port of St. John, New Brunswick, and England.

Sir JOHN A. MACDONALD. The matter is now engaging the attention of the Government.

INSOLVENT ESTATES.

Mr. WELDON enquired, Whether the Government intend to bring in any measure relating to the disposition of bankrupt or insolvent estates, or for the relief of bankrupt or insolvent persons?

Mr. McDONALD (Pictou). It is not the intention of the Government to introduce any such measure this Session.

THE POSTMASTER OF DOMINION CITY.

Mr. ROYAL enquired, Whether it is the intention of the Government to remove the Postmaster of Dominion City, or otherwise improve the management of the post office of that locality?

Mr. LANGEVIN. It is not the intention of the Government to remove the Postmaster of Dominion City, but arrangements have been made to improve the management of the post office there.

ADJOURNMENT FOR THE HOLIDAYS.

Mr. BLAKE. I renew the enquiry I made on Friday, and ask what arrangement the Government intend to propose to the House as the period of the adjournment, and its length?

Sir JOHN A. MACDONALD. I will, on Wednesday next, move, when this House adjourns on Thursday next it shall stand adjourned until the following Tuesday at Three o'clock p.m., and that when it adjourns on Thursday, the 30th instant, it shall stand adjourned until the following Tuesday at Three o'clock p.m.

FREIGHT AND TICKETS ON THE INTERCOLONIAL.

Mr. LANDRY moved for a statement shewing, since the 1st December, 1879, and up to the 30th November, 1880, these two dates being included, and giving the names of the various stations:—1st. The number of tickets which have been sold at the several stations on the whole length of the line of the Intercolonial Railway; 2nd. The amount in tons, of freight despatched from each of the stations along the line of the Intercolonial Railway; 3rd. The number of tons delivered at each of the stations aforesaid; 4th. The amount of annual salary given to each of the station masters at the respective stations along the line of the Intercolonial Railway.

SIR CHARLES TUPPER. There is no objection to bringing down the information contained in this motion, but if the hon. gentleman would call at the department he could be very easily furnished with the means of making a comparison between the amount of work done at any station and the salaries paid to the station masters. I would ask my hon. friend to adopt that course, as the preparation of these returns would involve a good deal of trouble and expense, and, unless there is some public advantage to be gained by it, I think it is not desirable that trouble and expense should be multiplied.

Motion withdrawn.

THE PORT OF HALIFAX.

Mr. RICHEY moved for all correspondence, whether by letter or telegram, between the Department of Railways and Canals or its officers, and the owners of steamships or their agents, and others, relating to rates of freight for grain to England via Halifax, or touching in any way the question of the transportation of grain and other commodities over the Intercolonial Railway, and by steamship or other vessel from

the Port of Halifax to Great Britain. He said: The object I have in view in making this motion is to elicit information regarding the efforts which have been put forth to realize the expectations of the people of Halifax with respect to the shipment of grain to England by way of that port. This is a question which has, for a long time, been of great interest to the constituency I represent, and that interest has of late been greatly intensified. I do not bring it forward as a matter of merely local concern, unless, indeed, that be a local question which affects every locality in the Dominion as regards its facilities for trade; I look upon it, not as a mere local question, but as one of great national importance, and I am sure every member of this House will feel that I am justified in this view when he recalls the speeches which were made prior to the union of these Provinces, the glowing anticipations in which the gentlemen who promoted that union indulged, the fond hopes which they raised, and I may go further and say the promises which, on that occasion, were made. While glancing over the debates on the Confederation of the North American Provinces this morning, I was struck with the large extent to which the maritime element entered into the discussions of that great scheme. I will not weary the House with any long extracts, but I must turn to two or three references. On page eight of those Debates I find that the late Sir E. P. Tache, after referring to the great advantage which would result from a union of the Maritime Provinces with Canada, depicting their various resources in minerals and in fisheries, and alluding to their ship-building industry, goes on to say:

"As to their harbors, he had had the good fortune to visit them personally, and would say they could not be surpassed anywhere; in fact, he believed they were unequalled in the world. He would especially refer to that of Halifax, and would ask hon. members to imagine an extensive roadstead protected by several islands, standing out in the sea so as to break the waves and quiet the waters in the worst of storms. This most beautiful harbor could accommodate, in perfect safety, more than one hundred of the largest vessels; but this was not all, for, at the east end, where it diminishes into a gully, but with very deep water, you enter into a large natural basin, rounded, as it were, by the compass, and of an extent sufficient to take in all the navies of the world. The entrance to this magnificent inner harbor was rendered inaccessible to any foe by the fortifications erected at the mouth, and the entrance could, moreover, be so barred that no hostile fleet could ever get through. * * * Well, under the union, Canada would become a partner in these advantages, and with the harbors of Halifax and Quebec, they might well feel proud of their country."

And that great statesman, Sir George E. Cartier, comprehensive in his views, formed a just estimate of the benefits which would result from a union of these Provinces. Having visited Nova Scotia and New Brunswick, he said:

"He had stated before audiences in the Lower Provinces that, as far as territory, population and wealth were concerned, Canada was stronger than any of the other Provinces, but, at the same time, was wanting in one element necessary to national greatness—the maritime one; and that, owing to the large trade and commerce of Canada, extensive communication with Great Britain, at all seasons, was absolutely necessary. Twenty years ago our commerce for the year could be managed by communication with Great Britain in the summer months only; at present, however, this system was insufficient, and, for winter communication with the sea-board, we were left to the caprice of our American neighbors, through whose territory we must pass. He had also alluded to the bonding system, which, if the Americans were to withdraw, Canada would be left in winter without any winter harbors. Canada, having two or three elements of national greatness—territory and population—wanted the maritime element; and, as he had said,—the Lower Provinces had this element and a sea-board, but not a back country or large population, which Canada possessed,—and for the mutual benefit and prosperity of all the Provinces, all these elements ought to be united together.

Then another statesman, whose views are always received with respect, Sir Alexander Galt, first dealing with the question of how the material interests of the Provinces could be promoted by the union, proceeded to offer the following remarks on the resources of British North America:—

"Possessing, as we do, in the far western part of Canada—perhaps the most fertile wheat-growing tract on this continent,—in central and eastern Canada facilities for manufacturing such as cannot be surpassed,—and in the eastern or Maritime Provinces an abundance of that most useful of all minerals, coal, as well as the most magnificent and valuable fisheries in the world, extending, as this country does, for two thousand miles, traversed by the finest navigable rivers in the world, we may well look forward to our future with hopeful anticipation of seeing the realization, not merely of what we have hitherto thought would be the commerce of Canada, great as that might become, but to the possession of Atlantic ports which we shall help to build to a position equal to that of the chief cities of the American Union."

I wish to emphasize this last statement—that the possession of Atlantic ports which we shall help to build to a position equal to that of the chief cities of the American Union. The late lamented Mr. George Brown, whose name I would mention with all honor, though differing from some of his political views, which he enforced with great power, and whose remarks upon this subject were those of a statesman, said: "As a commercial enterprise the Intercolonial Railway has not, I apprehend, any considerable merit." We have heard a good deal about that railway being run upon commercial principles, after it was built. It was not intended so much as an enterprise likely to result in revenue to the Dominion. It was regarded as a road desirable to open up inter-provincial trade, and offer facilities for the traffic of this great Dominion from its most western limit to the terminal port on the Atlantic. Mr. Brown said:

"As a commercial enterprise, the Intercolonial Railway has not, I apprehend, any considerable merit; as a work of defence it has, however, many advocates; but if the union of the Provinces is to go on, it is an absolute necessity; and, as the price of union, were there no other arguments in its favor, I heartily go for it. The advantage it will confer on the Maritime Provinces can hardly be overrated. It will make Halifax and St. John the Atlantic seaports of half a continent—it will ensure to Halifax, ere long, the establishment of a line of powerful steamers running in six days, from her wharves, to some near point on the west cost of Ireland—and it will bring a constant stream of passengers, and immigrants through those Lower Provinces, that never otherwise would come near them."

These are among the anticipations which were indulged in and the promises offered to the Lower Provinces. The project essential to the realization of the purpose which those statesmen contemplated was made a condition precedent to the passing of the British North America Act itself. The 145th clause recites:

"Inasmuch as the Provinces of Canada, Nova Scotia and New Brunswick have joined in a declaration that the construction of the Intercolonial Railway is essential to the consolidation of the Union of British North America, and to assent thereto of Nova Scotia and New Brunswick, and have consequently agreed that provision should be made for its immediate construction by the Government of Canada: Therefore, in order to give an affect to that agreement, it shall be the duty of the Government and Parliament of Canada to provide for the commencement within six months after the Union, of a railway connecting the River St. Lawrence with the City of Halifax, in Nova Scotia, and for the construction thereof without intermission, and the completion thereof with all practicable speed.

It may be said that the conditions have been fulfilled in the construction of the Intercolonial Railway to the harbor of Halifax. I may here remark that the results of the construction of that railway are not such, I think, as to spread dismay among hon. members regarding expenditure, or those further facilities which I propose to advocate to-day. It has, indeed, more than fulfilled the anticipations of its most sanguine promoters, and disappointed the expectations of those who indulged in lugubrious predictions in regard to it. When the question of the Intercolonial Railway came up, there were men who endeavored to pooh-pooh it entirely, who spoke loudly and long regarding the expenditure which it was to involve. That millions of dollars per annum would be lost upon it was asserted by men alleging the impossibility of ever making it our avenue of trade from the Upper Provinces. It was said that flour could never be carried over that railway. One gentleman spoke of the impossiblity of carrying flour over it, stating that the whole value of the flour would be eaten up by the expense of carriage; and another hon. gentleman responded "Yes, all but the hoops." But what are the facts? To-day those productions are carried over it as cheaply as over any rival route, I have to acknowledge, while

claiming that something still remains to be done, the great strides made towards the accomplishment of the objects we have at heart through the management of the Intercolonial by the present Minister of Railways. We have the rates for grain so established that, to-day, were the necessary terminal facilities afforded, and the necessary arrangements made with the steamers crossing the ocean, the rates would be in favor of Halifax. Grain can be carried to Halifax now, over the Intercolonial, at not more than 8c. to 9c. per quarter over the rate to Portland; and we have the authority of Sir Hugh Allan that it can be carried from Halifax by steamer, to Great Britain, at 6d. sterling, or 12c. less than from Portland. If the proposed arrangements were carried out, there would be an advantage to the shipper from Halifax of, say 3c. or 4c. a quarter. There has also been provided excellent accommodation at Halifax for the shipment of cattle. I believe there is not on the continent, to-day, a port possessing greater facilities for the shipment of cattle and produce, generally, than Halifax. A number of railroad men visited it last summer, and expressed surprise at finding those facilities so great, and complimented the General Superintendent of the railway on the complete arrangements for business that had been made. Then, we have arrangements for the speedy delivery of freight. When I asked the question the other day, regarding the transmission of goods over the Intercolonial, whether the statement in the Montreal papers, telegraphed from Quebec, that great complaints were heard there, that goods landed at Halifax a fortnight before, were still undelivered at Quebec, I certainly supposed that when Halifax was mentioned in that connection so distinctly, the detention had occurred on the Intercolonial. The question, according to the rules of the House, could not then be considered. But I take the present opportunity of referring to the fact, that that telegram created the impression that goods brought over the Intercolonial from Halifax to Quebec were detained on that road. What is the fact? So far from this being the cause, they were the goods from Boston that had not arrived in time; and we were assured that had they been transhipped over the Intercolonial, they would have reached their destination in 55 hours from the time they left Halifax, and before the steamer which brought them to that port was docked at Boston. I have also other information by telegraph, showing that this has occurred since; that in the case of goods brought to Boston and goods brought to Halifax, the goods by Halifax arrived at their destination in Quebec before the same steamer could land them in Boston. For the energy displayed in providing those facilities and ensuring this speed, I desire to make acknowledgment to the hon. Minister of Railways. Of these advantages, the western portion of the Dominion reap, as we desire they should, the benefit. But, although it may be said that, by the construction of the Intercolonial Railway as it exists, these great facilities are afforded, although the condition in the Act of Confederation is fulfilled in the letter, I have to contend here, to-day, that it has not really been fulfilled in spirit. Something still remains to be done to give us a continuous and through line of conveyance to England—a continuous line upon which shippers can, at all times, depend; and, in asking that this should be done, I am not asking for that which concerns the Maritime Provinces alone, but for that which, I conceive, concerns the western provinces perhaps still more. I am asking for that which is in perfect consistency with the National Policy that has been inaugurated in this Dominion. That National Policy does not consist solely of a Tariff; it comprehends all that will tend to the promotion of the welfare of this Dominion, all that will tend to give it a national status, and that which will create trade within our own borders and facilitate in every way both interprovincial trade and trade with foreign countries. I have reserved for this part of my statement a quotation from the speech of another eminent statesman of Canada, at the time of the debates on Confederation. I refer to Hon. Mr. Rose now Sir John Rose, who said:

"My hon. friend seems to think that the Intercolonial Railway is an undertaking of doubtful advantage, if it is not one of positive uselessness. But does my hon. friend think we can safely continue in our present position of commercial dependence on the United States? Shall we be denied access to the sea-board for a bale of goods or a bag of letters? Are we to be for all time to come dependent on the fiscal legislation of the United States? Is it to come to this, that in the winter season the Upper Canada farmer shall have no means whereby he can send a barrel of flour, or the Lower Canada merchant a bale of goods, to the sea-board, without the leave of the United States? Is my hon. friend disposed to leave us in this condition of commercial dependency for ever? * * * I do not hesitate to say that if the bonding system were done away with half the merchants in Canada would be seriously embarrassed, if not ruined for the time. In the winter season you could not send a barrel of flour to England. You could not receive a single package of goods therefrom."

We have comparatively quick despatch already secured over the Intercolonial Railway; we have the rates so adjusted and arranged as to promote the object we have in view. What further then is required? We contend that all these fall short of the requirements of that trade; we contend that it is absolutely necessary there should be erected an elevator, in order to provide proper facilities for the shipment of grain at Halifax as a terminal port. It is not enough that we should have a mail winter port. The expenditure will have been a useless one if the course which is now being pursued by the Messrs. Allan, of carrying freight beyond Halifax to the port of Boston, be continued. Preparation had been made at Halifax this winter for the reception of a large quantity of freight from these Allan steamers, and yet the first that came landed but twenty-one tons of freight. Though rates have been adjusted and facilities provided for ample shipments and quick despatch, all these will be of little avail unless we have provided also quick despatch for the grain which may be brought to Halifax to be shipped from that port. It devolves on the Government, as the owners of this railway, to provide whatever facilities are required for the shipment of produce brought over their line to be transported to another country. The railways of the United States, I believe, generally provide these facilities. I have under my hand a copy of a letter addressed to one of the merchants of Halifax, by a gentleman in Baltimore, in which he gives us an account of the manner in which these shipments are made, showing that they are taken care of entirely by the railway, brought to their depot, put into the elevator and shipped by steamer, the shipper in the West having nothing whatever to do with the transhipments, and knowing nothing of the cargo until it is landed at its destination in England or Germany, or wherever it may have been intended for. But, although the elevator should be erected, we shall have to go one step farther. There must be a stated through rate for grain and other commodities, so that the shipper may know exactly the rate which he has to pay from the place where he puts his goods on board the cars to the point of delivery. To this end it is absolutely necessary that some arrangements should be made with a line of steamers by which rates could be constantly known and quoted. I firmly believe that when the papers are brought down, and when the delays which seem so strange to us come to be accounted for, it will be found that a great deal of the inconvenience has been occasioned by inability to find the ships to carry grain upon anything like the terms proposed by Sir Hugh Allan a year or two ago. It will be found that whilst steamers, plying regularly between Halifax and a port in Great Britain, could carry it at the low rate which has been quoted, ships cannot be obtained to carry experimental cargoes at such a rate. I have seen from correspondence with the owners of steamships, that the same rates have been demanded from Halifax as New York; but I am hopeful that, in the course of the present winter, the difficulty will have been overcome, as I think it

should have been before. I know that the Minister of Railways has given instructions that experimental cargoes shall be provided, but I do not know what the difficulties are which have prevented that being carried out before. At this moment, we have a line of steamers constantly plying between Liverpool and Halifax—one of the best of the ocean steamship lines, one which is largely controlled by a firm of known enterprise and ability, and one which has been largely subsidized by the Government of Canada for the conveyance of the mails. Unfortunately, however, that line has made its terminal point at Boston this winter, conveying its freight past Halifax to a foreign port. This is done to the injury of the Intercolonial Railway, and the injury of the trade of the Maritime Provinces and the whole Dominion. It is a matter which should certainly engage the attention of the Minister of Railways. At present, if a merchant of Halifax wishes to send a quantity of freight by steamer to England he does not go to the agents of the line at Halifax and obtain the necessary room, but he has to communicate with the agents at Montreal, who, in turn, have to correspond with the Boston agents. I contend that it is in the interests not only of Halifax, but of the whole Dominion, that the Intercolonial Railway should be so managed as to promote the shipping of grain by way of Halifax, and the carriage of goods for the western Provinces over that railway. It is not sufficient that we should promote the carriage of freight in one direction, we should also arrange for the carriage of return freight. Unless this is done, the cost of transmission in one direction will be very much greater than it would otherwise be; the merchandize forwarded from Great Britain to the western Provinces, should be carried over that route as well as the products of the Nova Scotia coal fields. I think it behooves us to consider whether or not the subsidy to which I have referred should not be withdrawn, or, at least, that the one year's notice, which is required, should be given, in order that arrangements might be made, either with the present line, or with some other line, to bring about a verification of the predictions which I have quoted from the speeches of Mr. Brown. I do not believe that, if this course were adopted we should find it necessary to increase the subsidy which is now paid to the Allan line. On the contrary, I feel pretty certain that if the Government were to ask the owners of that line to respond to our requirements, they would make Halifax their terminal point. I believe that if the subsidy were made conditional upon the owners of the line stopping at Halifax, and, if the Government provided proper facilities, and through their properly appointed agents were to put forth their energies to induce traffic to Halifax, so that the Allan steamers would be able to receive full cargoes there, the object we have in view would be accomplished. But if the Allan line did not choose to meet our wishes in that respect, others would do it. I believe there are parties to be found even in Halifax, though the enterprise of the merchants of that city is sometimes assailed, but unjustly I think, who would establish such a line—a city which has produced a Cunard with a brain power to conceive the project of an oceanic steamship line, one of the earliest and the most successful that has engaged in the Atlantic trade. I do not think, however, that that would be necessary; but that the Messrs. Allan would be found willing, themselves, to enter into the necessary arrangements. Indeed, I have heard it rumored that these gentlemen volunteered proposals to the Government not long since, by which the object in view could be fully attained. I have heard that these gentlemen were willing to make Halifax the terminal port of their line, if the railway were extended to Dartmouth, and that they themselves would provide the other necessary facilities by the acquisition of property and the erection of elevators. So that, either way, whether by the action of the Government in subdizing another line of steamers, or by their continuing subsidies to the Messrs. Allan, and entering into such arrangements as those I have indicated, I believe the object we have in view can be accomplished. I think its cost need not occasion much hesitation. Indeed, I think the cost would be infinitessimal in proportion to the greatness of the work with which it is connected. If the proposals of the Messrs. Allan were accepted, it would be found, I think, that they were themselves prepared to incur an expenditure equal to that which would be required on the part of the country. If, on the other hand, the conditions should be the continuance of the present subsidy for a term of years, together with the erection of an elevator at the present railway terminus at Halifax, and energetic operations on the part of the agents of the Intercolonial to influence all the traffic in that direction, the $126,000 that are now paid would, I believe, suffice; at all events it would not need to be largely increased. What then is asked? First, the erection of an elevator in order to complete the equipment of the Intercolonial Railway, and give the full facilities which are required, with through rates established from the west to Great Britain or foreign countries. The next essential to this end is a line of steamers making Halifax their terminal port, to be attained by the use of the subsidy we are now asking for. At a very modest outlay, one which shrinks almost to nothing in the consideration of the great object to be attained, you will be able to complete the measure of your railway facilities, to consolidate our national interests, to confirm your National Policy, and to fulfill those predictions and those promises which were held out to our people by the sea, and which are now felt by them to be broken to their hope.

Mr. DALY. Before you, Mr. Speaker, put the motion which I have much pleasure in seconding, I would like to ask the attention of the House to a few very brief observations upon the subject to which it refers. For many years past the question of opening a trade in grain from Halifax has engaged the attention of the commercial people of that community. Many suggestions have been made and many schemes have been proposed for the purpose of attaining that object, but hitherto success has failed to crown such efforts. A deep interest has been felt in Halifax, and I may say in Nova Scotia at large, with regard to this question. It may be somewhat a matter for regret that this question should be obtruded upon the time of this House at a moment when its attention and the attention of the public mind is so deeply absorbed with the consideration of so vast a scheme as that which has lately been presented to us with regard to the great Canadian Pacific Railway. But it must be borne in mind that while the western part of this great Dominion is of vast proportions, and of great importance, still the older portions of the east should not be overlooked nor forgotten—I view this not as an eastern or as a sectional question, but as one of a national character. It is of such interest and importance to the Dominion that I think I may call upon all the representatives of the people, upon whichever side of the House they may be, to join with us in considering it as one worthy of their deepest concern. Possessing, as Halifax does, a magnificent harbor, second to none in the world, open and easy of access at all times of the year, it must necessarily follow that if the advantages of that harbor, and of the railroad that connects it with the great railroad system of the west, be turned to the best possible account, Halifax will assume greater commercial importance and standing than it has ever hitherto reached. Now, what is really at the present moment required is easily summarized. It has been referred to at a public meeting of the citizens of Halifax, and it has been put into very few words. I think I cannot do better than quote from the remarks of Mr. Brenner, a gentleman who has taken a deep interest in

this question, and who is practically acquainted with every branch of it. Mr. Bremner expresses what is felt in Halifax as essential to the object we have in view. His essentials are as follows:

"1st. A grain elevator, and every suitable accommodation at Richmond, or, in other words, that the equipment of the Intercolonial Railway be completed.

"2nd. That any line of steamers subsidized by Government shall have its terminus at a Dominion port.

"3rd. That for the purpose of making the Intercolonial Railway available for the object for which it was built, the Government shall arrange freights with other railroad lines and steamboats, and grant through rates of freight on as favorable terms as by other routes and that they shall employ sharp business men as freight agents at the principal grain depots of the west."

The first essential, then, is one easy of accomplishment, it is the erection of an elevator. The necessity for giving every facility for every possible trade is so obvious that it needs no argument. One of the greatest boons offered to Nova Scotia, at the time of Confederation, was the construction of the Intercolonial Railway—not a road partially finished or incomplete, but a road which would draw to the waters of the port of Halifax a large portion of the products of the great and rich western country, with which we were then about to be both politically and commercially united. Some five or six years ago, it was found that the accommodation afforded by the depot at Richmond was inadequate for the increasnig demands of trade, and a sum of money was generously voted by Parliament to extend the road further south into the city of Halifax. I think a mistake was made at that time—a mistake which we feel to the present day. However suitable for the purposes of passenger traffic, the present railway depot at North Street, in the city of Halifax, may be—and I do not wish to detract at all from the credit due to the hon. gentleman who caused that depot to be erected—a mistake was made in not extending the railway further into the city, and nearer to the harbor, in the neighborhood of West's Wharf, where the proper facilities might be obtained for the development of the trade I am now speaking of. Since that time, the Government has improved the shipping facilities required by the railroad at Richmond, by the erection of wharves and cattle-sheds. I said that every facility should be given for every possible trade. That the grain trade by way of Halifax is not only possible, but is likely to prove a profitable one, I think was shown very clearly by the commercial men who spoke at the meeting in Halifax to which I have referred, and also by the hon. gentleman who spoke last. But I would like to add one piece of evidence which, I think, will satisfy the House that this trade is possible and may be profitable. Take the rate for grain from Montreal to Europe as 42 cents per 100 lbs., or $2 per quarter. The portion of that amount to which the Grand Trunk would be entitled for carrying the grain from Montreal to Portland, a distance of 282 miles, would be seven-tenths, or exactly 70 cents, leaving a balance for the ship of $1.31, or 5s. 4d. sterling. Now if the rates were the same on a cargo of grain taken from Montreal to Europe *via* Halifax, the proportion to which the Grand Trunk would be entitled for carrying it to the Chaudiere Junction, a distance of 164 miles, would be 41 cents. The rate which the Government has fixed for carrying grain to Halifax is 30 cents; add that to the 41 cents, and you will have 71 cents, so that $1.31 would still be left for the ship, exactly the same amount as is received by a ship from Portland. The distance from Portland to Halifax being 36 hours by steam, there would be a difference in favor of Halifax to that extent. This year, Allan Bros. offered to make Halifax their terminal winter port at a considerable cost to themselves by the erection of grain elevators and wharves, if the Government would afford them the opportunity of doing so by extending the Intercolonial Railway into the town of Dartmouth. I mention this to show that there must be some ground for the hope of our being able to carry the winter trade through Halifax profitably, or such offer would not have been made, and also to show that there must be some ground for the belief that return cargoes could be obtained at Halifax. The successful working of the Intercolonial Railway was alluded to in the Speech from the Throne at the opening of the Session. I rejoice at the present position of that road, not so much on account of the saving that has been effected, or because the receipts counterbalance the expenditure, as because such a state of things must necessarily lead to a further reduction of rates on the railway. We must look upon the Intercolonial in its proper light as a great highway built for the express purpose of being a powerful instrument in developing the trade and resources of the country—not as a commercially profitable enterprise. In respect of its revenue, it is now doing more than its most sanguine projectors ever anticipated; and if still lower rates should be required, in order to start a trade which eventually will prove largely remunerative, and a slight loss should result, I still believe the railway would be only serving the express purpose for which it was built. It has been most unfairly alleged that the failure of the export trade from Halifax is largely due to the want of enterprise on the part of its commercial men. I must say, in justice to my constituents, that no such accusation can be fairly made. Let the Government do their share and supply proper facilities for the trade, and if they have not sufficient enterprise to develop this export trade, then the fault as well as the loss will be theirs. The sugar tariff has given the opportunity for refining sugar in Halifax with profit, and the result has been the opening of two refineries there. With a grain elevator I believe that the same enterprise which has been devoted to sugar refineries would be directed to the grain trade with similar satisfactory results. With regard to the mail steamers to Europe, I may say, that steamers in receipt of Government pay should enter Halifax weekly, and there land mails and but a very small portion of their freight or cargo, taking the bulk of their Canadian cargo to Boston, or any other American port, is a state of affairs that certainly ought to be remedied at once. True, the agents of this line advertise the same rate of freight from the West by both routes, but while it has been clearly proved that the freight landed at Halifax can be transported to Quebec at about the same time the steamer reaches Boston, it seems strange, indeed, that the latter route should be preferred by shippers and importers. Arrangements could, and I believe should, be made, with a subsidised line of steamers such as would establish Halifax as a winter port. The experience of the Allan line shows this may be done, and that return freights by Halifax to Europe can be found. I believe such a trade, if opened up, would grow to very large proportions. Efforts have been made by some of our political opponents to make political capital out of this question—by men who, when in power, did little or nothing towards advancing our present object, and who, now that they are out of power, refuse to give any credit to the present Government for much that has been already done; and they now seem desirous of clamoring for impossibilities. But more could and should be done in the direction I have indicated. I believe I am now pressing this question upon a friendly and well disposed Government and Parliament; and I trust that such action will be taken as will lead to the development of our trade in the interest of the country and of its great national route, and such as will satisfy the just and proper demands of the people of Nova Scotia.

Mr. FLYNN. The motion of the hon. member for Halifax is certainly one of very great importance, not only to that city, but to the whole of Nova Scotia. I understand the hon. gentleman to say that, at the time of Confederation, the great inducement held out to the people of Nova Scotia

to enter the Union was the completion of the Intercolonial. There can be no doubt of it. The building of that road was held out to the people of Nova Scotia and of Halifax as one of the greatest boons that could be conferred upon them by the measure. The citizens of Halifax were told that the great trade of the western part of Canada would flow into that city on its way to Europe, the moment the Intercolonial Railway was constructed. That consideration induced a large majority in that city to favor that measure. But, so far, the benefits expected by that city from the railway have not been realized. While we have continued to export very large quantities of the produce of western Canada—I think the figures have increased from half a million at Confederation to something like three and a half to four millions—the whole of the produce of the Lower Provinces, taken, has scarcely increased to any appreciable extent. It is of no use for the Government to say that, in order to carry out this object, to make Halifax a winter port, freights cannot be reduced to such rates as would enable produce to be carried across the Atlantic as from American ports. I believe the great object of constructing the Intercolonial was not so much commercial success, but that it had a similar object to that of the canals of Upper Canada, constructed, to a great extent, for the opening up and development of the resources of the country. It has not realized that object. Again, what has been the policy of the present Government? They have, of course, adopted the National Policy. The cry has gone forth, Canada for the Canadians, and if that is a good cry then all they can do to foster our trade and send it by way of Halifax, and make it a winter port, should be done. If Canada is for the Canadians alone—I am not discussing whether that principle is a wise one, but it is the policy of Ministers—everything should be done to make Halifax a winter port, that the grain of the continent may by it find an outlet. It will be remembered that fault was found with the late Government that it did not use every exertion to effect that object. The hon. member for Halifax (Mr. Richey) said he hoped no political capital would be made out of this question. I may say that, so far from wishing to make any political capital out of it, I have only one desire, and that is the good of the Province. Halifax being the capital of Nova Scotia, in which I have the honor to represent a constituency, and knowing that the interest of Halifax is that of all Nova Scotia, I am here advocating the interest of Halifax, because I believe it is the interest of my constituency; and it is for that reason I have no political motive in view. It was complained that the late Administration did not do enough in order to realize the original intention of the construction of the Intercolonial Railway. Now, what the people of Halifax complain of, and what others outside of Halifax complain of, is that members of the present Government made promises and pledges to the people of Halifax which have not yet been fulfilled. They made them on the eve of the General Election, and the people are yet awaiting their fulfilment. It will be recollected that a very important meeting was held in Halifax, about two years since, at which the hon. Minister of Railways was present. The meeting was held in the Temperance Hall. I think the hon. gentleman made a very lengthy and able speech. At that time the question of a winter port at Halifax was being agitated. The hon. gentleman read a letter from the right hon. leader of the Government, of which I will read a portion:

"I have been much pleased to see the energy with which the people of Halifax have taken up the interest of their fine harbor. No effort, in my opinion, should be spared to build up an Atlantic port in the Maritime Provinces, with the trade and traffic of the Dominion, rather than a foreign one. I feel a personal interest in this matter, as being responsible, with my colleagues, for the construction of the Intercolonial Railway and its location, for which I was so heartily abused. I am, therefore, naturally anxious to see that railway a success financially and otherwise; and that can only be secured by directing as large a volume of traffic as possible towards and over it, and thus developing and extending the trade of its great terminus at Halifax. I hope the Government will not be blind to this geat object, and that they may be induced to make an extra effort for the purpose. If they do not, they will fail of their duty, and will be reminded of their failure at the next general election."

So far as the city of Halifax was concerned, the late Government failed to carry the elections, because the people believed it did not do sufficient for the people of Halifax, and was not willing to realize their expectations as to the benefits to be derived from the railway. Consequently the supporters of the late Government were defeated; but now, these hon. gentlemen, who gained their election on the strength of these promises, have failed, as the people have felt, to realize their promises. It is well known that a very large and important meeting was held in Halifax at a very recent date. That meeting was not confined to any one class of the community. It was attended alike by business men of both political parties. I do not propose entering into the question of rates, but I feel it very clearly that some extra effort should be made to increase our shipping. If a grain elevator were built at Richmond, freights could be carried across the Atlantic as cheap as from any of the American ports. We pay, I believe, $125,000 to the Messrs. Allan, and they have now made Boston a winter port. Certainly if any benefit is to come out of this Intercolonial Railway, is it not fair that the people of Nova Scotia should have a right to complain when they see a steamship line subsidized to a large amount by the people of the Dominion, and that line make a foreign port their winter port? The people of Halifax complain that the promises made them have not been fulfilled. Not three or six months have elapsed since those promises were made; they were made as far back as the spring of 1878, and now three years have nearly passed and nothing has been done. I only trust the Government will take this matter into their serious consideration, and, at all events, fulfil the terms made with Halifax on this question.

Mr. KILLAM. I do not propose to detain the House for any length of time, but I wish to call attention to one or two points that I think have been omitted in the speeches of hon. gentlemen from Halifax. The mover of the resolution referred particularly to the hopes that had been held out before Confederation to the supporters of that measure, and dwelt with some effect on the glowing promises made at that time; but he did not give so much attention to the promises made before the elections of 1878 by hon. gentlemen in the city of Halifax, when they were holding out to the citizens of that city, and the people of the Province generally, the hope that Halifax was to be made a sort of New York if they were only placed at the head of affairs again and have the management of the Intercolonial under their control. Well, considering the steady support which the hon. gentlemen from Halifax have given to the present Ministry and to the National Policy, which is still hanging upon us like a millstone, and considering the entire failure to fulfil the promises made by the Government, it is not at all surprising that these hon. gentlemen, at a meeting held in Halifax on the third of this month, should have met with the cool reception they did receive from the people of that city as compared with the enthusiastic reception accorded to the gentlemen who opposed them at the last election. I do not complain at all of the speeches of the hon. gentlemen, as far as the question laudable desire to do what they can to make Halifax a great of the use of the Intercolonial is concerned, and I applaud their commercial port; but it does look strange to see the apathy they have manifested about this on previous occasions; and, looking at the fact that they have only been spurred by this meeting to take some action at this late day, I think these hon. gentlemen do not deserve the credit they would otherwise have received if they had made earnest and active efforts before this to attend to this matter. But I tell the hon. gentlemen I will assist them to the best of my ability

to induce the Government to do whatever is reasonable and proper to make the Intercolonial Railway what it was expected to be in the first place, a great line of communication. I fancy the principal difficulty in the way of the success of the Intercolonial Railway is not the length of the road or the sparse population along its extent, but the National Policy, which hon. gentlemen opposite have introduced, and which is a policy not calculated to promote trade, to increase the imports and exports of the country, to promote railway industries or industries of any kind, but a Chinese wall policy calculated to shut us out of communication with all nations, to destroy shipping, divert trade from proper channels, and reduce our general prosperity. With respect to the Intercolonial Railway itself, the length of the road is, of course, somewhat against it, as compared with other lines leading to the sea-board of America. Taking Montreal as a central point, we have about 300 miles to Boston and 800 miles to Halifax. That 500 miles is a serious obstacle in the way unless the ocean freight can be made small enough to make up the extra cost for carriage on the railway. The hon. members for Halifax, since this great meeting, seem enabled to give clearer ideas on this point, with which I perfectly agree. But I say that if the Intercolonial Railway were managed by men with the ability of those gentlemen which managed the great railway corporations leading to the principal points of shipment in the United States, Baltimore, Philadelphia, New York, Boston, and Portland, there would have been something done in this shipping line long ago. These hon. gentlemen should have made a strong effort to see if something could not be done to get the grain trade to go through Halifax. It might not have proved a success; but it seems to me these gentlemen have done nothing whatever in that direction. It looks rather strange to see goods for Canadian merchants in western Canada either going by the White Star line, or by the Allan line *via* Boston, instead of by the Intercolonial. I personally have no objection to using goods which come through the United States, and I am glad to trade with our neighbors on fair terms at any time; but it must be galling to hon. gentlemen supporting the National Policy to be obliged to wear clothing, to use goods, or take anything English which has been tainted by coming through the territory of the United States in transit to the west. The question of ocean freights has a bearing upon this. Naturally, other things being equal, the trade would go through the United States; but I am inclined to think that, if the proper facilities were afforded, grain could be carried from Halifax at an average price of about 6d. sterling per quarter less. That is a matter for the Government to arrange with the same ability that is used by the railway contractors to whom I have just referred in making arrangements for through freights, and it is a matter which the Government seems to have entirely neglected. Many of the ships carrying grain from the United States, large wooden ships, return in ballast. It would be just as easy for them to get chartered at Halifax, the distance being less than from American ports, secure their grain there, and return in ballast, the question of return cargoes being, under the circumstances, not a matter of much consequence for those vessels. The rates of freight on iron to New York and Boston, 12s. to 14s. are not looked at with much favor by shipowners, who would rather their vessels came out in ballast, and make quicker passages. In this respect, therefore, Halifax, if proper facilities were afforded, would have the advantage over American ports. The hon. gentlemen from Halifax will, no doubt, get an abundance of promises from the Government. I believe it is a cardinal doctrine of a leading member of the Administration that he is a poor man, indeed, who cannot make promises; but next year these hon. gentlemen will find that nothing has been done. The proper and only certain way in which they can get what they require is to leave the party they are now supporting, to assist in turning them from the places they occupy, and, by putting others in their places, at once secure an immediate and energetic settlement of the winter port question, and, at the same time, get rid of the so-called National Policy, which is doing so much to destroy our industries.

Mr. DOMVILLE. The hon. gentleman who has just sat down certainly makes an admirable advocate of the interests of Halifax, but as he was elected to promote the interests of Yarmouth, why should he not advocate the claim of that place to be made a winter port? I wish, however, to call attention to the fact that when the late Government were in power the hon. member for Yarmouth was silent on the question of making Halifax a winter port, and when I complained of the condition of the Intercolonial Railway, I had not a word of sympathy from that hon. gentleman. In that day, though the railway was falling behind to the extent of several thousand dollars, its management, according to that hon. gentleman, was perfect; and now, when it is in splendid condition, both actually and financially, he is of opinion that there is something wrong. I have heard a story of a man who said that if he had the chance of being born again he should like to be born a Scotchman. If I had the opportunity of being born again, I think I should like very much to be born a Nova Scotian, because the people of that Province get pretty much everything they want, while we New Brunswickers are too often sent away empty-handed. You would scarcely think that there was such a Province as New Brunswick, but that the whole of the other Provinces of the Dominion existed for the purpose of ministering to the wants of that fine little peninsula, which is so brilliantly marked out in copper, brass and gold upon a map, in one of the Committee rooms of this House. Why, you have only to cut through the Baie Verte Canal and the whole little Province would be sent adrift upon the waters of the Atlantic. The hon. members for that Province say that the Intercolonial was built to send the products of the far west to Halifax. I contend that we never went into Confederation with any idea of that kind. We were told that we should engage in manufactures, alongside of Nova Scotia, and that there should be an interchange of trade between them and the Upper Provinces. I maintain that when the Megantic Railway is built — and there is not a great deal of it to build now—I maintain that St. John will be the proper place for the winter port. I fully sympathize with those hon. gentlemen who complain that our trade is carried by way of Boston. I think, when a line of steamers receives a subsidy from the Government, they should be compelled to carry their freight from a Canadian port, and if they refuse to do so, the subsidy should be given to a company who will meet our wishes in that respect. My hon. friend, the member for Yarmouth, speaks of the Intercolonial Railway in a tone of derision. We all know that that road is now doing well. Those who travelled with me over that line on our way to Ottawa, will agree with me when I say that we found its condition as nearly perfect as possible, the road-bed being as smooth as a billiard table, whether from the frost being in the ground or from the recent improvements made upon the road by the Minister of Railways, I cannot say. I do know, however, that its excellent condition was the subject of general remark by members of both sides of politics, the motion of the cars being so smooth as to be almost imperceptible. At the same time, I wish to say to the Government that I do not think they should ever regard the Intercolonial as a purely commercial enterprise—a mere means of making profit. While we are building railways in the North-West which will, in all probability, cost large sums of money, we should bear in mind that the Intercolonial must be run as a national enterprise, undertaken under compensation for national purposes. I have

confidence that the Government, whom I have supported for a long time, and whom I hope to support for some time longer, will do what is right in preserving our interests in this matter, even if the results should not in every case meet our most sanguine wishes. But I wish to impress upon them the advantages of St. John as a winter port—advantages which I could paint in colors equally glowing with those which have been applied to Halifax by the member for that city, were I possessed of his eloquence. We have no ice across the river, and we have a generous tide to carry vessels in and out of the harbor. I hope that, while the Government are forming schemes to bring the wheat and cattle of the west, from Yale to Kamloops, from Kamloops across the prairies to Winnipeg, and thence by Montreal to the sea-board they will not forget the interests of St. John as being the nearest point at which to reach the Atlantic ocean, by Canadian territory. While I do not blame the members for Halifax for seeking to enhance the interests of their city, I must urge the Government to deal fairly by St. John, and as that city is the nearest point at which the commerce of the west can be put upon the ocean steamships, I think it is entitled to be made the winter port. I hope that the Ministry will look into this matter and not ignore St. John entirely, because it seems to me that between the upper stone and the nether stone we are going to get crushed.

Mr. BOULTBEE. I do not know sufficiently of this question to treat it as well as it has been treated, but I cannot help feeling that many of the arguments put forward are correct. The object, as I understand it, of building the Intercolonial Railway, was not only the development of an intercolonial trade, but also to enable us to trade with ourselves through our own country entirely. If anything can be done by the Government by which our own trade with St. John or Halifax might be legitimately extended, I think it would be well, and I believe that we, in Ontario, would be willing to bear our share of any burden that might attach to us in giving any proper development to the trade which finds its issue through those ports. I wish I understood this matter a little better so as to be able to discuss it more intelligently. No doubt the hon. gentlemen from Richmond, Nova Scotia (Mr. Flynn), and Yarmouth (Mr. Killam), understand it much better than I do, but the trouble is that I do not know whether the present Government have been more favorable to that project or the late Government. The hon. member for Yarmouth, who is a nautical man, and thoroughly understands these things, seems to think that the only way of getting this measure is for members on the Ministerial side of the House to turn against the Government and lend their adversaries a hand. Well, if those hon. gentlemen are more favorable to opening up those ports, and if that was a matter so absorbingly important to do it to the exclusion of all other considerations, then, of course, a few members on this side of the House would not mind voting with them to bring about such a desirable change. Unfortunately, the hon. member for Yarmouth, in urging gentlemen to vote against the present Government, gave as a reason that these gentlemen are lying in wait to destroy the National Policy. If such a defection did take place, even for so great an object as opening up Halifax and St. John, we might, in the end, place those gentlemen in power and succeed in upsetting the National Policy. Then, again, we have got to give very careful consideration, whether a set of gentlemen, who deliberately set at naught the opinion of a vast majority of people, are possessed of sufficient judgment to deal with even such a question as the opening up of Halifax and St. John; because those gentlemen who have been so desirous latterly of having appeals to the people, through petition or otherwise, are deliberately setting at utter defiance the clearly expressed opinion of a vast majority of the people, an opinion that keeps gathering strength as time goes on. There are circumstances in connection with the tenure of power of this Government. There have been many bye-elections since they came into power, but instead of losing power as is usually the case as the years go rolling on, they have steadily gained, so that the Government is now numerically stronger in this House than it was when the present Parliament was elected. For these reasons, I think that, with all deference to the hon. member for Yarmouth, we would have, even in a matter like this, to stick to the Government, even though they are not as favorable to opening these ports as the Opposition. The hon. member from Richmond fairly characterized this Government as desirous of having Canada for the Canadians, but he seemed to express a doubt as to whether that was a wise policy, while he admitted that it is the policy of the present Government. For that reason, then, because they wish to have Canada for Canadians, because they wish to foster and carry out this National Policy, which is adding to our wealth and comfort and business position, I think we must, despite the alluring inducement offered by the hon. member for Yarmouth, stick to the Government still.

Mr. ROBERTSON (Shelburne). We have an illustration in the debate to-day of the good that public meetings in constituencies occasionally do. For the past two Sessions the hon. members for Halifax sat in this House, and this is the first occasion on which the winter port question has been brought under the consideration of this Parliament. They are driven to it by the action of their constituents at the public meeting held there only a few weeks since. At that meeting expressions of disapprobation at the course of the Government were publicly made by men who had, for many years, been identified with the Conservative party. As I listened to-night to the hon. member for Halifax, I thought that, in one particular at least I had been disappointed. I had always thought, until now, that the members of the Government, judging from their published statements, were friendly to this project, that they took a deep interest in it. The letter which was referred to, written to the present Minister of Railways, on the 9th of June, 1878, by the present Prime Minister, contained the following remark :—

"I would have liked to have had the opportunity of discussing the burning questions' of the day, and especially those affecting the trade and commerce of the Maritime Provinces."

For nearly two years these hon. gentlemen have sat on the Treasury benches, and not one promise made prior to the election by the present Minister of Railways, or by the members for Halifax, or by the organs that represent them in that city, has been fulfilled by the Government. The hon. member for Halifax (Mr. Daly) was the first to introduce politics into this question. He wanted to have a slap at the Mackenzie Government, on account of the location of the depot at Halifax. I believe that throughout Nova Scotia, the people have placed this question above politics, and for this reason: the representatives from that Province should unite in urging upon the Government the importance of taking such measures as will make Halifax the winter port of the Dominion. As was stated by the hon. member for Halifax (Mr. Richey) prior to Confederation, the promise was made, that after the union of the Provinces, the Intercolonial Railway would be built, and that Halifax should be the terminus of that road for all the trade from the west, and that Halifax should be built up and become a great city. The promise was made that ere this time the population of that city should be doubled and tripled. But what is the fact? The population is hardly as large as it was prior to Confederation. The Intercolonial has not in any way proved the benefit to Halifax that was promised; indeed, the Intercolonial is of more benefit to Toronto, Montreal and Quebec than it is to Halifax, for it places the merchants of those three cities in ready access to one million

of consumers in the Maritime Provinces. This matter has been thoroughly discussed in the press of the country and at annual meetings of the Board of Trade for many years past. I will refer, for a moment, to a speech delivered by Mr. Dwyer, of Halifax, a gentleman occupying a high position in commercial circles in that city. The speech was delivered at the annual meeting of the Board of Trade, held in that city in January, 1878, and these were some of the reasons he gave for directing the attention of commercial men to the importance of Halifax as a winter port. He says:

"To show you that the road is worthy of your attention, worthy of all the favors you can bestow upon it, you will pardon me if I take up a few moments of your time in describing its usefulness. As your old winter mail route, to and from the Atlantic ocean, or to and from Europe, it has been referred to in terms of much approbation by your President in his opening address. For the conveyance of passengers from Europe or elsewhere who may land at Halifax, it is a safe and pleasant route, and it will not be the fault of the Intercolonial Railroad if they do not arrive at their homes with promptitude and comfort and perhaps a saving of valuable time. * * As a carrier or distributor of your produce and manufactures to your maritime customers, either in summer or winter, the railroad is very far in advance of former routes, for rapid delivery and for the fine condition in which goods are delivered. This fact alone is increasing our trade with you by diverting a portion of that which has always existed between us and the United States, and for certain manufactured goods which formerly came from Great Britain."

From a return that was laid on the Table of the House last year, we find that the late Premier agreed to carry two cargoes of grain at 30 cents a quarter or $15 a car load of twelve tons, which met with no response from the shippers of the west. When the present Government came into power the rate was very slightly reduced, the present Minister of Railways offering to carry grain at 26 cents a quarter, or $13 a car load of the same weight, 12 tons. The Engineer of the Intercolonial Railway, Mr. Schrieber, stated that if return freight could be secured at 90 cents a ton, grain could be carried at 13 cents a quarter, or 63 cents a ton, without loss. If that rate were adopted on the Intercolonial I believe the grain trade of the west would be diverted to Halifax, and goods coming from Europe to the Dominion of Canada would find their way through Halifax and over the Intercolonial to the west. This matter is of the greatest importance to the people of the Maritime Provinces, and to the people of Nova Scotia and Halifax especially, and I believe that if the Government would erect a grain elevator at Richmond, and subsidize a line of steamers, making Halifax their terminal port, the expectations of the people of that city would be realized. We are told that a good deal has been done already for that city, and that the merchants should exert themselves; but I contend that Halifax has not received as much from the Government as Montreal or Quebec, which have been directly benefitted by the subsidies which have been given to western railways, the erection of canals, and the improvement of the navigation of the St. Lawrence, not only at a great original expense, but a large annual cost to the revenue. It is only within recent years that Halifax received a depot worthy of the name from the Government, and that was given, not by this Government, but by their predecessors. As a representative of Nova Scotia, I join with the members for Halifax, in urging the claims of that city upon the Government, and I hope we shall see some practical benefits arising from this agitation.

Mr. OGDEN. I think the members from Halifax and from Nova Scotia, generally, have been moderate in their request that the Government should erect an elevator at Halifax, and that freight rates should be so reduced that grain from the West could be carried over the Intercolonial, as Halifax is at present the most available winter port. I also regret the merchants of Halifax have not displayed more energy and enterprise in building up the trade of their own city. The hon. member for Yarmouth (Mr. Killam) advised those who have the honor to support the present Government to go over to the Opposition, who, he said, would do more to advance the interests of Nova Scotia. I would like to ask the hon. gentleman how his late leader acted last Session when the members from Nova Scotia made a claim for their share of the Fishery Award. I think our interests are quite as safe in the hands of the present Government as they would be in the hands of the Opposition. But I wish to call the attention of the House to the fact that there is another, and a much better port than that of Halifax, which is 115 miles east of Halifax by water, and which can be connected with the Intercolonial by the construction of a road about forty miles long. I refer to the harbor of Whitehaven. Admiral Owen, who was sent out by the British Government, says in his report:

"Whitehaven is a most splendid and commodious port, at the nearest available point of North America to England, its natural facilities greatly exceeding those of Halifax or any other point upon the coast. The nature of the coast and entrances preclude the possibility of packed or drift ice accumulating, so that the ingress and egress are always free and open. In case of fog the attainment of Halifax harbor requires twenty miles of pilotage navigation; for Whitehaven, never more than three or four."

This port is 115 miles nearer Europe than Halifax, and can be connected with the Intercolonial Railway by the construction of a road forty miles long, which would give us a route to the sea-board, eighty miles shorter than is provided by way of Halifax. I, therefore, make a claim that, Whitehaven be made the winter port of the Dominion. I do not ask that it be done immediately, but, I think the Government should survey a line, tapping the Eastern Extension Railway, which is now completed, then afterwards build a road, say from Moncton to Whitehaven, running through the county of Pictou, represented by the hon. the Minister of Justice, and through Cumberland, represented by the hon. the Minister of Railways, who, I think, must be favorable to this scheme. When that is done, and the Megantic Railway is built, the distance to Whitehaven will be reduced very materially. This route will be something like 500 miles by rail and 100 miles by water shorter than the present route to Halifax. It should have been built long ago. I am surprised that the late Administration did not leave such a legacy when they went out of power as even a promise that an elevator should be erected. I do not wish to raise any sectional cry as against Yarmouth or St. John. Complete the Intercolonial by erecting an elevator, and then place in the Estimates of this Session a sufficient sum to survey this railway, which will ultimately make Whitehaven the winter port. We will not ask you to buy cargoes of grain or to speculate for us. We have enterprising men who will do this themselves, and strive to make this one of the largest and most prosperous towns in the Dominion.

It being Six o'clock the Speaker left the Chair.

AFTER RECESS.

Sir CHARLES TUPPER. This question is one of very great importance, but I think it would be better to postpone a full discussion of it till the papers asked for are before the House. It is quite impossible for hon. gentlemen on either side of the House—I think I may say on this question there is only one side—to discuss it properly without the papers detailing the various steps taken in reference to this measure. There is probably no gentleman in the House who does not fully realize the great importance to Canada of having a winter port within our own Dominion, and of making every reasonable effort to realize all that is possible in this direction. I am quite certain that any measure the Government can propose with that object will meet with the hearty support of hon. gentlemen on all sides. It is true that the experiments that have been made so far have not been so successful as might have been anticipated. Not only as Minister of Railways, but as a representative of Nova Scotia, I feel the very deepest possible personal interest in the success of this enterprise—the obtainment of a winter port within the Dominion; and, as Minister of Railways, anything that can

increase the traffic over that line and its receipts must commend itself to me as worthy of the fullest and most attentive consideration of the Government. There is, however, a great difficulty, which was encountered by the late, as it has been by the present, Government—that Halifax, the natural outlet and trans-Atlantic port of the Dominion, has to contend with an open American Atlantic port which can be reached by a very much shorter journey by rail. All that could be done, by placing the Intercolonial in first-class condition, has been done by this Parliament. They not only provided for a first-class line from Truro to Rivière du Loup, but generously voted money to purchase the Rivière du Loup section of 127 miles, relay it with steel rails, and make it a first-rate road, so as not only to save time, but to reduce the cost of transit and freight coming into, and leaving the country, to a minimum. The Government, also, have considered whether it was not possible to reduce the cost of the carriage of grain very much lower than it was under their predecessors. This being a national question, we felt it was not necessary that the rate should be a paying one—that even if grain was carried at some loss, we still should be warranted in incurring a certain amount of loss, if we could thus make Halifax a winter port, and draw return traffic over the line, that would yield paying rates. Under this impression, the very lowest rate we considered possible was fixed, in the hope that it would induce the trade to send their grain over the Intercolonial to Halifax. Every person connected with the trade, frankly admitted that the rate was as low as it was possible to ask, as seemed necessary to accomplish the object. True, we did not ask Parliament for an appropriation for the construction of an elevator at Halifax. Of course, we quite understand you cannot ship grain with the facility and cheapness necessary for successful competition with other ports, unless you have an elevator. But there are two reasons why Parliament has not been asked for an appropriation for an elevator at that port. In the first place, we were in hopes that, having fixed a low rate for the transit of grain, private capitalists would take up the business of shipping grain, provide the necessary storage and means of cheap and easy shipment. One reason was, we thought it right at first, to see how far private enterprise would supply what was required; and, in the second place, we wished to satisfy ourselves, in case private enterprise did not supply the want, whether, provided there were an elevator, the cheapness of handling grain and other facilities obtained, would be sufficient to accomplish the object of Parliament. We have been exhausting the means of satisfying ourselves whether, by the construction of an elevator, we could make Halifax our outport for the shipment of grain in winter as a preliminary to asking that supply from Parliament, which, I am quite sure, it is entirely ready to give, to any measure promising the accomplishment of so desirable an object. I am not at all surprised that the people of Halifax should feel disposed to come together, irrespective of party, to press in the strongest possible way this question on Parliament. But it is not a Halifax question alone, Ontario and every part of the Dominion is equally interested in obtaining, if possible, a winter port in Canada, capable of doing as cheaply and efficiently the business of the country as a foreign port. I am quite sure, therefore, that every hon. gentleman will give the question his earnest consideration. I am glad to see the spirit in which the member for Richmond (Mr. Flynn), approached it, and to hear the assurance that he will be quite prepared to deal with it irrespective of party considerations. The member for Yarmouth (Mr. Killam) said some things with which I quite agree, and some from which I dissent. He said the reason why we have not succeeded in making Halifax a winter port was, that the Government were not able to deal with this question in the vigorous and enterprising commercial spirit which could be exhibited by a private company. I hope that in the consideration of a still larger question than this, the hon. gentleman will appreciate the fact that a private company will be able, not only to construct, but operate the railway more efficiently and more in accordance with commercial principles than is possible to any Government. I have no hesitation in saying, from some experience of my own, and from the consideration I was able to give this question during the existence of the late Government, that it is not possible for a Government to engage in such enterprises with advantage. They cannot become great speculators and merchants as railway companies can, purchasing large cargoes of grain and other things with a view to getting business. There are a great many ways in which it is quite possible for a private company, I believe, to deal more energetically and more successfully with such a measure than it is possible for a Government to do. Well, I agree with the hon. member for Yarmouth (Mr. Killam) on the question that a vigorous private company would be able to accomplish more in establishing a winter port, that a steamship and railway company combined would probably accomplish a great deal more, than could be done by a Government. There is another subject, on which I am not prepared to agree with him, and that is that the National Policy has been a difficulty in the way. I am at a loss to know from what statistics that hon. gentleman has formed his opinion that the Intercolonial Railway, or the traffic of the Intercolonial Railway, has suffered from the introduction of the National Policy. I would like the hon. gentleman to compare the returns of traffic at every way-station and at every terminal station, and at any point on the entire line, from end to end, with the receipts for traffic and the business done before the introduction of the National Policy; and I do not think he will find any reason to bring him to the conclusion that the National Policy has in any way interfered with making Halifax a winter outport of Canada. The papers laid on the Table to-day have some bearing on the subject, and that bearing is very much at variance with the conclusion at which the hon. member has arrived. The paper laid on the Table to day shows that the National Policy, due directly to the present Tariff imposed in accordance with the National Policy, has had the result of raising the amount of sugar carried over the Intercolonial Railway from 7,809,364 lbs. in 1878, to 16,071,316 lbs. in 1879. I think the hon. gentleman will hardly find that the National Policy is interfering with making Halifax a winter outport, in giving new vitality to the West India trade. A great deal has been accomplished in the way of drawing traffic over the Intercolonial from every possible source, and on making the magnificent harbor of Halifax the *entrépot* for the West India trade as well as an outport for ocean traffic from this Dominion during the winter. I may tell the hon. gentleman that the papers laid on the Table of the House to-day, show that, during the three months of 1880, 8,181,380 pounds of sugar were carried over that road more than in the whole year of 1878, which will show that the facts bearing upon this question go to establish an entirely different view from that which the hon. gentleman has given. As I said before, the hon. gentleman stated some things with which I heartily agree, and I have explained them to the House. He has also taken this ground, in which I do not concur, and he closed, I think, with some advice to my hon. friends from the county of Halifax, with reference to which I tell him frankly he is better qualified to give advice than I am. He says these gentlemen having been sent here to support this Administration, having given a hearty support to this Administration, should lie in wait for an opportunity when the Government would be engaged in some great measure, and throw their weight into the scale by going from one party to the other, and see how much they will obtain for their constituents. The hon. gentleman is a

better judge of the wisdom of that line of action than I am. I have had no experience in that sort of thing, and I must leave my hon. friends from Halifax to take the advice or not as they think it wise or not. It is certainly an advice which the hon. gentleman has fortified by his example. He says, however, that my hon. friends from Halifax are not so popular as they were—that there is a good deal of anxiety amongst them. I can only say that, while I believe all parties in the city of Halifax are alike anxious to have this important question satisfactorily settled, and anxious to strengthen the hands, in every way possible, of their representatives here, I do not gather, from the careful consideration I gave the question, anything that would warrant the hon. gentleman in arriving at the conclusion that their constituents were at all uneasy, or that they had given them any reason to suppose they did not consider it fortunate that at present they were represented as they are in the House. When these papers are brought down, and the Estimates subsequently submitted to the House, there will be an opportunity of dealing with this question in all its bearings, and I am quite certain every hon. gentleman will be prepared to give his hearty support, to any measures the Government may submit that will have so desirable an end as the securing of a winter port in Canada. The hon. member for Guysborough (Mr. Ogden) has brought a competitor into the field. He is only discharging his duty to his constituents and the members of this House in taking the opportunity of reminding the House that there was another and a very important port, that might, at no distant day, become a winter outport for Canada. I have no doubt at all that, when this great national line of communication is completed, as it will be, in a few years, from the Pacific to the Atlantic, the attention of the country will be attracted with great force to the question as to how the distance may be shortened between the old world and the new, what means may be adopted to shorten the distance, and whether by the construction of a comparatively short line of railway, the harbor of Whitehaven which, as that hon. gentleman has told us, was reported favorably on by Admiral Owen, when sent by the Imperial Government for the purpose, will attract th attention it has hitherto received. There is also the harbor of Louisburg to be considered. The time is not remote when the attention of Parliament and the public will be strongly drawn to the means by which we can bring more closely together, than by any existing means, communication between the most remote part of the Dominion and Europe. In the meantime, I do trust, and I may say I am still hopeful, that the means that can be adopted will have the effect of securing the accomplishment of so important an object as the making of Halifax a winter port of Canada. The statement which I was able to submit to the House a few days ago, as to the manner in which the Intercolonial Railway had been enabled to meet the efforts that had been made to bring the traffic of Quebec, Montreal and Toronto, the greater saving in time there was in placing the freight aboard at Halifax rather than Boston, will give us still greater encouragement to use all our efforts for the purpose of securing the transmission of Canadian trade over the Intercolonial Railway. When we are considering the Estimates, by which time the papers will be on the Table, there will be the fullest opportunity for discussing this important subject in all its bearings.

Mr. ANGLIN. The Minister of Railways and other speakers have laid down principles on the discussion of this question, from which, I for one, must dissent. The Minister takes it for granted that the only port which can possibly be the outlet of the winter trade of the Dominion in the near future, must be the port of Halifax. I would gladly render any assistance in my power to the city of Halifax in its endeavor to obtain that share of the trade of the Dominion, winter and summer, to which it is fairly entitled, by reason of its being one of our principal ports, as well as by its peculiar position on the Atlantic. But that is not the only city to which it was promised before Confederation that a large tide of commerce would flow to it, and through it, after the Provinces were united. We, in St. John, were told in language just as glowing, and promises quite as brilliant were held out to us, that the flour and the pork, and the butter, and the cheese and all the other productions of the Upper Provinces of Canada and the great North-West would pour down to our city; that storehouses and elevators would be built at our harbor, that the city would resound with the busy hum of those engaged in sending to Europe the principal productions of the Upper Provinces, and forwarding to those Provinces the goods imported from the outer world. We have a right to claim that those promises shall be fulfilled. True, these promises were not very distinctly reiterated immediately before the last General Elections; other modes were found of addressing the electors and inducing them to prefer those who were out of office to those who were in; but the old-standing promises have not yet been fulfilled, and they are peculiarly binding upon the Government who are now in power, because they were made by hon. gentlemen who are now on the Treasury benches. While Halifax has peculiar advantages, to the benefits of which it is fairly entitled—while standing, as it does, on our Atlantic front, it ought to be made, as it has been made, a port from which the mails should be sent to, and received from Europe and the West Indies—we, in St. John, too, have advantages for carrying on a large trans-Atlantic trade. We could supply cargoes for shipment which Halifax could not supply, and, owing to the great decadence of the trade of our port, it is absolutely necessary for the prosperity of the city, that something should be done by some competent power to establish a regular line of steamers between St. John and some port or ports in Great Britain. I believe that application will shortly be made to the Government, by the City Council, the Board of Trade, and other bodies in St. John, for assistance for such a line, perhaps not at present a weekly but a monthly line, connecting St. John with some British port or ports. The hon. Minister of Railways is mistaken, I think, in supposing that he can, by such an experiment as has been proposed, ascertain whether it is possible to send grain profitably from the upper country by way of the port of Halifax. That can be ascertained as well without making such an experiment. It is an easy matter to ascertain at what rates large quantities of grain can be carried to the terminus of the Intercolonial, at the Chaudiere, how much the carriage of grain from that point to Halifax will cost, how much it will cost to put it on board ship, and I submit that it is scarcely necessary to build elevators in order to ascertain the cost of loading grain, as these rates are perfectly well known. Every item of the cost of such a traffic, supposing vessels could be permanently and largely employed in the trade, are ascertainable without making the experiment which has been spoken of. I believe a large number of Halifax merchants, not long ago, repudiated, in very strong terms, the proposal to make such an experiment, as they felt that if the experiment were made the result would be to afford the Government an excuse for not going any further, or, to use a form of expression, which would, perhaps, be preferred by those more friendly to the Government, the experiment would satisfy the Government that the trade could not profitably be carried on. The other experiment of permanently making Halifax or St. John the terminal port of a line of steamers the only one which would fairly test their respective advantages as a winter outlet. I know that for some time back it has been almost impossible for persons desirous of shipping cattle or other produce from Halifax to ascertain a week or two before the arrival or departure of the

steamers whether such produce could be shipped or not. The export trade of Halifax has been made entirely dependent upon the trade from the terminal port from which the steamers start which touch at Halifax, so that the trade from that port could not possibly be fairly developed. One of the advantages possessed by Halifax, is that it ought to be the port of outlet and inlet for the mails during the winter, at least; but anything which is paid beyond the sum, which would be a fair equivalent for the conveyance of the mails, must be held to be paid in the carrying out of the policy of protection. Protection works in two ways. Men are compelled to purchase articles of domestic manufacture which they may not care to buy, by means of imposing a high duty upon similar articles imported into the country. The other way in which it works is, by the system of bounties, and, taking it all in all, the latter is the more honest system of the two. If we in the Lower Provinces are hereafter to be content that the farmers of Ontario shall be protected by having a duty of some 15 cents a bushel imposed upon all wheat that may be imported into the country, and corresponding duties imposed upon the oats and barley imported, and we are compelled to pay a higher price for our flour in the Lower Provinces, as is said, for the benefit of the farmers of Ontario, then, if the farmers of Ontario believe that they are protected to that extent, they should not complain if they, in return, are called upon to pay out of the Treasury a sum sufficient to afford protection to the business of Halifax and St. John as ports and harbors of this Dominion, and if they are to be compelled to send all their products to the world outside, and compelled to receive, through those ports, all the products of the rest of the world which they may require. The hon. the Minister of Railways has spoken of sugar. Why has the import of sugar to Halifax increased? Put in pounds it seems a very enormous increase; put in tons it does not seem remarkable. I looked at the papers sometime ago and found that before this National Policy came into operation, Halifax imported nearly 4,000 tons of sugar during the year, while during the year 1879 she imported a little over 8,000 tons. The quantity was not quite double the former quantity, but it was imported at an enormous cost to the general public. If it be right to force this Dominion to receive its sugar through Halifax alone in the winter season, surely there can be nothing wrong in compelling it to receive its other merchandize through the ports of Halifax and St. John.: surely there can be nothing wrong in compelling the Dominion to send its products to those ports by so cheapening the exportation as to render it to the interest of the other Provinces to use those ports. If this Protectionist system is to continue in operation, it must not be a partial system as it is to-day. It is not only the cotton lords of this Dominion who must derive benefit from it, and the owners of woollen mills and other large factories; but the other interests of this Dominion must get some benefit from it, although it would be exceedingly difficult indeed to discover any mode of rendering material service to the great lumber and fishing interest. But, here is a case in which very material service indeed can be rendered to a very important interest, the commercial interest of Halifax and St. John, or of any other ports on the Canadian sea-board which may show a disposition to compete for this trade. Now, I think it is fair to enunciate these principles as those which I hold with regard to this matter. The hon. member for Halifax, I think, rather indiscreetly made an attack upon the Mackenzie Government, alleging that they had done very little to promote the interest of the port of Halifax. All that has been done from the time we entered into the Confederation up to the present moment, to promote the interest of Halifax, and to make it the winter port of Canada, was done by the late Administration—everything. For years and years the gentlemen opposite strove, I believe, rather earnestly to get the railroad extended into the city of Halifax, but for some reason they failed. The Mackenzie Administration did extend the railroad very far in toward the city of Halifax—as far as they could well reach—and erected there a magnificent railway station at the public cost. The hon. gentleman complains that they did not go further, and extend that railroad down to the wharves. We know they were making earnest efforts to extend the railroad down to the wharves; the hon. gentleman knows that the Mackenzie Administration compelled the Allan line of steamers to land their mails at the city of Halifax, and so convert it to a certain extent into a winter port. He knows, too, that when application was made to the Mackenzie Administration, with regard to the grain trade, that Administration made what seemed then to be a very liberal offer indeed, as to the rate of grain freights, and I think the Administration offered to send two full cargoes of grain over the road to ascertain whether the trade would bear the cost or not. No doubt, for a revenue-tariff-Government all that was going very far; and I have no doubt, that had the Mackenzie Administration remained in power, they would have continued to make all reasonable efforts to confer upon Halifax the benefits to which it ought to be held entitled as one of the frontier Atlantic ports of this Dominion. But they have gone out, and since we have seen nothing done. The hon. Minister of Railways, I think, proposed to reduce, somewhat, the rate which Mr. Mackenzie, in his time, proposed to charge on grain transmitted over the Intercolonial. That, however, was but a trifling reduction, and it has not led to any practical result. To-day we stand face to face with the fact, that, although this Intercolonial is a magnificent railroad—magnificent because so thoroughly constructed—that, although it is almost the shortest route from the Upper Provinces to the city of Halifax, that, although it does a very large trade in conveying goods from the Upper Provinces down to the Lower Provinces and to the city of Halifax, it does very little, indeed, in carrying back anything produced in the Lower Provinces, and it has ceased to do much in conveying from Halifax any portion of the merchandize imported from Europe. These facts are disagreeable facts. They are facts with which the Government, I think, is bound to deal, not languidly or remissly, but actively and earnestly. I do think the Government which professes to protect all the struggling industries of this country should also endeavor to protect the industries of the Lower Provinces, which have almost ceased to struggle because they have almost ceased to have the strength to struggle any longer.

Mr. ROYAL. It may appear somewhat strange for a member coming from a prairie province to take part in a debate which seems to affect only the Maritime Provinces. It is true we have no maritime ports in the North-West, but I believe the day is not distant when Manitoba, enlarged, may become a maritime province. A very important fact was lost sight of when mention was made of the carrying trade between Canada and Europe. I believe that, with due deference to the members from the Maritime Provinces who have enumerated the old ports of Halifax and Yarmouth, and, I might add, Louisburg—I think we can do a little better by the establishment of a port in Hudson's Bay. As my opinion on this subject might not go very far, I will with your permission, read an extract from Professor Hines on this subject. When the discussion on this important subject takes place in this House, and when these papers are brought down, I hope the House will not lose sight of the future importance of utilizing the relations between the Hudson Bay and the ports of Europe. In fact, while the Pacific Railway Syndicate have retained almost a monopoly of building branch railways south of their line, there is no restriction whatever on the building of railways on the north side of it; and the scheme

of the navigation of Hudson's Bay may furnish an escape for the people of the North-West from any monopoly that may be organized under this contract. My experience and the experience of every member from the Prairie Province is, that Canada has been year by year discovering the North-West. Ten years ago it would have been impossible to convince any assembly in this country that there were 250,000,000 acres of fertile land in the North-West Territory; and it may be that the importance of the navigation of Hudson's Bay will be equally slow in impressing itself upon the public mind. Professor Hines, in a letter to the Surveyor General, of the 22nd March, 1878, says:

"During the past few years my views on the subject have undergone a progressive change, all tending towards confirming the opinion of the adoption ultimately of the Hudson Bay Route as a great commercial highway between Central British America and Europe. The facts which have led to this decided opinion are briefly as follows:—

"1st. The general and successful employment of large steamers properly constructed for ice encounter, by the Newfoundland, British and Norwegian sealers. The safety of these vessels, and the experience acquired in the management of a steamer in ice-encumbered seas.

"2nd. The present cheapness and easy management on board a steamer of the magneto-electric light, for use on such steamers, and for temporary powerful lighthouse purposes.

"3rd. The alleged discovery, on high authority, of Lignite coal over wide areas, from Cape Walsingham to Frobisher Bay, just north of Hudson Straits, as well as on the West Greenland coast.

"4th. The better knowledge now possessed of the proper mode and time for navigating Davis Straits in approaching Hudson Straits.

"5th. The great fishing resources of Davis Straits in and towards Frobisher Bay.

"6th. The sources of the ice drift on the Labrador coast, its course in Hudson Straits, and the mode of avoiding it in summer and autumn, or crossing it where it is narrowest.

"7th. From all I have gathered respecting the navigation of Hudson Straits and its approaches from the east, there appears to be no difficulty in navigating them from July to October with a *sealing steamer*, especially if provided with a magneto-electric light for use in September and October.

"When we consider that York Factory is actually nearer to Liverpool than New York, it surely becomes a question of the greatest moment to determine how far existing information would warrant minute enquiry into this very important subject. As the result of a prolonged but desultory study of the question, I have no doubt that continuous and safe navigation by steamers constructed as sealing steamers are, can be carried on between Port Nelson and Liverpool for at least four months in the year—that is from Liverpool to Liverpool again, leaving three months or perhaps a little more for Hudson Bay."

My object in making these few remarks, is to bring to the attention of the Government, the probable large part in the development of the North-West, which is likely to be performed by the navigation of Hudson's Bay.

Sir LEONARD TILLEY. It is very inconvenient to enter into a discussion of questions bearing upon the Tariff, or of the subject now immediately under the consideration of the House, in the absence of the papers asked for, and the returns that will be submitted to Parliament, before we take up the question of the Tariff. Probably, when these papers are brought down, the hon. member for Gloucester will find that the ports of New Brunswick are not in as stagnant a position as they are represented to be; but, on the contrary, in a much more active condition. I do not desire, nor do I intend, to be drawn into a discussion on the Tariff at this time; but I rise to thank the hon. member for Gloucester for his unselfishness in uttering the words he has spoken in favor of St. John. We all remember the urgent manner in which, in the Parliament from 1871 to 1873, he pressed upon the attention of the House the claims of a port in his own county——

Mr. ANGLIN. That is a summer port

Sir LEONARD TILLEY. To which he desired to have a railway track laid, and how he contended that it was the nearest port to Europe. On this occasion he ignores it entirely, and comes to the rescue of the city of St. John, for which I tender him my sincere thanks, and trust that when the papers asked for are laid before the House, he will find that that section of the country is not so much neglected as he imagines it to be.

Mr. LONGLEY. I am not disposed to doubt the inclination of the Government to do all they can to make Halifax the terminal freight port of the Dominion, and I think the time has arrived when something ought to be done in that direction. Not only the citizens of Halifax, but I am sure every Canadian, would desire that all the freight intended for Quebec and Montreal should, in the winter time, be landed at Halifax, instead of going to Boston, and being shipped from there to Montreal and Quebec. The people of New Brunswick and Nova Scotia, and the people of this Dominion should, I think, concentrate their efforts upon the accomplishment of the two objects brought prominently forward at the meeting at Halifax the other day. I believe the Government will do everything that can be done in reason; but, at the same time, I do not think it would be amiss if the Government gave some indication of their intention, or of their willingness, first to make Halifax the terminal winter port, and, second, to make an experiment whether grain can be profitably exported by way of Halifax to Europe.

Motion agreed to.

WRECKING IN INLAND WATERS.

Mr. BUNTING for Mr. PATTERSON (Essex) moved for copies of all correspondence between Sir Edward Thornton, British Ambassador at Washington, and the Secretary of State for the United States, relative to wrecking and towing in Inland waters which has been forwarded to the Dominion Government, and copies of all other official correspondence and of all Orders in Council of the Dominion Government relating to the same subject.

Mr. BOWELL moved the adjournment of the debate.

Motion agreed to.

GEORGIAN BAY BRANCH.

Mr. COCKBURN (Muskoka), moved for copies of all correspondence in connection with the Georgian Bay Branch (of the Pacific Railway) contract since the 9th day of February, 1880; also particulars of settlement, if any settlement has been made, of the claims preferred by Smith, Ripley & Co., or Heney, Charlebois and Flood, in connection with said contract. He said: I make this motion in order to obtain some information supplementary to that asked for in a motion I made last Session with reference to the Georgian Bay Branch contract, which was cancelled. Since last year the country in the neighborhood of that line has undergone considerable development, and, if the Government will reconsider the matter, they will probably find that they will meet the wishes of a great mass of people, if they will return to the scheme which was introduced by the hon. member for Lambton (Mr. Mackenzie), in 1874, and adopt the Georgian Bay Branch route, which runs to the south of Lake Nipissing, and which would form a direct route to Sault Ste. Marie, or Lake Superior, if it is the policy of the Government to go there. The papers brought down last Session are not complete. The latest information on the subject is in a letter from Mr. Sandford Fleming of the 10th February, 1880, and I am anxious, for my own information and the information of other interested parties, to learn how the matter stands.

Motion agreed to.

THE GRANT FOR IRISH RELIEF.

Mr. ANGLIN, in moving for a return of copies of all Orders in Council, telegrams and correspondence between the Canadian Government and the Imperial Government

respecting the expenditure of the sum of one hundred thousand dollars, voted by the Canadian Parliament last Session for the relief of those in Ireland who were threatened with famine, said: It may perhaps be remembered by hon. members, that when the right hon. gentleman at the head of the Government proposed in this House an appropriation of $100,000 for the people of Ireland who were suffering from famine or threatened with famine, I felt it my duty to ask the right hon. gentleman to take sufficient means to ensure that the money should be employed for the purposes for which this Parliament voted it. There was no doubt then, and there can be none now, as to the intention of Parliament. It was our intention, as was expressly stated, that the money should be used, and used immediately, for the supply of food to the hungry. I ventured to suggest that it would be well that the amount should be placed at the disposal of the two great bodies which devoted themselves to the noble work of ministering to the wants of the suffering in Ireland: one known as the Duchess of Marlborough's Committee, and the other as the Mansion House Committee, both of which were entirely worthy of confidence. The right hon. gentleman, however, considered that as this was a Parliamentary appropriation, and made at the instance of the Government, the proper channel for its distribution would be the Colonial Office. I was sorry to find that he came to that conclusion, and although I confessed that the course he preferred was perhaps proper, I feared that the moneys would not be used quite in accordance with our wishes when they were sent through that channel. Just at that time, and for some months before, it seemed to be the policy of the Imperial Government to do all in its power to create the impression in all countries outside of Ireland, that the distress in Ireland was not so grave or so serious as it was represented in the newspapers, that, in fact, there was no danger of famine, although there was a considerable amount of distress in various parts of the country. That was sufficient to excite my apprehension as to the manner in which the money would be disposed of. The hon. gentleman intimated that he was in communication with the Colonial Secretary, and that he believed that the Colonial Secretary would, as we desired, place the money at the disposal of those two committees. He led us to believe, and I do not doubt even now, that he desired to carry out the wishes of this Parliament, but we have since learned that that money was not used in the manner in which we desired it should be; that although we were eager to send money at once for the suffering, several months were allowed to elapse before anything was done with the money. Then it is said the Government invited these two committees to appoint some two or three members of each to form a sort of joint or sub-committee for the purpose of supervising its distribution, telling them at the same time to expend it in procuring boats and fishing apparatus for the fishermen on the coast of Galway. That was a very desirable and laudable object, but we did not vote the money of the people of Canada for any such purpose as that, nor do I think that the Government, now in power, or any other Government, would come down to this Parliament and ask it to appropriate $100,000 of the hard earnings of the people of this country, for the purpose of purchasing boats and fishing gear for the distressed people in Ireland or any other part of the Empire. We thought the people wanted food; we believed they were on the verge of starvation and we desired to rush to their relief. We wanted the money expended at once, in giving food to the famishing; but the Colonial Secretary did not choose to expend our money as we wished, but chose to appropriate it for purposes for which an Imperial grant should have been made, and for which we should not have been expected to provide. I have presented what I believe the facts of the case, and I beg to move the resolution.

Motion agreed to.

Mr. ANGLIN.

INTERCOLONIAL RAILWAY ROLLING STOCK.

Mr. ANGLIN moved for a return shewing the number of locomotives, passenger cars, freight cars or other railway rolling stock purchased by the Government under contract or otherwise, during the year, the places where they were manufactured and purchased, and the prices paid. He said: It will probably be in the recollection of the House that, last year, we had much discussion with regard to the mode in which the Intercolonial Railway was being managed, and the working of the Rivière du Loup section then lately added to the road. It was alleged by the Minister of Railways that he had taken all the precautions in his power to provide for the proper working of that additional portion of the road, yet, in reply to the statement that he had allowed the rolling stock of the entire road to fall into a very lamentable condition indeed, he pleaded that his locomotives and cars were overworked, particularly the locomotives, because he had not sufficient rolling stock for the additional length of the road, and because that portion of the road was then in a very rough condition, and any rolling stock that passed over it was very much shaken, if not shattered. When pressed to state what provision he had made for the additional rolling stock required, and why, in view of requiring that additional rolling stock, he had chosen to discharge so many men from the Government works at Moncton, he stated that he did not feel warranted in providing rolling stock until the transfer of the Rivière du Loup road had actually been made, and that after that transfer had actually been made he found it necessary to devote a considerable time to the providing of a particular plan for the locomotives so that they would be all built on uniform models, and a portion of any one would answer for any other, and those sections most liable to damage could be kept in stock, so that repairs could be easily made at any time. That, probably, was a very prudent course to take, but if it required so much time, surely much could have been done before the actual transfer of the road took place, so that the furnishing or equipment of the road might have been hastened. In my part of the world we believed that it would have been a wise policy on the part of the hon. Minister to have moved a little sooner in this matter, to have availed himself of the skilled workmen he had at Moncton, and the valuable machinery prepared just for this purpose, rather than allow all that machinery to remain idle. We thought it strange, indeed, that a Government professing to be a thoroughly Protectionist Government like the present should have dismissed its own workmen, have determined to allow its own machinery to remain idle, and go to the United States for the locomotives and other rolling stock which might so much better have been manufactured in our own country. I am not prepared to say that a locomotive could have been built as cheaply in the Moncton works as it could be imported from the United States, but my impression is that were those works, successfully and carefully conducted as, I believe, at one time they were, and as perhaps they are still, the cost of a locomotive built there would not exceed the cost of a locomotive imported from the United States, with that duty added, to which that locomotive would be subject were it imported by a corporation. We thought it strange that a protectionist Government should prefer to dismiss their own workmen, knowing at the time they could not get a sufficient quantity of locomotives built in the time required elsewhere, in the Dominion, and that they should have placed themselves in a position which required them to send to the United States for a large number of locomotives. It has been quite seriously asserted in St. John—I do not know how truly—that some of those locomotives were actually

built by the very men who were dismissed from the works at Moncton, and who, in the United States, were paid as high wages as ever they received at Moncton. I believe a large amount of rolling stock was imported last year, which, if it had been ordered in this country would have afforded employment to a large number of our people. A contract was given to Mr. Fleming, who, although he can build locomotives equal to any that can be imported, was not prepared to build them, as the hon. gentleman must know, with sufficient rapidity, to meet so extraordinary a demand, and, I think, he has not yet delivered all the locomotives contracted for.

Sir CHARLES TUPPER. There is no objection at all to the motion being adopted, and I will have great pleasure in bringing down as early as possible all the information asked for in this motion. I may state, however, to the hon. gentleman that if there was any departure from the National Policy it was not because it was desired on the part of the Government, but because it was a matter of necessity. Every possible effort was made to secure the construction of this rolling stock—of these locomotives—in the Dominion, and it was supposed that the amount of duty imposed upon locomotives going into the Dominion, and which was added to the tenders of the parties outside, for they were required to deliver them in the Dominion, would be quite sufficient to accomplish that object. I might say it would have been sufficient, but from the fact that the National Policy had not been in operation long enough to furnish us with equipped machine shops and places at which locomotives could be rapidly and readily constructed according to the demands of traffic. Therefore, we were obliged, reluctantly, to go outside for the purchase of some of these locomotives through not being able to get contracts filled in the Dominion. The papers will be brought down and the matter will be fully reported.

Motion agreed to.

PICKLED FISH RETURN

Mr. ROBERTSON (Shelburne), in moving for copies of the returns furnished the Department of Marine and Fisheries for the present year by the Inspector or Deputy Inspectors of Pickled Fish for the County of Shelburne, together with a statement of the fees collected by the said officers, said: The object I have in making this motion is to draw the attention of the Minister of Inland Revenue to the manner in which the Inspection Act has been carried out in the county of Shelburne. The fact is, that the law as now enforced in Nova Scotia bears very heavily upon the mackerel fishery in this way: that the brand of our inspectors is of no value whatever in the American market. I also desire to point out to that hon. gentleman that his representative in that county last year visited one of the most important fishing stations in the county, and entered into an agreement with the packers by which they were to pack their own fish, not in his presence, as required by the law, and that afterwards the brand should be affixed. I trust that, in the course of a few weeks, when petitions will be presented to the House, asking for an amendment to this law, by which it shall not be compulsory to packers to submit their fish to the inspection when intended for the American market, the Government will adopt the proposed change.

Motion agreed to.

FINES IMPOSED BY FISHERY OFFICERS.

Mr. ROBERTSON (Shelburne), in moving for a return of all fines imposed by the Fishery officer of the county of Shelburne, upon whom, for what offence, and a copy of the evidence taken, furnished the Department in each case, said: I desire also to call the attention of the Government to the manner in which fines are imposed in the county of Shelburne by the gentleman who had been appointed to the office. I may say that that gentleman resides some 40 miles from the principal lobster packing establishments in the county, that he visited the Wood's Harbor district after the 1st of August in the present year, and inflicted a fine upon the proprietors of the first establishment he visited, for violation of the law, after having inspected their fish. He made no inspection of the second, and the third was closed. What I object to is, not the imposition of the fine, but the manner in which the inspector undertakes to perform that part of his duty. I would suggest that in future he be instructed to inflict fines with impartiality whether the violaters of the law be Liberals or Conservatives, instead of making the marked difference in favor of the latter which he has been in the habit of making in the past.

Motion agreed to.

FISHERY STATISTICS.

Mr. ROBERTSON (Shelburne) moved for a copy of the instructions issued by the Department of Marine and Fisheries to their officers throughout the Dominion as a guide in the collection of statistics as to the annual production of the fisheries, with copies of the forms used by said officers, and also, copies of the returns by districts furnished the department for the present year by the Fishery Officers of the county of Shelburne. He said: This is a matter of considerable importance. During the past summer, a gentleman in this city, connected with the Fisheries Department, addressed a letter to the Toronto *Globe*, in which he made statements that are deserving of the attention of the Government. He took the view that, after the fishery clauses of the Washington Treaty were abrogated, the people of the Maritime Provinces would not suffer much as the home consumption of fish and the sale in markets which can yet be found, would compensate them for the loss of the United States market. He based that information upon the statistics actually submitted to Parliament in the reports of the officers of the department. I have reason to believe that some of the most important documents bearing on this question, and laid on the Table of the House, are of little value. I find it quite impossible to obtain reliable statistics from these reports, and the motion which I now make is for the purpose of ascertaining the plan upon which those statistics are collected. The figures which I propose to submit to the House are taken from the return of last year, and they include three of the most important fisheries in the Maritime Provinces. With regard to the herring fisheries, I find that the total yield for the Provinces of Nova Scotia, New Brunswick and Prince Edward Island was 274,657 barrels; the total export only 108,339 barrels; the value of the total yield $1,098,628, and the value of the quantity exported only $380,378. I find that the total production of mackerel was 182.524 barrels, valued at $1,188,532—an average price, according to the statistics, of $6.51 per barrel. I find that the quantity said to have been exported was 576,474 barrels, at an average price, according to the Trade and Navigation Returns for that year, of $4.45, instead of $6.51, the price according to the statistics supplied by the Commissioner. The total production of codfish, pollock and haddock was 871,916 quintals, valued at $3,548,365, or an average value of $4.06. The quantity exported was 656,102 quintals, valued at $2,505,229, or an average price of $3.81. When we look back at the trade a few years ago we find that in 1874 there were imported into Nova Scotia 1,612,560 pounds of fresh mackerel from the United States. That certainly is a new business to me, and one of which we know nothing in the Maritime Provinces. In 1875, according to these returns, there were imported into Ontario 294,575 pounds of fresh cod; into Nova Scotia 19,325 pounds, and into New Brunswick 5,165, and, according to the Trade and Navigation Returns of that year, the average prices paid respectively for those quantities were 4½ cents, 11 cents and 13 cents per

pound. I trust the Government will be able to give me the information asked for by this motion, and that, in addition, they will pay some little attention to the manner in which the fishery statistics are collected, so that they may be more reliable in the future than they have proved to be in the past.

Mr. MILLS. I think this subject is deserving of the serious consideration of the Government. I dare say that we have all read the communications in relation to these statistics which have appeared from time to time from Professor Hind since the award of the arbitrators was made, calling attention to the unreliable character of the statistics collected by the Department of Marine and Fisheries. No one who has taken the trouble of looking into these statistics since these communications have appeared, can fail to see that they are wholly valueless, and that no reliance can be placed upon then, either as to the quantity of fish caught or the value which is placed upon those consumed at home or sent abroad. At the present time this matter is a very serious one. We all know that the period of time for which, according to the award made by the Commissioners at Halifax, the Treaty of Washington has to run will soon have expired. The whole subject will come up again for consideration unless otherwise disposed of between the Government of the United Kingdom and the Government of the United States, and it is of the last importance that when we are called upon to go into the discussion of this subject again with the authorities of the United States, the information which would be available should be wholly reliable. This is not the case at present, and when the papers now asked for are brought down it is to be hoped that the Government will be prepared to communicate to the House the steps they have taken, or propose to take for the purpose of correcting the errors which have hitherto existed in regard to the matter.

Sir JOHN A. MACDONALD. Of course, when the papers are brought down, the Government, with those papers before them, will be prepared to discuss the whole subject, on motion, after due notice of what the subject is, and the ground of attack. I am not at all prepared to say that the returns which are made to the department are incorrect, because Professor Hinde has said so, and I think, when the hon. gentleman sees the papers, he will agree with me. If he had, he would see, from that statement itself, that the information we have before us contained in these statistics, is reliable information.

Motion agreed to.

MAJOR-GENERAL LUARD.

Mr. DESJARDINS, in moving for a copy of the correspondence with the Imperial Government in relation to the appointment of Major-General Luard as Commanding Officer of the Militia of Canada, said: Before moving the motion I desire to make a few remarks in order to explain its particular object. It is simply this: That in 1875, when the position of Deputy Adjutant-General was replaced by that of Commanding Officer, it was not well explained at the time what was to be the character and extent of the duties of this officer. In fact, the law itself does not make it plain whether section 28, which says that "an officer holding the rank of colonel, or superior rank thereto, in Her Majesty's regular army, shall be charged, under the orders of Her Majesty, with military command, &c." is to prevail over section 29, and whether this officer is to be considered as being under the immediate orders of Her Majesty, that is to say, receiving his instructions from British headquarters, or whether he is merely an officer dependent on our Department of Militia, as section 29 would seem to imply:

"The Governor in Council shall, from time to time, make such orders as may be necessary respecting the duties to be performed by the officer commanding the militia and others."

Mr. ROBERTSON (Shelburne).

This uncertainty exists in the public mind, and I am not sure but that it exists in the minds of those who are from time to time called upon to perform this duty. I would not be surprised if they were under the impression that they came here rather as military governors, having no connection with anybody but Her Majesty or her representative, and with the power of treating our Ministers somewhat as subalterns; do these high personages understand that they are salaried officers under the orders of the Minister of Militia? I believe that if this question could be settled, if explanations could be given so as to satisfy public opinion upon this point, a certain uneasiness which now exists would disappear, and it would be so much the better for our military organization. I remember that when this measure was brought up objection was taken to the first clause that I have alluded to, because it was thought that the exclusion of all but officers holding a superior rank in the British army would virtually shut off, from this very enviable position for a military man, our most competent officers, who, by their sacrifices, their special studies, had, perhaps, a right to expect more encouragement from the Government. Objection was also made that the choice of an officer unacquainted with our institutions and with the particular character of our diverse bodies of volunteers, over which he would have to exercise some control, might bring about unpleasantness, perhaps for himself, but more particularly for the volunteers. Now I am inclined to believe that the experience of the last five years has shown that these objections were pretty well taken; that these officers, after having, perhaps, served in the colonies of Africa and Asia, were apt to consider those whom they had the right to command here, as natives of these colonies. They were also apt to ignore the special rights that some classes of our population may possess. Thus, for instance, the newspapers of our Province reported lately—and I have seen no contradiction of the statement—that the present commanding officer, on receiving from a French Canadian officer, a letter written in French, had seen fit to send it cavalierly back, writing in a corner: "Please translate in English," implying thereby that in the communications between our volunteers and the Department of Militia or the commanding officer, the English language was alone allowed, and that in one of our departments we must submit to seeing our language put in the back ground. I deem it necessary to draw the attention of the Government to this incident, if already it has not been done, for it is important to know what treatment our French Canadian fellow countrymen, who offer their services to the country, are to expect from superior officers brought here from England to command our militia. Under these circumstances, in order to dispel all doubt, and in order to know exactly whether we have to deal with an Imperial officer directly dependent on the British army, or with an officer who is to receive his orders and the explanation of his duties from one of the departments of the Federal Government, I thought it my duty to move for these papers.

Mr. CARON. I am exceedingly happy to give my hon. friend all the information he asks for by this motion. I can state, in the first place, that the commanding Major-General is a Colonial officer, chosen among the Imperial officers, but receiving his instructions from the Government of Canada. In making his motion, my hon. friend has drawn the attention of the House to the fact that the choice of a British officer, of an Imperial officer, to command the forces here, would have the result of excluding Canadian officers from the high position that the British officers occupy in Canada. Well, Mr. Speaker, if we take into consideration the circumstances that brought about the appointment of the first General who came here to replace the former Adjutant-Generals that we had in the country, it will be readily admitted that in changing our system, as we were then doing, we could not do better than to ask for an Imperial officer to come and train up officers amongst us. The new

system has succeeded perfectly well, since it has formed a nucleus of officers who, in the future, will be able to occupy any position in the volunteer forces of the country. My hon. friend has, moreover, drawn the attention of the House to the fact that a letter sent to the Department of Militia, written in French by a French volunteer officer, had been sent back, with a remark from the General in the corner of the letter, requesting that it should be translated into English, so that he could read it. Well, Mr. Speaker, I need hardly say, what everybody knows, that the commanding Major-General is a distinguished officer, and that he has come to this country in order to perform his duties as well as he possibly can. It is easy to understand that, having just arrived from England, and being desirous of making himself as well acquainted as possible with all that would be required of him, and not being quite as familiar with the customs of the country as he is now, and wishing especially not to commit any mistakes, when this letter was handed to him, he requested an officer to be so kind as to translate it for him into English. I am convinced that no one will have cause to regret the misunderstanding to which my hon. friend has drawn the attention of the House, and I am also satisfied that such a misunderstanding will not again occur. I might add that as soon as I became aware of the notice of motion, I hastened to give instructions to have the correspondence prepared so as to be able to bring it down as soon as possible.

Motion agreed to.

CANADIAN TOBACCO.

Mr. GIGAULT moved for a statement showing the names and places of residence of all persons who, since the 1st May, 1880, obtained licenses for the manufacture of tobacco cultivated in Canada, under section 32 of the Act 43 Vic., chapter 19.

Motion agreed to.

INDIAN INSTRUCTORS.

Mr. CAMERON (Huron) moved for a return showing the name and nationality of each of the instructors to the Indians in the territories of Canada; the residence and former occupation of each such instructor at the time of appointment; if any removed, the date and cause of removal; the salary or allowance paid to each, and a detailed statement of all expenses connected with the instruction of said Indians; also a copy of any report or correspondence to the Department of the Interior from any such instructors. He said: I would like to add, with the permission of the Minister, "also a statement of the various articles supplied to each of the instructors when sent to the Northwest." It will be remembered that during last Session, in response to a motion of an hon. gentleman, a return was submitted to Parliament containing an Order in Council recommending the appointment of Mr. Dewdney, Superintendent of Indian Affairs, and of Mr. Taylor and Mr. Thos. Wright, as instructors; and a copy of a report of the Privy Council, dated, I think, the 9th of October, 1879, with the names of 17 practical farmers, who were sent to instruct the Indians in the North-West Territories in the pursuits of agriculture. It will also be remembered that during last Session an appropriation of, I think, $64,999 was asked, for the purpose of assisting in this laudable object. How much more was expended I do not know, and one of the objects of my motion is to get information on that subject. This is a very important question both to the country and the Indians. The natural occupation of the Indians is the chase; but as the country becomes settled that source of livelihood will be gone, and the Indians will have to depend upon the resources of the Dominion unless they are induced to engage in agricultural pursuits. In order to accomplish this object, a peculiar class of men are required, and I doubt very much, from the names contained in the report brought down last year, if the hon. gentleman at the head of the Department of the Interior has succeeded in engaging the services of men who are competent to properly instruct the Indians. It is pretty well known that most of those persons are from the eastern portion of the Dominion. Very few, if any of them, are from the North-West Territories or Manitoba, and not more than one or two of them understand any of the Indian dialects. It is pretty clear that men who do not understand the Indian language, or know anything of the customs, or habits or prejudices of the Indians, cannot succeed in imparting instruction to them; and so far as I have been able to learn, during a visit of three or four weeks in Manitoba, the men appointed by the hon. gentleman are hardly of the class possessing this necessary knowledge. I am desirous of knowing how far this laudable and desirable experiment has succeeded. I was informed, when in Manitoba, by one of the first men in the Province, who thoroughly understands the Indian character and Indian capabilities, that he was very much afraid that, owing to the facts I have mentioned, the experiment would not be successful, and that the proper kind of man to instruct the Indians is he who knows something of the Indian language, customs and habits; in such a man they have unbounded faith, which they could hardly be expected to possess in the class of men sent up. I am not reflecting upon these men. They were, no doubt, good, practical farmers, perhaps, from Ontario; but I doubt very much if they were the sort suited to the purpose. I am desirous of obtaining information as to how far this experiment—an experiment in the right direction—has been crowned with success. I should like information also as to the expense of this experiment, and the outfit and materials supplied to the Indian instructors. I should like to add a clause to the motion with this object.

Sir JOHN A. MACDONALD. I do not think the return asked for by the hon. gentleman will give the information he desires. The report of the Indian Department will contain most of the information asked for, especially as to the progress made by those farmers, and the progress of the Indians under their instruction. On the whole, I believe the selections have been very successful, there being, at the same time, two or three failures to a certain extent, and two or three changes. As to the teachers knowing the Indian language, there are several Indian languages in that country. I think that, instead of sending persons thither for the purpose of continuing them in their habits and prejudices, the teachers should instruct them in farming, as practised by white men. It would have been very difficult, some time ago, to get in that country, men able to act as farming instructors. Now it is different, and in any changes made hereafter, and some are about being made, Mr. Dewdney, the Indian Commissioner, has instructions to try to find men on the spot, practical farmers, who have acquired, to some extent, some acquaintance with the Indians. As to finding teachers able to speak the Indian languages, I am afraid you will have to wait long for them. Those who understand those languages are principally hunters, who are not the men qualified to make this Indian experiment successful. I understand the experiment has been largely successful; that the wilder and more nomadic the habits of the Indians, the more readily have they taken to the cultivation of the soil. I believe they fully appreciate the difficulties of their position—that their former food supply has disappeared, and that they must, *ex necessitate*, become agriculturists and settle on the reserves. I have no objection to the motion, with the addition desired.

Motion, as amended, agreed to.

GOVERNMENT LAND GUIDES IN THE NORTH-WEST.

Mr. CAMERON (Huron) moved for a return showing the names and nationality of all the Government land guides in the Province of Manitoba and the North-West Territories, the residence and former occupation of each such guide at the time of the appointment; how long they had been residents in such last named place; if any removed or their services dispensed, with the date and cause of such removal. The salary or allowance paid to each; a detailed statement of all costs and expenses connected with this branch of the public service; the particular locality assigned to each guide for the discharge of his duties; together with any Order in Council or instructions respecting the duties of such guides. He said: I do not object to land guides. I think it is wise and politic to appoint them; because in that country, where there are no roads, but trails over the prairie, it would be impossible for the emigrants to find their way to any given locality unless they had the assistance of some guide. But what I object to, from my experience in the North-West, is the kind of men the hon. gentleman selected for the purpose. A guide is perfectly useless unless he knows something of the country through which he proposes to conduct the emigrant, the trails and various localities. I was credibly informed in Manitoba—and I cannot doubt my information—that some of the guides knew nothing of the country or of the localities to which they were taking the emigrants, or of the trails by which they wished to reach their destination. I, myself saw, about twenty-five miles west of the Portage, on the South Saskatchewan Trail, a number of English emigrants in charge of a guide supposed to know something of the locality and of the country; but he had taken them on the wrong trail, and when I saw them there were two large waggons in a bog, utterly unable to get out. I was told that this guide had never been in that locality before. A few miles further west, I met a number of Scotch emigrants, whose destination was south of the junction of the Souris with the Assiniboine. They were sent round by way of Winnipeg and Portage la Prairie, to the South Saskatchewan tract, a roundabout way of at least 150 miles, to reach their destination. They ought to have got off at Emerson and gone south-west, and so avoided this long, useless detour. I asked them why they took that route, and they said they were sent that way by the guide. If so, that is a system that should not be allowed to continue. A very serious loss in time and money was occasioned these poor people by this unnecessary travelling under the instructions of one of the Government guides. Instructions were given last spring to take a party of English emigrants to the border of Pelican Lake. The guide never had been there before from all I could gather. In the first place it took him two weeks to reach the Pembina crossing 50 or 60 miles from Emerson, and some 30 days to get from Emerson to Pelican Lake, some 100 miles distant. So ignorant was the man of the outfit that was suitable for emigrants that the waggons were loaded with twice what they could carry, and every mile or two they were stuck in the slews and the mud holes there and detained at very considerable expense for a very considerable length of time. I assert from information I have received, whether true or not I do not know—I hope it is not true—that when these emigrants reached their destination each family was charged $12.50 a piece. It may be all right. I do not know how these men are paid. He may be paid so much a head. I do not know how that is, but I was informed by one of the emigrants that they had to pay $12.50 per family for being guided out from Emerson to the shores of Pelican Bay.

Sir JOHN A. MACDONALD. Can you give the name of the guide?

Mr. CAMERON. Yes.

Sir JOHN A. MACDONALD. Will you give it?

Sir JOHN A. MACDONALD.

Mr. CAMERON. Yes; and the name of the person who gave the information. This guide was instructed—I do not know whether he was instructed or not by the Government, but I presume he was—to prepare some small buildings and have them stationed at given distances, out in the open plain, where the emigrants might lodge through the night, instead of camping out in the open prairie. The idea was not a bad one, if properly carried out; but, instead of procuring the lumber at Nelsonville and building at the localities, the houses were built in the city of Emerson, taken out in the depth of winter in a sleigh. A storm arose, a regular blizzard, and the result was that four of these shanties, six feet by twelve, which should have been stationed at distances of from twelve to twenty miles apart, were all stationed at Pancake Lake. I suppose the Government has had to pay the expense of constructing these houses and taking them down there. I was also informed that every man who has to sleep on the floor of one of these houses has to pay 10 cents a night—I do not know if this is with the sanction of the Government. I know, as a matter of fact, that a charge was exacted from these emigrants, and was so exacted last spring. That is not exactly as it ought to be. If it was by order of the Government that the houses were constructed I have no objection to it, but I object to having four of them placed in one locality and that the poor emigrant should pay a charge for sleeping on the floor of one of them. The information I want by this motion is for the purpose of ascertaining, to some extent, how these guides are paid, what their duties are, whether they have a right to exact these charges or not, whether they are the kind of men who ought to be there. As to my own opinion, I saw one or two of them, and fear very much the Minister has been unfortunate in the selection or rather unfortunate in acting on the recommendations made to him, for I presume he knew nothing personally about the men, but acted on the recommendation of some of his supporters.

Sir JOHN A. MACDONALD. I know nothing of the circumstances stated by the hon. gentleman here now for the first time. Certainly I must state that if there have been any charges made of any kind from the emigrants for having been guided in any place, way or direction, which was improper, it will be enquired into without delay. There were no guides for the purpose of assisting the emigrants until 1880. It was represented in Parliament that it was a forlorn sort of thing for emigrants going to Winnipeg to have to set out alone to find their locations, as they could not be expected to find their lots by only looking at the maps in the office of the Crown Lands Agent, and the task of the guides was clearly to aid them in finding their lots. The gentleman who was chosen for the purpose of acting as superintendent of the guides and managing the whole organization, is a gentleman known to hon. members on both sides of the House—I mean Mr. Hayter Read. He has been in that country for a good many years — since it was first occupied as a portion of the Dominion. He is a gentleman of education and standing, he is a member of the Ontario Bar, and he speaks the Indian language freely. He has made himself so universally popular there, from his high standing and character and his knowledge of the country, that there has been an application signed by all the Catholic hierarchy and all the Protestant hierarchy, asking that he should be appointed Stipendiary Magistrate from his acquaintance with the country and the people. He was entrusted with the duty of organizing a small body of guides in that country, he being the only man sent from the eastern portion of the Dominion; all the others were found on the spot, and I shall be very much disappointed if I find, upon examination, that Mr. Read has been so unfortunate in the selection of his guides in that part of the country, as from the hon. gentleman's speech one would be

led to believe. I have known Mr. Read for many years, and I do not think a more zealous or intelligent man can be found for the purpose of performing the duties which have been entrusted to him, or of organizing that little corps of guides.

Motion agreed to.

SALE OF HAY ON THE INTERCOLONIAL.

Mr. FISET moved for copies of the notices directing the sale of hay along side the track of the Intercolonial Railway, the names of the tenderers, and the amount of the tender or tenders in each case, names of the persons to whom one or more of the contracts have been granted, and also all correspondence, applications, telegrams, &c., respecting the sale of the hay. He said: My object in making this motion is to show how very unimportant it is for the Government to sell by auction the hay growing along the line of the Intercolonial Railway, and how advantageous it would be to leave it to the farmers whose lands are crossed by the road, especially in the county of Rimouski. Towards the end of June or the beginning of July last, the officers of the Intercolonial Railway asked for tenders for the purchase of this hay; but whether through ignorance of this call for tenders, or whether through the habit they had contracted during the preceding years without being molested, several of our farmers risked cutting the hay for themselves; others, in order to be more sure, wrote upon the subject to the hon. Minister of Public Works, who hastened to answer them that they might cut the hay as they had done the preceding years. Hence a conflict sprung up between the officers of the Intercolonial Railway and the Minister of Public Works. Actions at law were taken, and unfortunately for those who, in good faith, had followed the advice of the hon. Minister, they not only lost their hay, but were moreover condemned to pay the costs of an action, or else settle the matter for a much larger sum than the hay they had cut was worth. It may be said, as an objection, that these good people should have applied to the Minister of Railways. It is true. But let it be observed that that hon. Minister was absent, and I will add that people generally apply to those with whom they are best acquainted, and that is probably why they preferred to apply to the hon. Minister of Public Works. However that may be, I am sure there was a misunderstanding for which the hon. Minister is not, perhaps, responsible, but by which several farmers suffered, as I have just stated. Now, what amount has the Government received for this hay in the county of Rimouski? I am convinced that it is but a trifling sum, which will, moreover, be made known when the papers are brought down; but I very much doubt whether it exceeds twenty or twenty-five dollars. On the other hand, what discontent has been created among the farmers from whom this privilege has been taken away. I admit that, strictly speaking, this hay does not belong to them; but since the Government obtains so little benefit from it, would it not be better to let them have it? I must remark that, with regard to this hay, it is not the same thing in the county of Rimouski as in many other counties. With the exception of one or two parishes, waggons cannot go alongside of the track on account of the unevenness of the ground, &c., and yet that is the only means those who buy this hay from the Government have of gathering it, and it is doubtless on account of this great inconvenience that the Government received, and always will receive, such very low offers. On the other hand, the farmers having been deprived of the privilege of cutting this hay, are not very eager to grant the new proprietors of the hay the right of way over their properties; so it often happens that the purchasers of the hay are obliged to carry it on hand cars, which constitutes a new danger for the traffic of the Intercolonial Railway, whereas by leaving the hay to each farmer whose farm is crossed by the railway, this danger is obviated, the farmers merely cutting the hay and throwing it upon their properties, where they gather it afterwards, without being obliged to go along the line with their waggons. Another reason is because hay is often scarce in our part of the country; again, this year, it is likely that the hay cut will not be sufficient for local wants. For these divers reasons, I request the Government to be good enough to let the farmers keep the privilege they have had during preceding years of cutting the hay that grows along the railway; and in so doing, I am convinced that they will not only meet with the approval of the electors of the county that I have the honor of representing, but also the approval of the electors of my hon. friend from Temiscouata.

Mr. LANGEVIN. Whilst I was charged with the administration of the Department of Railways during the absence of the hon. Minister of that department, representations were made to me—I think they came from the county of Rimouski or Temiscouata, I do not remember which, perhaps from both—asking if it were the intention of the Government to allow the cutting of the hay along the line of the railway, opposite each property, and to let the proprietors of the farms bordering on the railway have that hay. The intention of the Government being so to do, I gave instructions to the department to inform the petitioners that, in the future, they might cut the hay, but that they should understand that they were not to leave their fences open so that the animals might stray upon the railway. That was the only objection that was made to the request. I understood that there had been some conversation on the matter with the officers of the Intercolonial Railway, and perhaps there has been some misunderstanding on the part of those who furnished the information to the hon. member. The papers asked for will be brought down.

Motion agreed to.

CASTLE GARDEN PROPERTY AT QUEBEC.

Mr. IVES moved for the papers which have been from time to time furnished the Government in support of the claim of Henry A. P. Holland to the Castle Garden property at Quebec.

Motion agreed to.

TRENT VALLEY CANAL.

Mr. KEELER moved for all correspondence between parties in Chicago and the Departments of Public Works, or of Railways and Canals, respecting constructing the Trent Valley Canal.

Motion agreed to.

EXPORTS OF ORE.

Mr. KEELER moved for a return of the iron ore and gold ore exported from Belleville or the county of Hastings during the last year.

Motion agreed to.

EXTRADITION.

Mr. BLAKE, in moving for copies of all correspondence not already brought down between the Canadian Government and that of the United Kingdom, on the subject of extradition and of the last Canadian Extradition Act, said: It will be in the recollection of the House that a motion for an Address to Her Majesty, praying that she would be pleased to take the steps necessary to bring that Extradition Act into force, was brought forward by me last Session, and was ultimately withdrawn on the statement of the hon. Minister that the correspondence was proceeding. It seems to me of pressing importance that whatever steps are required to bring that Act into force should be taken, and that whatever difficulties—I cannot understand their nature—there may be in the way of these steps being taken should be removed. As I said last Session

I repeat this, the law on the subject, as it exists here, is in an extremely unsatisfactory state, and there does not seem to be any reason why there should have been so much delay in taking those steps which were urged by the unanimous addresses of both Houses of this Parliament, now a long time ago, and which were the only barriers to the Canadian Extradition Act being brought into force.

Motion agreed to.

RESERVE LANDS OF THE COLONIZATION SOCIETY OF MANITOBA.

Mr. ROYAL moved for copies of any reports, letters, memoranda, petitions, telegrams and documents whatsoever which have passed between the Department of the Interior at Ottawa and the Dominion Lands Office at Winnipeg, or the President of the Colonization Society of Manitoba, respecting the grant to or the exchange of the Reserve lands of the said Society in Taché Township, and the indemnity claimed from the Dominion Government by the said Society. He said: In 1875, the Dominion Government undertook the repatriation of Canadians settled in the United States, and took steps to have our fellow-countrymen sent to the fertile regions of Manitoba and the North-West. This repatriation was at first conducted on a pretty extensive scale, and a Colonization Society was formed with the object of receiving the immigrants gratuitously, of showing them the new lands, of giving them the information that every immigraut requires on arriving in a new country, and likewise of affording them protection in case of need. This society has succeeded in colonizing two townships, which to-day are the most flourishing settlements in Manitoba. This society giving its work, its support, its help gratuitously to a Government undertaking, had naturally a right to expect that its efforts and its just demands would not be ignored by the Government; nevertheless, though I do not wish to make accusations before the papers are brought down, I must say that, to make use of a moderate expression, on account of certain difficulties, certain misunderstandings, which were not, however, misunderstandings for everybody, the society has been unjustly treated by reason of a decision of some of the officers of the Department of the Interior. In the first place, there were four or five townships reserved for settlement by Canadians coming from the States, and the society, finding that two of these townships were of inferior quality, applied to the Department of the Interior, as well as to the Department of Agriculture, to have them exchanged for two better ones. Before we were aware of the exchange, certain officials in Manitoba, well known for their ill-feeling against a certain portion of the population, took upon themselves to inform the authorities at Ottawa, that the Colonization Society did not longer want these townships; so directions were given to offer them for sale in accordance with the provisions of the Homestead Law. Consequently, these townships being refused us, and immigration still continuing, we had to concentrate our efforts on the two remaining townships. In 1878, another misunderstanding arose, on account of the interference of certain officials of the Department of the Interior, who had spread the information among another class of immigrants, that these townships were of superior quality and ought to be opened up to settlement. The society experienced great difficulty in removing those who settled in the new townships, except those who had been eye-witnesses to what had taken place. The society, who had gratuitously undertaken to work with the Government, had to disburse $1,300 to remove the squatters, or those immigrants who had settled in two reserved townships, on account of certain information obtained officially, or officiously, from the department. We have grounds for holding the Government responsible for the sums thus spent by the society in order to repair the wrongs it has received. I wish to lay before the House these facts, which, though they may not interest the whole House, will certainly be of interest to those who love justice. From this point of view, I think, unfortunately, that Manitoba has a right to complain that justice was not rendered to her in this matter, as in many others. I hope that when the documents asked for are brought down, there will be a debate that will result in the triumph of justice.

Motion agreed to.

INSPECTION OF SMOKED HERRINGS.

Mr. LONGLEY, in moving for any correspondence that has passed between the Inland Revenue Department and the Chamber of Commerce of Halifax, on the subject of the inspection of smoked herrings, said: The subject to which my motion refers is more of a local than a general character, and that is one reason why I feel it my duty to move in the matter. It will be recollected that last Session, while an amendment to the Inspection Act of 1874 was being discussed, very strong objection was taken to the fee imposed for the inspection of smoked herrings. The Minister of Inland Revenue proposed that two cents per box should be the inspection fee, and it was strenuously contended, by those who represented the men who caught the fish, that the fee was too high, and, after the discussion had gone on for a considerable time, the Minister of Inland Revenue consented to waive further discussion, with the view of obtaining fuller information on the subject. After that, I placed myself in communication with the Minister, and I thought I received an intimation from him that the fee would be reduced to one cent per box, and one half cent per half box; but when I came to look at the Bill as finally passed, I found that the fee had been left at two cents per box. It is no doubt important that smoked herrings should be inspected, but I see no reason why so high a fee as two cents per box should be imposed, as it will not improve the character of the fish or furnish any additional guarantee to those who buy them. Under the Inspection Law, ten boxes represent 100 boxes, and at two cents per box the inspector gets $2 for inspecting not one hundred boxes, but ten, and he gets $20 for inspecting one hundred boxes. Now, the catch of this particular kind of fish, in my country, has reached as high as 25,000 boxes in a single year; but if we assume the average catch to be half of that quantity, we shall see how large a sum is derived by the inspector for precious little labor. The right hon. Premier intimated, the other day, that no petitions had come in against this law. I beg to inform him that, while this amendment was passing through the House, I received a petition, numerously signed by the men who catch the fish, asking to have the fee reduced to one cent per box, and that the inspection be not compulsory. Although I am willing, if the House so desire, that the inspection should be made compulsory, I most strenuously oppose this most unreasonable and burdensome taxation, because it is taking money out of the pockets of the fisherman, who does all the work, and putting it in the pockets of the inspector, who does nothing.

Mr. MOUSSEAU. It was last Session the intention of the Government to comply with the wishes of my hon. friend, and an amendment suggested, I think, by him, was inserted in the Bill when it was before the Committee of the Whole. Through a clerical error it was not carried by the House, but it is now the intention of the Government to bring down a measure to comply with the wishes of the hon. gentleman by reducing the fee.

Motion agreed to.

TIMBER LIMITS NORTH OF QUEBEC BOUNDARY.

Mr. MILLS, in moving for any correspondence between the Government of Canada and the Government of Quebec in reference to the timber limits north of the boundary of

Quebec as fixed by the Royal Proclamation of October, 1763, said: My reason for moving for this correspondence is, that the Government apparently intend to take a particular line with regard to the demand made with reference to the boundaries of the Province of Ontario. It is well known that the late Administration had the question in dispute between the Government of Canada and the Government of the Province of Ontario, in reference to the boundary, submitted to arbitration. It was not a matter of high public policy; it was simply a departmental matter. There was no proposition that a conventional boundary should be established. The arbitrators had simply to ascertain where the law places the boundary between Ontario and the territories of the Dominion. The Government of that period came to the House and asked for an appropriation for the purpose of enabling them to give effect to the arbitration. The House voted the necessary money. No gentleman on the other side took any exception to the course proposed. The investigation was carried on, the arbitrators sat and an award was made; and from that hour to this the present Administration, who succeeded us, have not seen proper to submit to the House an Act for the purpose of giving effect to that decision. The right hon. gentleman and his colleagues have not seen fit to recognize the principle of continuity in Government. They have not felt themselves called upon to give effect in this particular to what, as it seems to me, the good faith between Ontario and the Dominion required at their hands. A Committee was appointed last year to further investigate this question. The Committee, too, hurriedly reported; and, in my opinion, the report exhibited many omissions, misapprehensions and departures from what would be recognized by competent authority as correct principles of interpretation. But the Committee came to the conclusion that, under the provisions of the Quebec Act, of 1774, the western limit of Quebec was a line drawn due north from the junction of the Ohio and Mississippi. I have myself given a good deal of attention to the consideration of this subject, and cannot understand how it was possible to put such a construction upon the words of the Imperial Statute.

Mr. DAWSON. Will the hon. gentleman allow me to correct him. The Committee analyzed the evidence, but gave no decision on that particular point.

Mr. MILLS. The impression I have expressed was what, apparently, the report was intended to convey; and it certainly was the opinion expressed by the majority of the Committee. I now wish to call the attention of the House to some historical facts. Hon. gentlemen, who have looked into the early history of this continent, know very well that, for a long time, a considerable stretch of territory, lying between the basin of the Alleghanies and the great lakes that belong to the system of the St. Lawrence, was in dispute between the Government of France and the Government of Great Britain; but in 1755 the question was discussed, and the River Ohio proposed as a compromise between the claims of the respective countries. The Government of Great Britain agreed to accept the Ohio as the boundary if the French would consent to destroy the forts lying along that river and retire from that river to and beyond the lakes. This they declined to do, and each Government stood upon its extreme rights. We know that by the surrender of Canada, within the chartered limits of the French territory known as Canada, the whole country north of the Ohio and Mississippi and westward to the Rocky Mountains, was included in the Government of Canada, with the exception of the country known as the Illinois country, which lay between the Wabash on the east, the Mississippi on the west, and the Ohio on the south; that, after the fall of the city of Quebec, when the Governor of Quebec, surrendered it to Sir G. Amherst, a boundary was indicated on the map left in the possession of Col. Haldimand, and that the boundary on the west was the line along the highlands that separated the Mississippi from Lake Michigan. That boundary was the subject of dispute between the French representative in Great Britain and Mr. Pitt. The result was that the negotiations with a view to peace were broken off, in consequence of this failure. Subsequently, under negotiations carried on by the Duke of Bedford, the territories west of the Mississippi, and which had been claimed as part of the French territory known as Canada, was retained by France as far north as the sources of the Mississippi, and were included in what was called the Louisiana country, and that portion of Louisiana called the Illinois country to the east of the Mississippi was included in the territories of Canada surrendered to the Government of Great Britain. So, if hon. gentlemen look at the terms of the Treaty of 1763, they will see that while Canada was limited on the west by the Mississippi, to its source, that all that country known as Canada, when you reach a higher latitude, extending to the Rocky Mountains, was surrendered by France to Great Britain; and among the papers of Lord Shelburne, in the Lansdown manuscripts, published within a year or two, a map has been published indicating the territory I have mentioned, known as Canada, and surrendered to Great Britain. Throughout the Quebec Act of 1774, although it is an Act constituting the Province of Quebec, there is another Province spoken of, the Province of Canada indicating the territory that had been surrendered to Great Britain, by France, under the Treaty of 1763. Shortly after this surrender, the King issued a proclamation for the purpose of dealing, not only with this territory, but with certain West India Islands, also surrendered, and, by his prerogative authority, he constituted the Government of Quebec. He carved out of the Province of Canada, the Province of Quebec, in which certain limits were set forth. The remaining portion of the territory was left without any organized Government. Difficulties arose between the scattered French settlements, in what was known as the Territory of Canada, and the traders of the old British Colonies. The question was frequently under the consideration of the Indian Department of the North, then presided over by Sir William Johnston, and frequent communications took place between him and the Lords of Trade and Plantations in reference to this country, and the best mode of governing it. It was found that English traders frequently made incursions into the country; that they purchased supplies from the Indians, and were disposed to purchase property from them at various points in this country. It was the policy of the English Government not to permit settlement to extend beyond the limits which the King had assigned to the country opened for settlement in this very proclamation. It was stated by the Lords of Trade and Plantations, to Lord Shelburne, who was well known to have been a free-trader, and anxious to favor settlement, and who proposed several new colonies in this district, one of which was to be established at Pittsburgh, and another in the Illinois country, that if the settlers were sent far into the interior the products of the colony would not reach the English market; that England had spent a large sum for the protection of the colonies against the French and the Indians, and it was desirable that they should be settled in such positions as would enable the English to profit by their industry. They favored the settlement of Nova Scotia to prevent its reconquest by France, and the settlement of Florida to prevent its reconquest by Spain. The chief of the Lords of Trade and Plantations, Lord Hillsborough, favored the expulsion of the French from this territory. There were two French colonies, two villages, each containing several hundred inhabitants on the Wabash, there were some four or five thousand French people settled on the eastern bank of the Mississippi River, and a proclamation was issued

for the purpose of excluding these people from the territory. A large number of those, when this proclamation was issued, crossed the Mississippi and settled at that point now known as St. Louis. Others were settled at other points. It was found that the course recommended was one likely to offend the French people of Quebec. Further difficulties were growing up between the English colonists proper and the Imperial Government, and it was felt that it was desirable to pursue towards the population of Quebec a policy of conciliation instead of the harsh policy which had been pursued during the earlier years immediately succeeding the conquest. With this object in view the Government proposed to extend the limits west of the River Mississippi on the west and the Hudson's Bay territory on the north. I need not refer to the various views put forward at this time, but there was strong objection taken to the proposition of the Government by Mr. Burke, who was at that time agent of the Province of New York. Mr. Burke's objection was founded on this condition of facts. The English Government, shortly after the war with Pontiac, in which nearly all the Indians of the North American continent were allied against them, sought to satisfy the Indians who lived in Western New York, known as the Six Nations. With this object in view they sought to exclude the settlers from the land that the Indians desired to hold, and entered into treaty with those Indians, through Sir William Johnson, which is known as the Treaty of Fort Stanwix. It drew a division line through the country open for settlement to the Indian settlers of west Pennsylvania, extending from a point near where the present city of Oswego is situated, south along the Oswego river, then up the branch known as Canada Creek, then across the country to a branch of the Susquehanna, then from the nearest point to the Ohio River. Any one who will take a map will see that the whole of western New York was reserved for the Indians, and the white population excluded from that territory. What Mr. Burke feared, when this Act was submitted, establishing the provinces by an Act of Parliament, when the Act said that the boundary should be extended to the old provinces on the south, was, that under that provision the territory recognized as Indian territory in the western part of the State of New York would be included in this new Province of Quebec. It is very obvious, from the observations made by him at the time, that it was his intention that should be done, because, he says, until you reach the highlands south of Lake Ontario and the St. Lawrence, you do not come to any English settlement, but you do meet with French settlements; and it is desirable that all those who speak the French language should be embraced in the Province of Quebec. This made Mr. Burke all the more obstinate in insisting on the southern boundary being defined. There was no attempt to alter the proposition made by the Government to extend the boundary of the Mississippi, nor to give more narrow limits to the north, but a proposition requiring the Government to lay down in the Act precisely the line on the south, otherwise we might find British subjects living under a system of Government, wholly unsuited to Englishmen. Mr. Burke insisted that the boundary on the south should be clearly defined, so that, with a view to meeting his object, important alterations were made in the phraseology of the Bill. Now, I make this statement for the purpose of making it perfectly obvious why it is that the boundary is minutely described on the south of the Province of Quebec, in this Act of 1774, and no boundary is indicated anywhere else. The whole country is described as extending northward from this southern boundary to the limits of the territory of Hudson's Bay. I wish to state this fact to the House that, when you look at the logical subject and predicate in this section of the Act, you will see that the word northward does not apply to the western boundary but to the whole of the territories, countries and islands between the Baie des Chaleurs on the east, and the banks of the Mississippi on the west. From that southern boundary northward to the shores of Hudson's Bay, the country is to constitute the Province of Quebec. It is clear that the word northward can only mean a due north, line when there is no reason for varying the line east or west; but if there is the slightest reason for varying to the eastward or westward, that reason must govern. I will mention one case in point, decided by the King in Council many years ago, in the case of the Province of New Hampshire. In that case it is stated that the easterly boundary of that province was extended north-westward to the highlands which separate the waters that flow into the St. Lawrence from those that flow in an opposite direction, and it was to be of a certain length. New Hampshire contended that the boundary should be drawn not due north-west, but only one or two degrees west of north, and the decision of the Commissioners was in accordance with that construction. An appeal was had to the King and Council, who held that looking at the terms of the charter, that was a proper construction to be put on those words. The strong point against you, if you assume northwards to apply to the western boundary, is this: That the object of the Bill was to include certain French settlements and colonies that were not embraced in the Province of Quebec. Look at the words of the Act. In the preamble it says: "And, whereas, that by arrangements made by the said Royal Proclamation a very large extent of country, within which there are several colonies and settlements of the subjects of France who claim to remain therein." The object of the Bill was to embrace these colonies. Where were they situated? Four-fifths of them were situated on the eastern bank of the Mississippi, and four-fifths at points where, if a line were drawn due north from the junction of the Ohio and the Mississippi they would not be included, and so would defeat the object the Government had in view. And, according to all rules of interpretation, you must interpret an Act to give effect to the object of the legislature. The territory west of the Mississippi belonged to a foreign country. It is a well settled rule of public law that, when you reach a boundary, which is a boundary between nations as well as between provinces, you are to follow that separating line unless there is some clear reason for a departure from it. Is it reasonable to suppose that the Imperial Government, seeking to provide a Government for the French population, not included in the old Province of Quebec, would draw a line that would leave three-fourths of them along the territory 600 miles in length and 50 in width, excluded from the domain of any Government whatever. I wish to call the attention of the House for one moment, to the words of the first section of this Act. It is said that "all the territories, islands and countries in North America, belonging to the Crown of Great Britain, bounded on the south by a line from the Baie des Chaleurs," etc. Now, when I come to the Mississippi, it says to the banks, "along the bank of the river Ohio along the bank of the St. Lawrence, along the bank of the Lake," and so on "to the banks of the Mississippi." You have the plural form in Mississippi, and the singular form in other cases. It is not reasonable to suppose that this was done without an object, but I will not trouble the House about that, but will call their attention to a point I was about to submit to them. Northward is not a word that applies to the western boundary. There would be no sense in saying, bounded by a line on the south, northward. The subject is not a line, but all the territories, countries, and islands, bounded on the south by this particular line, extending between these particular points, the point of the Baie de Chaleurs on the one side and the point of the Mississippi on the other, northward to the Hudson Bay Territories. That territory, so indicated, is to be included in the Province of Quebec. This is perfectly clear. You cannot analyze that long complicated sentence, describing the

southern boundary and make sense of it in applying that word "northward" to anything else than the countries, territories and islands. Suppose you apply it to the banks of the Mississippi, what follows? This follows, and it is the only construction you can use upon this assumption to make the sentence intelligible: that the word "south" applies to the Mississippi as well as the Ohio. If there is a boundary described, it is the southern boundary, for the Mississippi is south of a part of the country. There is a large extent of territory; when you go north to our territory you find that it goes from Thunder Bay to the North-West angle and that territory is bounded on the south by the Mississippi by a line extending from the Baie des Chaleurs to the banks of the Mississippi, and northward, from the banks of the Mississippi as well as from the Ohio to the territories of the Hudson's Bay. Suppose, however, you assume what is perfectly obvious you cannot assume and have an intelligible construction of the section—that the word "northward" applies to the western boundary, then you have no boundary defined on the north. Northward to Hudson's Bay would be simply the north-west point of the western boundary indicated but nothing else. What follows? It follows that the boundary given to the Province of Quebec by the Proclamation of 1763 is still the boundary of that Province. That is not my view, but I apprehend that if the Government are prepared to put so extraordinary a construction upon the Act as the one indicated, that they are going to draw due north a line from the junction of the Ohio and Mississippi, which would defeat the object of this Act, and say that the western boundary is limited by that meridian, they must also logically adhere to the other consequences which would follow: and one of these consequences would be that the Province of Quebec has still as its northern boundary the boundary indicated by the Proclamation of 1763. That proclamation draws the northern boundary of Quebec by a line from the source of the St. John River to Lake Nipissing, which line, in many places, approaches near to the St. Lawrence. I observe that the Government of the Province of Quebec is granting lands, promoting settlements north of this boundary line, and within the territories which, according to this view, are still the territories of Canada; that they are granting timber limits, and are receiving moneys for the issue of timber licenses. If the Government are prepared to resist the claims of Ontario, to disregard the decision given by the arbitrators, and withhold from her what I think are her just rights—rights which could be established before any judicial tribunal where the question could be fairly argued and fully considered by the Court—then I say they ought to be prepared to act consistently throughout. I assume that they have been so acting. I assume that they are proceeding upon the principle that there is no boundary line laid down on the north, by the Act of 1874, and that Quebec has still the boundary given to her by the proclamation which has never been changed unless it has been changed by that Act. I assume that that they have not dealt out to Ontario one measure of justice, and another measure of justice to Quebec. I assume that they are disposed to act on certain legal and intelligible principles and are not acting with a view of taking vengeance upon the Government of Ontario by setting aside what was done by their predecessors.

Sir JOHN A. MACDONALD. All I can say is that one would not have supposed, from reading the motion of my hon. friend, that he was going to bring up a discussion on the boundary line. He moved for correspondence between the Government of Canada and the Government of Quebec, in reference to the timber limits north of the boundary of Quebec, as fixed by the Proclamation of October, 1763, and upon that the hon. gentleman has given us a learned dissertation, not for the first time, on the southern boundary and the western boundary of Quebec, and therefore, he says there must be something wrong about the northern boundary. I think that is rather a *non sequitur;* but if there is any correspondence it will be brought down.

Mr. DAWSON said the hon. gentleman (Mr. Mills) had given what might be an interesting historical sketch, but he failed to see its application to the motion. The hon. gentleman held peculiar views in regard to the boundary, but there was a high authority in Ontario who held very opposite views in some respects. The Attorney-General for Ontario, than whom there was not, perhaps, a more able lawyer in the Dominion, held views the very opposite of those expressed by the hon. member who had just spoken. However, he (Mr. Dawson) observed that the hon. gentleman had another motion referring more particularly to the boundaries of Ontario on the paper, and when it was reached he would offer some remarks on the subject.

Mr. MILLS. In reply to the right hon. gentleman, I would say that I do not think my remarks were irrelevant, for this reason that if the word "northward" is applied to the western boundary there is no boundary described on the north. I do not see how I could bring before the House the probability that that northern boundary might still be in force, except by pointing out the facts which I have brought to the attention of the House.

Sir JOHN A. MACDONALD. I do not mean to say that the hon. gentleman's remarks were irrelevant, but they were certainly unexpected.

Motion agreed to.

CHAUDIERE RAILWAY BRIDGE.

Mr. HAY, in moving for all correspondence, reports and documents relative to the seizure of the bridge iron for the Chaudiere Railway Bridge, said: I am in favor of the National Policy, and also in favor of protecting our National Policy. I am satisfied, from what I have seen and heard that, notwithstanding all the precautions taken by the Customs Department, under-valuations of goods coming into this country amount to a very large sum. My motion refers to a gigantic fraud perpetrated within a few hundred yards of this House. I hope the matter will be thoroughly sifted, and the parties implicated treated as the law directs.

Mr. BOWELL. There is no objection to the motion passing. The Appraisers at the port of Ottawa having placed a higher value upon the iron than was represented by the invoice, the importer objected and claimed the appointment of experts under the law to value the iron which was imported for the construction of that bridge, those experts are now sitting. As soon as their decision has been given as to the actual value under the law for duty on the iron used in that bridge, I shall be able to complete the return. I can assure my hon. friend that though the importations have been numerous during the summer for the construction of that bridge, the officers in this city have had their eyes upon it the whole time, and it was distinctly understood with the importers that as soon as the importations were completed the proper steps should be taken to ascertain the fair market value of the iron in that bridge for duty. Under the law the importer claimed the right to appoint two experts. Those gentlemen have been appointed, one from Montreal and one from Ottawa.

Motion agreed to; and (at 11:30 o'clock, p.m.) the House adjourned.

HOUSE OF COMMONS,

TUESDAY, 21st December, 1880.

The SPEAKER took the Chair at Three o'clock.

PRAYERS.

THE CHRISTMAS ADJOURNMENT

Sir JOHN A. MACDONALD. After the conversation that took place last night about the adjournment, I have spoken to my colleagues, and, with a good deal of gentle pressure on both sides, I have resolved to alter the resolution of which I have given notice for to-morrow; and in order that hon. members may know exactly how long the Christmas holidays may be, I had better move it now, with the consent of the House. I move:

"That when the House adjourns on Thursday next, it shall stand adjourned until Tuesday, the 4th January, at three o'clock."

Mr. BLAKE. I only hope that the hon. gentlemen, to whom the hon. Minister has alluded as having exerted so much gentle pressure, will exert a stronger pressure with as successful results in a large matter.

Sir JOHN A. MACDONALD. I think that my hon. friend is a little out. I made, on Monday, a proposition to him.

Sir RICHARD J. CARTWRIGHT. Proposition; I think that the House is entitled to hear the proposition.

Sir JOHN A MACDONALD. I have resisted, on greater occasions, pressure to get information about conversations before the results are attained.

Mr. FLYNN. While the time of adjournment is enough for the Ontario and Quebec members, it is not sufficient for the members of Nova Scotia and the Maritime Provinces.

Motion agreed to.

PRIVATE BILLS.

Mr. DREW moved a resolution admitting petitions for Private Bills up to the 1st February.

The motion, amended as to the date to read to the 15th January, agreed to.

CANADIAN PACIFIC RAILWAY.

The House went again into Committee of the Whole, to consider certain proposed Resolutions, granting the sum of Twenty-five millions of dollars, and appropriating Twenty-five millions of acres of land, according to the terms of the contract relating to the Canadian Pacific Railway.

Mr. McLENNAN. What I desire to say on the subject of the resolution, I shall endeavor to put in as few words as may be consistent with the importance of the subject, and the magnitude of the interests that are involved. I think the House will agree with me that it is impossible for us to over-estimate the importance of this subject. It is one that concerns an extent of country, of which we can only form a very vague conception, and the probable future in their material and social interests of a multitude that no man can number. The importance of the subject is established by the fact that, for several years, it has been before this and the preceding Parliaments in various forms for settlement. It comes before us, to-day, a stage forward, by the right hon. leader of the Government and his colleagues presenting it to us in a form so fair for solution, that it becomes our duty to give it our best consideration. I think, Sir, it becomes our duty to deal with it with all the wisdom, the common sense, and the highest patriotism we can apply. The contract that is before the Committee is not a contract for building a house or a sewer, or even a short line of railway, every factor and condition in relation to which we can fully comprehend and provide for in the terms of the written contract, which we can fully estimate and fully guard against. On the first reading of this contract we notice the absence of such ordinary guarantees and conditions, but upon reading it again we discover that the subject is one to which such ordinary guarantees and conditions will not apply, that its features are upon such a scale that these guarantees can only be supplied by the higher guarantees of a firm, mutual interest, and dependence of the contracting parties. Without such conditions it is quite evident that no progress could be made on either side. Bearing in mind these considerations, I shall not trouble myself to consider the questions of lines, barleycorns, and inches of gradient and curve, nor of fractions or cents in rates of toll. Nor shall I, on the other hand, undertake to formulate fanciful estimates of the value of the land which forms a consideration to the builders of this road. The value of that land has been stated at various figures up to, I believe, four dollars an acre, and a very formidable amount of money has been stated as the sum that the construction of the railway was to cost. My idea is that, in dealing with this subject, we must deal with the lands in the North-West in the way in which they have been dealt with under corresponding circumstances in the United States. I find there that by common consent the general purpose for which land grants are made is to facilitate settlement and advance the general prosperity, rather than to make the lands a source of revenue. With this understanding, I believe that, to this day, the public lands of the United States are held and sold to settlers at $1.25 an acre. But if we undertake to establish fanciful estimates of the value of land, I do not know why we should not say $40, as well as $4. It is impossible for us to say what the land is worth. Land is not like the food in our larder, or the raiment upon our back, or the creation of our handiwork, that perish with use. We might as well undertake to put a price upon the light of the sun, upon the rain that falls from the clouds; we might as well undertake to set a price upon the liberty which is our birthright, upon the privilege of using our energies, and our faculties, as freemen. The value of the land is in its use by the husbandman, and its development and occupation by a free, industrious and well governed and contented people. Again, the question arises in connection with this contract, as to the advantages of the other party to it, and the possibility of their acquiring great wealth. I think this Committee will agree with me that no men of substance or character could be found to undertake such a contract without, in the first place, freedom of action, freedom from those ordinary conditions and restrictions to which I have referred, and with the further prospect of a very great reward. In coming to the discussion of this question, we must not be dismayed by the flowers of rhetoric to which this contract has been subjected in its introduction to this House. We are familiar with such terms, terms that have lost their force here, at all events, such terms as madness, insanity, incapacity, national ruin, suicide. These adjectives have lost their force to us, they are too familiar. They have been applied for the last two years to a subject which, I think, is a fair demonstration of what I say. There is not one of those adjectives that has not been repeated over and over again in application to the National Policy, from the Opposition side. Well, I am glad to see in the Minister of Finance the smiling condition of a man with a full purse. The anathema in connection with the National Policy was, beyond any other, in the interest of the farmer; but I can safely appeal to every representative of this House as to the condition of the farming community at the present moment. I believe that every hon. gentleman in this House who comes from the country will tell us that if the farmer—one of whose great privileges as a Briton is the privilege of grumbling—is asked at the present moment about his condition, he will generally say that he has nothing to complain

of. When the farmer, the inveterate grumbler, has nothing to complain of—I mean no offence to the farmers; I am one of them myself, and can therefore speak with the more confidence and freedom—I say when the inveterate grumbler has nothing to complain of, we may be quite sure there is no matter for complaint against the National Policy, so far as he is concerned; it does not pinch him at all events. I believe we might go further, I think there are a great many moderate Reformers who have nothing to complain of, though, at the same time, there is a body of inveterate Reformers whose full barns and larders turn to ashes when they reflect that those terrible Tories are in power. The hon. member for Centre Huron, after exhausting his own vocabulary, offered us a morsel from a London journal, to establish beyond doubt that his statements were true. What was the substance of that quotation? It does not prove quite so much as the hon. gentleman proved himself; but it proved one thing which no one will gainsay, and that is, that a London journalist can follow the descent of a Canadian ex-Minister at a very considerable interval. I think the hon. gentleman has established further, that a gentleman who has entered upon public life in Canada under circumstances and conditions so favorable that I regret very much that there are so few of our public men possessing such advantages, has consigned himself, or will consign himself in the natural tide of time, to that condition in which he shall not merely be known as the Minister of deficits, but as the Pasquino of debate—the sayer of bitter things. I shall endeavor briefly to show that the old ladies of both sexes, who have been very much alarmed by the opening of this debate, may lay down their heads in peace during the holidays—no longer Gorgon heads of terror and despair. In the many phases through which this question has passed, and in the frequent recurrence of these forms, I think nothing has been more fully established in this House and in this country than the general desire that the construction of the Pacific Railway should be carried on by private hands; that the Government of the country should not be responsible for a public work involving so much expenditure and so much action. The little experience that has been had of the Pembina Branch, a line only, I think, about 65 miles long, managed, I venture to say, under the direction of a chief who is economical and careful to the last degree—the many complaints that beset members of this House from day to day as to the running of that very small branch line is a slight indication of what might happen if we had 2,600 miles of road in the same position. I believe that the difficulties of such a scheme as that would destroy any Government. At the same time it is quite understood, and, I think, most completely admitted on both sides of the House, that this road should be built. It is the only way in which this Dominion can have the railway facilities we require—the only thing which will make us one people, and bring about a real union of this Dominion, so that we shall be something more than the proverbial bundle of sticks. The able leader of the Opposition, in dealing with this subject, in one of those pleasant moods in which he mingles wit and wisdom so charmingly, drew a very nice picture of my right hon. friend looking down upon his subjects—his children one might call them—whirling over that road at the rate of 25 miles an hour. There is a good deal in this of practical use and value, as I have no doubt was fully intended by that hon. gentleman when he drew the picture. I think that whatever the uses of this road in a material or social point of view, they will be much greater with the entire line upon our own soil. When I come to deal with some other questions I think I shall be able to show that in some other connection—the connection with the rates of charges and the question of monopolies which has been started—it is still more important that the line should be built entirely on Canadian soil. Now, it is said by some that there is no difficulty in a Government building and owning a railway. It is a well-known fact that railways are run in the southern countries of Europe, in France, Germany and Italy, by the Government, and are kept under effective control. Two things may be said in this connection: in the first place, those are very short roads and very small countries. In the next place, the Governments of those countries are very different from the Government of a free people extending from the Atlantic to the Pacific. Many things can be done in a compact State like France or Germany that cannot be done in our country of more free institutions, with the great freedom of action that prevails; and many things can be done that we should not desire to see done in our country. I shall not be at great pains to reply to the arguments from the Opposition side, and to show that almost every member of the Opposition who has dealt with this subject, has committed himself to the precise terms of this contract. I believe that fact is so clear on the face of it, that I expect, fully, the adhesion of the member for Lambton, whom I am glad to see in his place, and who, I hope, will support the Bill. I am sorry that the leader of the Opposition is not in his place. I should like to call his attention to the maxim of a great legal authority, which may come in here. Capt. Bunsby says very frequently that "the bearing of this observation lies in the application of it." I should like to call the hon. gentleman's attention to the proposals made in 1874, very similar to the terms of this contract, with this simple difference of the "application" by the gentleman who then led the Government. I find that in 1874 he offered to all the world the sum of $10,000 per mile and 20,000 acres for the whole length of 2,600 miles of railway, without any limitation, or conditions to be applied, to the prairie or any other lands in choice or preference. That was not all: although this sum, a very considerable amount, judged by the arithmetic of to-day, for, valuing this land at the lowest sum they have conceded, $2.00 an acre, we have here $50,000 a mile, for the 2,600 miles, we are not done with the consideration offered by the late Government. Nor can we tell when we are done; for there is lurking in the back-ground of their proposal an invitation to the contractors to say upon what further sum they will take 4 per cent interest: we were to have had the Georgian Bay Branch tacked on to the 2,600 or 2,700 miles we are considering to day, which would still further have increased the amount to be expended. There were some things in the way of safeguards to be attached to their Bill. Two-thirds of this great quantity of land was to be sold at prices to be agreed upon, and the proceeds to be paid to the contractors apart from any charge of administration. If my theory is right—and I maintain it is—that the use of those lands is for settlement—I do not think it would serve that great purpose that the sale of those lands should be hampered by the unnecessary condition of a contractor naming a price for them. Nothing could more seriously interfere with the proper and necessary use of those lands than that condition. Then, again, a question has arisen upon the location of those lands, and I venture to refer to some of those points because they have been made a subject of difficulty in connection with this contract. Among other things the proposal of 1874 provided that the Government should have the right of repurchase, that is of resumption when this road was built, by paying the contractors 10 per cent in addition to the money expended upon it. I think that one of the merits of the contract of to day is, that there is no such provision in it for embarrassing the Government with the applications, the persevering and persistent requirements of people that in a change of Government are always asking for favours affecting the great interests of the country. I think it is very much better that a way should not be prepared or left open for any such demands. A question has arisen as to the quantity of lands in the North-West. It has been objected that, with the lands now proposed to be given

the Company alienated, no public domain will be left—that all the lands will be taken up for the purpose of the railway. Well, we have a report from one of the most reliable geologists who has examined that country, in the service of the Government, which shows that there are 250,000,000 acres of land in that country available for cultivation or as pasture land, lands that will yield substance to man. This contract is precisely similar to the proposal that was made in 1874, in the provision that the lands taken by the railway company, shall be lands of fair average quality for settlement, and hon. gentlemen who have been in that country know very well that there are large tracts of available land there that might not be considered of a fair average value for the settler who is entitled to the settlement of a quarter section of land. The settler, in such a case, has to make his living, he requires arable land, he requires land every acre, every foot of which he can cultivate. There are, on the other hand, sections of country interspersed with lakelets and belts of wood, and presenting among other things a very fine landscape, very desirable for the residences of men who are not bound so closely to the soil, and very well adapted for the purposes of grazing, and for a variety of purposes that cannot be reached by an ordinary settler who requires 160 acres of land from which to make his living. There is a difference between the provision in this contract, and that in the proposal of 1874, in respect to the selection, and the quantity of land offered, and its position in regard to the main or branch lines of railway. In the proposal of 1874, the offer was made broadcast that this quantity of land would be given to any extension or any branch that might be projected from the main line. There is no such provision in the contract before us to-day. The contractor may select, subject to approval of the Governor in Council, to the extent of 25,000,000 acres in all, but the grant of land is confined absolutely to the limit of 25,000,000 acres. I state this, particularly, because I have heard the question proposed, and I have seen it stated with such persistence by parties opposed to the undertaking, that I find it is desirable to explain so simple a matter as this. Disposing then of this land question, therefore, we find that the limit is 25,000,000 acres, which, upon any computation of the length and breadth of that country, is but a very small portion of the lands there, that are available for use in some form or other. Leaving for the present the question of lands, we come to the question of the money, that the road is to cost us. That, in its entirety, is the sum of $53,000,000. This is really what we have to deal with, upon which we can put money value, because I maintain that whatever we may call the nominal value of the lands, they really do not enter into the question in computing the cost to us of this railway. I maintain that they are elements apart, connected with the settlement of the country, which we cannot reduce to figures in estimating the cost of the railway. The amount of money then in question is $53,000,000. About $18,000,000 of the grant has already been expended or provided, leaving the sum of $35,000,000 to be provided, or a charge upon the country, at four per cent, of $1,400,000 per year. Why, it is a sum that is no greater than one of those deficits of the previous Government, which we have paid so easily under the influence of our National Policy. If we get increased receipts from our present Tariff, I think we can see where this money is to come from, leaving us a surplus to be applied to other and more general uses. I think I can show, in a very few minutes, where we may expect to get this money without any reference to the present financial aspects of the country. I do not count on lands in this estimate, because, as I have said before, I do not take this into question; but, in 1879, the receipts from Customs, Excise and Stamps, amounted to $18,476,000. Now, there is a little uncertainty as to when this railway may be completed, when we shall require these $35,000,000.

It may be in five years or it may be in ten years, but I do not think it requires great stretch of imagination to suppose that in these five years, we shall have a million of additional people in this Dominion, through the settlement of the North-West; and if you add 25 per cent. to these collections you will find, not merely the $1,400,000 that we require, but a sum of about $4,600,000. I do not think that this subject requires to be dwelt upon. I think it is clear that it will satisfy every candid member of this House and every reasonable man in the country at large. Well, there are some other objections made to the contract, and I shall not detain the House long, but I shall refer to a few of them. One of these is, the freedom from duty of certain things that are to be brought in for the construction of this road, and I call attention to the fact, that that freedom is limited absolutely to the material required for the construction of the road. And that in this special exemption are not included steel rails, which are not manufactured in the country, but the smaller articles which are required, such as nuts, bolts and fish-plates, a good many of which, I believe, are manufactured in the country, and that the policy of the Government would require that imported goods of these descriptions should be subject to the duty imposed upon them in the Tariff. But hon. gentlemen should bear in mind that this is a contract between two parties, and that the contractors who are to build this road were not responsible for the National Policy. On the contrary, they may be Free Traders for all I know, and it is rather difficult for men coming from England, where the Free Trade system prevails, to appreciate the conditions that make the National Policy a good one for us. I can, therefore, very easily understand that these gentlemen should adhere tenaciously to their Free Trade policy, and I think it would have been a weakness in the Government to spoil the prospect of this contract upon so small a condition, and I believe the country will sustain them in this concession. Objection has been made to the standard adopted for this road, and we have heard a good deal about the dangers of locomotion on the Union Pacific Railway, when cars first began to run upon it. Well, it is well known that cars are used upon all roads during the process of construction, and before their completion. The course of the Union Pacific Railway was no different from this, and I believe there are gentlemen in this House, as well as my hon. friend the Minister of Railways, who are tolerably conversant with the history of the Union Pacific Railway, and who are well apprised of the fact that the Union Pacific Railway, when constructed, became a good, substantial road, as it is at this day. As to the objection to freedom from taxation of the roadbed and stations of the Company, it should be remembered that this road will be the great highway of this Dominion, and I would ask any gentlemen in this House what the result would be of an application to any or all of the municipalities into which that great extent of country will be divided for freedom from taxation of such a highway. Why, there can be but one answer. No municipality or community would tax a highway of inestimable benefit to themselves, and the very point in this matter, it seems to me, is that this question is disposed of once for all in the contract, instead of being relegated to the hands of the different municipalities with which the Company would have to deal, and involving great labor, expense, and delay, with no different result from what we have in the contract. Then we are told, and it has been repeated over and over again, that we shall have no control over this road to guard against exorbitant tolls and charges, and instances have been given to us of railway companies charging exorbitant rates. These instances are of railways in the United States, and we are told in the same breath that if we were only making connection with the railways in the United States, we should be able to guard against the monopolies. I think,

Sir, it does not require much logic, to show that we should be subject to the monopolies several times over. We have also a very complete general Railway Act upon the Statute-book to provide against these excessive charges. I was rather surprised to hear the hon. leader of the Opposition read the other night the distinct provisions of that Act to protect the prices of tolls and rates to the effect that no toll should be levied or taken until approved of by the Governor in Council, nor until after two weekly publications in the *Canada Gazette* of the by-law establishing and of the Order in Council confirming it. It is true the hon. gentleman gave it as his opinion that that law was nugatory; the expression is his own. I do not know exactly what it means, but my impression as a layman is that if we enact a law in this House, and it is placed on the Statute-book, it is applicable and remains in force. I do not know what would happen if the hon. leader of the Opposition were the administrator of the law. Perhaps he means that he would not put it in force; but we have a very efficient provision for the enforcement of this law. I believe every gentleman in this House recognizes the great energy of my hon. friend the Minister of Railways, and I believe that, under this Act, as well as under the General Act, one part of his duty would be to see that this law is carried out. I believe this corporation would be under his particular care, and, I think, we may be satisfied that, under the present arrangement, it will receive his care, as he will have time to devote to it. He will be relieved of the enormous strain and burden which has been put upon him by this very project, leaving him with scarcely any time to devote to the other great interests of his department. I make this statement in justice to the Minister of Railways, because I believe this House and the country have scarcely appreciated the labor which that hon. gentleman has been compelled to assume in the present condition of this undertaking. Then we have been told, in very expressive language, that the North-West country is handed over as a perpetual monopoly to this great corporation. Well, the hon. leader of the Opposition the other day told us in his loftiest style, that modern commerce knows no such limitations, his idea being that we should have competition for the carrying trade of the North-West. Well, Sir, I believe he was right; I agree with him. Modern commerce has always found the means of overriding anything in the form of a monopoly, and if there were no provision in this Bill to guard the public interests, I think the considerations of mutual interest and independence of the interest of the corporation in having the country settled, and in providing every facility for carrying traffic, would of themselves be a safeguard in this respect. A great point is made in this connection of what the contractors might possibly do in holding lands for advanced price and then charging high rates of freight. Well, I think the statement made the other night effectually meets that objection. We were told that there were instances on the railway that crosses Minnesota of cultivated land, from which a revenue equal to $4 an acre was derived by the railway company in the way of freight. That is an excessive case, but the best proof that there is much done in that way is the well-known fact that the company has returned purchase money to the extent of $2.50 per acre to the farmers after the lands were in a state of cultivation. I do not think it would injure the comparison if we took the land as yielding one dollar to the acre to the company to show that it will not be in the interest of a land holder to keep his land tied up for ten or twenty years without cultivation. But this Company will not be without competitors in the North-West. There are already existing charters for important lines of railways which cannot be interfered with by this contract. One of these lines will open a road to the coal fields of the South-West, and I believe the Government which made the arrangement for granting land to this great corporation retains power to reserve coal fields or any other lands that it may be desirable in the public interest to reserve. But we have something more in the North-West, and the Providence that has given us such a vast extent of valuable land has not left it without a fair supply of water. There is reasonable provision for communication by water in the North-West. I do not mean to say that there are mere water stretches, I do not mean to refer to anything so futile as the policy of the preceding Government, but there are water stretches as wide as the Atlantic, and giving to the North-West communication to the great Hudson's Bay. We have been told lately by Professor Bell, who has been employed by the Government, that there are five or five and a half months of navigation in the Hudson's Bay. We shall probably have the report before long, but if there are five and a half months navigation to Port Nelson, I think we are secure in the competition that will protect us against any monopoly of carrying to or within the North-West. It is well known that there are charters for two companies to extend from Winnipeg to Hudson's Bay, and if gentlemen will look at the map they will discover that the distance from Winnipeg to the settlement of Prince Albert, near the forks of the Saskatchewan, is about the same distauce as from Winnipeg to Port Nelson, that is about the same distance from this central point where there is a considerable settlement in the great fertile belt upon the Saskatchewan. If gentlemen will consider that here we have a sea-board brought to this great fertile belt, brought within the distance of Winnipeg, that there are two charters in existence to connect the base of this triangle, that is, from Winnipeg to Port Nelson; that there is water communication for half the distance, requiring the construction of only 250 miles of railway to form an independent connection with Winnipeg; that there is the same facility for independent connection with the fertile lands north of the Saskatchewan, making communication and stretching away into the great Peace River; I think we may relieve our minds of any apprehension of a monopoly, of which we have been warned in such emphatic terms. Some gentleman may doubt whether the sort of competition to which I have referred is a sufficient safeguard. I do not think we need to look beyond the St. Lawrence to establish that fact. We have here one of the best routes of communication with the great Province of Ontario, and drawing supplies of freight from the great North-West as well, and upon terms that enable us, as the trade of the port of Montreal for the last year will fully establish, to compete fully and successfully with the great Atlantic ports of the United States; to compete with them in the face of all their advantage of large lines of vessels controlled by wealthy merchants and enormous capital, that have a great deal to do with the direction of the traffic and its control; that in the face of that competition, the route of the St. Lawrence has been established and improved from year to year. And why? Because this water way is open to all the world, and although it is closed for six months in the year, the facilities are sufficient to enable the carriers and dealers in this great merchandise that travels over the country, to resist monopoly and to establish freedom of action and such guarantees as are necessary. I need not dilate upon this point: every man who has paid the slightest attention to the great waterways of the country, knows it perfectly. If it were not for this it would be impossible that the great lines of steamers, owned, controlled and run by Canadians, should be kept upon this road, in the face of the smaller business of our own country with four millions of people only to compete with forty millions, and with the smaller capital we have to control the direction of trade. and with a smaller importation of goods, as compared with the Atlantic ports of the United States. I think if we consider these points, and if we consider that Port Nelson is 60 or 80 miles nearer to Liverpool than the port of New York, and, that it is as near to the great wheat fields of the Saskatchewan as Winnipeg, I think we

need not be afraid that the monopoly of the freight of the products of that country creeping for 1000 or 1500 miles over a railway is going to destroy the power of the producer to carry them to the sea. Now we have heard a good deal about what these contractors might do. They might gobble up these lands, they might put them in their pockets, they might sell them and go to the world's end, and spend the money, and all this kind of thing. I am glad to say that in this contract I see the hand of my right hon. friend and his colleagues in their best form. They have dealt with this question in the true spirit of statesmanship. They have assumed that men would act fairly and honorably. They have assumed, that under ordinary circumstances or under extraordinary circumstances as the case may be, the interests of the contractors would keep them right in connection with this work, and that men, whoever they may be, who have the energy and the ability to carry on this work, will have wisdom enough to discover their great interest in acting in common with the interests of this country by which means alone their project can be made profitable to themselves as well as valuable to this country. I think it is to the credit of my right hon. friend that he has exhibited his practical knowledge of this method of dealing, that he has not distrusted or doubted, but has left the spitting of hairs to the dreamers and speculators who ascend to the clouds or descend to the depths. I have no doubt that the House will justify the course taken by my right hon. friend. I believe the contract has been made in the interests of Canada, and that it will secure the settlement and development of our great North-West, and that that achievement will be added to the many public services rendered to the country, by the leader of the present Government. I believe this so fully in every respect that, discarding all those little doubts and difficulties and fears, I have no hesitation in saying that I shall give the resolutions my firm support.

Mr. IVES. The Government having entered into a contract for the construction of the Canada Pacific Railway, have submitted that contract to the House for its approval or rejection. The question then, Sir, has become a matter of business rather than of politics, of patriotism rather than of party. And although I have not shared in those feelings of alarm to which such forcible expression was given during last Session of this House by the leader of the Opposition, and the member for Lambton, although I have not looked upon our North-West Territory as so worthless, comparatively speaking, as they depicted it, and although I have anticipated a larger return from the sales of the lands in the North-West than they expected, although I have not placed so high an estimate upon the cost of constructing and operating the Pacific Railway as they placed upon it, yet I am free to concede that this question is one of very great importance to the country, and that a mistake made at this point will result very disastrously and seriously for many years to come, to the future welfare of this country, But, although this is a question of business and not of politics, we find hon. gentlemen of the Opposition attempting to make it a question of politics. We find hon. gentlemen of the Liberal party undertaking to lay upon the Liberal-Conservative party of this country, the whole blame of the obligation to construct this railway, and we find among them a disposition to get up an excitement in the country against the contract which has been submitted to this House. And, although I regret that the question is not discussed purely and simply as one of business, yet, if hon. gentlemen will make a question of politics out of it, I think there is no difficulty in showing that both political parties are responsible for the obligation which rests upon this country to construct the Canadian Pacific Railway, that both parties were united in determining that that railway shall be constructed by a company subsidized by the Government, and not by the Government directly, and that both parties have agreed, time after time, in declaring that that obligation is an inviolable one, one which must be carried out. I shall endeavour, briefly, to demonstrate those three propositions. The policy of constructing a Canadian Pacific Railway had its origin as far back as the Quebec Conference, the time when our public men on both sides of politics met together to discuss a new departure. I do not mean to say that the agreement to construct the Pacific Railway was agreed upon in as binding a form as was the undertaking to construct the Intercolonial; but I do mean to say that both parties at that Conference settled upon the policy for the future: namely, one which looked to the acquisition of the North-West and British Columbia, and looked to the construction of this great railway. The Administration of the right hon. Leader of the present Government, which was in power in 1871, was only carrying into effect the policy of the new departure, the policy which was inaugurated at the time of Confederation, when he introduced into the Parliament of Canada the resolutions under which British Columbia was admitted into the Confederation. Now, the railway resolution, which was introduced by Sir George E. Cartier, on 28th March, 1871, was in these terms:

"The Government of the Dominion undertake to secure the commencement simultaneously, within two years from the date of the Union, of the construction of a railway from the Pacific to the Rocky Mountains, and from such point as may be selected east of the Rocky Mountains towards the Pacific, to connect the seaboard of British Columbia with the railway system of Canada, and further to secure the completion of such railway within ten years from the date of the Union."

This resolution was introduced in presence of several hon. gentlemen who now occupy seats to the left of the Speaker, and who took part in the debate which followed. And, what do we find? Was there any concealment at that time of the opinion as to what the cost of the railway was likely to be? No. Sir George Cartier, in the opening sentences of his speech, estimated it would not be less than $100,000,000. The hon. Finance Minister of that day, Sir Francis Hincks, also estimated the cost would not be less. If there was ever going to be any opposition to the Canadian Pacific Railway, *per se*, to the acquisition of British Columbia, upon the terms of constructing it, that was the time to declare it, and to take ground against this resolution. But, what do we find? The first speaker who followed Sir George Cartier, was Sir A. T. Galt, who was then acting with the Opposition.

Mr. MACKENZIE. No; he never acts with the Opposition.

Mr. IVES. Well, he was certainly occupying a very independent position at the time.

Mr. MACKENZIE. He was Independent till he went to London.

Mr. IVES. Sir A. T. Galt said the admission of British Columbia into the Union was desirable, but objected to the time fixed for the completion of the road. The hon. leader of the Opposition, Mr. Mackenzie, declared for his party its policy. He said, he believed it was essential to the future prosperity of the Dominion, that British Columbia should be admitted into the Union. What did he object to? He deprecated the violation, as he termed it, of the principle of representation by population. He claimed that too large a representation was given the new Province in this House. He objected also to the annual subsidy of $100,000, given British Columbia under the resolution; but, as to the railway itself, and the admission of British Columbia on the condition of its construction, he offered no objection, except that he thought the undertaking of the Government to build it in ten years and commence it in two, was unwise and beyond their power.

Mr. MACKENZIE. Hear, hear.

Mr. IVES. The hon. gentleman's objections were not to the undertaking itself, but to the terms or details of the scheme and to the period within which the Government

undertook to build the road. What do we find further? That Mr. Mackenzie, for his party, introduced an amendmen to the resolution, and surely that must be taken as its policy on that occasion. What was the amendment? Have we a direct resolution against the annexation of British Columbia or the construction of this railway? By no means. It was in these terms:

"That the proposed terms of Union with British Columbia pledge the Dominion to commence within two years and complete within ten years the Pacific Railway, the route for which has not been surveyed, nor has the expense been calculated. The said terms also pledge the Government of Canada to a yearly payment to British Columbia of the sum of $100,000 in perpetuity, equal to a capital of $2,000,000, for the cession of a tract of waste land on the route of the Pacific Railway to aid in construction, which British Columbia ought to cede without charge in like manner as lands of Canada are proposed to be ceded for the same purpose. This House is of the opinion that Canada should not be pledged to do more than proceed at once with the necessary survey, and after the route is determined to prosecute the work at as early a period as the state of its finances will justify, and that the further consideration of the said terms be postponed with a view of obtaining some modification thereof."

Mr. MACKENZIE. A very good resolution.

Mr. IVES. If the hon. gentlemen opposite can construe that resolution into a stern and determined opposition to the admission of Britith Columbia upon the condition of the construction of the Canadian Pacific Railroad, they are quite capable of explaining the inconsistency between their course last Session and this Session. On motion for the reception of the report by the Committee, Mr. Mackenzie said: "it had been stated the other evening over and over again during the debate, that he had stated he regarded the construction of the Canadian Pacific Railroad as a pressing political necessity. He denied having made any such statement." He thus continued:

"He would admit, however, that he would be willing to subject the country to some inconvenience in order to obtain communication with the Pacific through Canadian territory. He was in favor of opening up communication immediately through the country lying between the head of Lake Superior and Red River. From that point to the Rocky Mountains the way was comparatively easy, and quite clear enough for the use of immigrants passing into the North-West country. On the Pacific slope there was no doubt, but that it would be necessary to expend large sums from time to time as the financial condition of the Dominion permitted, in opening up a good route to this side of the Rocky Mountains, but this country should not be bound to construct within so short a time such a gigantic work."

The present member for Centre Huron (Sir Richard J. Cartwright) also declared his views on that occasion. What were they? They were presented in the form of an amendment in which he proposed that, instead of absolutely agreeing to build the road in ten years, that the Government should agree to use their best exertions to complete it in ten years. When the Pacific Act of 1872 was introduced, the Liberal party did not take ground against the construction of the road. They merely objected to the details, especially to the powers taken by the Government with reference to the location, the chartering of a company and other details. But nowhere, from first to last, do I find any determined opposition to the construction of the road, or to the commencement of the construction as soon as the surveys should be made. But we are not confined to this, although I think the best indication of the policy of the present Government is the resolution and Bill of 1872 and subsequent enactments. When the Liberal party came into power in 1873, what do we find them doing? The Premier introduced a Bill in which he provided for the construction of the Canadian Pacific Railroad, and in which he passed through this House, the first resolution in favor of the work being undertaken by the country and the Government. Prior to that time, neither party had assumed that responsibility. But he went further than the leader of the Conservative party had ever gone, so anxious was he that that work should be constructed. He undertook, in case he could not find a company to undertake it, to construct it by the country and for the country. He made a second treaty with British Columbia, under which, so far as the Government were able, he agreed to spend not less than $2,000,000 on the mainland of British Columbia every year in the construction of the Canadian Pacific Railway. He purchased large quantities of rails, which he transported at great expense to the Pacific coast, for the purpose, we must presume, of building the Pacific Railway in the Province of British Columbia. Further than that, he asked for tenders for the construction of that whole line, on a basis of $10,000 in money, and 20,000 acres land per mile, and he asked also for tenders for that particular section, from Yale to Kamloops, about which we heard so much last session. Even in the motion of the present Leader of the Opposition, which was made in this House last Session, and argued at such great length, he did not dare to attack the policy of constructing the Pacific Railway, but simply proposed to defer the construction of it for a certain period of time.

Sir LEONARD TILLEY. Hear, hear.

Mr. IVES. Therefore, I say that I have proved, beyond doubt, this position which I take, that both of the great political parties are equally responsible for the obligation, under which the country rests, to construct the Canadian Pacific Railway. Now, can the obligation to construct this road be avoided? I find that in the same debate to which I have referred, the debate of 1871, the hon. the present leader of the Opposition declared his opinion upon this point. I find him saying as follows:—"If this measure should become law, the faith of the Dominion of Canada would be pledged, and without the consent of British Columbia we could never break one jot or tittle of these cast iron obligations." I also find Sir A. A. Dorion, then leader of the Liberal party in the Province of Quebec, gave his opinion on this subject. Referring to the statement that it would be found impossible to build the road within the time fixed, that Canada could not be expected to ruin herself, he said: "He regretted the humiliating proposal that after the pledge had been given, it might afterwards be reconsidered." Later on, on the motion for the report, the member for South Durham (Mr. Blake) made a further declaration on this question. He said:

"The argument seemed to be that they could not be compelled to perform impossibilities, but an honest man would fulfil an obligation, even if the result might be bankruptcy. If rashly the national credit and faith were pledged to build that road in ten years, any one who voted for that obligation with the mental reservation that they would not be compelled to fulfil the obligation unless such should be desirable, was a base man. * * The bill is not one that can be repealed, but is an irrevocable engagement to build the road."

I will not pause to compare the language of the hon. gentleman in 1871, with the course he took during the last Session, but the inference is very obvious. Then, there is only one honorable course which we can follow and that is, to proceed with the construction of this road as rapidly as our financial position will justify.

Mr. BLAKE. Hear, hear.

Mr. IVES. And a refusal to do so is not only a breach of public faith and honor, but furnishes a good excuse for the dismemberment of the Union itself. If both parties are equally pledged, and there is no way out of the obligation, the next question is how shall the obligation be performed, Shall it be by subsidizing a company to construct the road, or by having the work done by the Government, as a Government work, a course which the Opposition in this debate seem inclined to support? The constant policy of the Conservative party has been to have the road built and operated, when built, by a company. The form of the original resolution is in these words: "To secure the commencement and to secure the completion of the road;" and you will find that Sir George Cartier had not proceeded a dozen sentences in his speech introducing the resolution before he declared that it was the intention of the Government not to undertake it as a Government work, but to

secure a company that would undertake to build and operate the road. The House was so unanimous on this point in 1871 that resolutions were offered by both sides placing it beyond the power of the Government to expend money as a Government in the work of construction. The Pacific Railway Act affirms the view I take; the charter of Sir Hugh Allan & Co. also affirms that view; the resolution of 1879, which set aside 100,000,000 acres land, equally affirmed it; the constant efforts which the present Administration have made, since they came into power, to find a company supports the position I have taken, that it has always been the policy of the Conservative party to build this road by means of a subsidized company. The views of the Liberal party on this point seem to concur entirely in the position taken by the Conservatives in this respect. Almost nine-tenths of the Railway Act of 1874, is taken up with providing machinery for the construction of the road, by means of a company; and in the last clauses of the Bill, power was taken, in case nothing else could be done, to proceed with certain sections of it as a Government work. We find, however, the policy of the Liberal party on this question is declared by the present leader of the Opposition in his speech last Session, reported on pages 1428, and 1431 of the *Hansard*. He said, as reported on page 1428:—

"It has been repeatedly explained by my hon. friend, the member for Lambton, that his intention was, as soon as the surveys were completed, to submit the whole of the road to tender, on a land and money basis, the contractors taking over as cash on account the works meantime executed by the Government."

And further on, he said (see page 1431):—

"But meantime further progress was made, and to some enquiries the Government answered that it hoped to be able shortly to advertise for tenders for the whole work on the land and money basis. It was the policy of the Government, at the earliest moment at which the condition of surveys would permit, to take that step and so to give a fair trial to the plan—the only plan by which the road could be constructed in any short time without increasing the rate of taxation."

Now, I think we may at once admit that the three positions I have taken are fully and clearly made out, that both parties are equally responsible for the undertaking, that both are agreed it is better to construct the road by means of a company than by the Government, and that this obligation to construct the road is irrevocable. But independent of the declaration of every party in years gone by, it commends itself to the common sense of every hon. member of the House, that it is preferable this work should be constructed and operated by a company. In the first place, the contract, such as it is, reduces to a comparatively defined amount the expenditure which is hereafter to be made by the Government. In the next place a contract of this kind, puts the matter out of the domain of party politics which, to my mind, is one of the strongest reasons why we should prefer that course to any other. In the next place, the road can be constructed more rapidly by a company than by the Government; in the third place, it can be constructed and operated more cheaply by a company than by any Minister of Public Works, no matter how watchful he may be. We all know what strong pressure is brought to bear on a Government to induce them to take employees into their service that are unfit for the position they ask for, and perhaps not at all needed. We all know how difficult it is for a Government to operate a great railway such as this will be as cheaply as a company could operate it. But over and above all this, is the fact that the arrangement proposed would render the Government the very greatest possible assistance in the way of attracting immigrants to this country. If you consider the average cost per capita of inducing immigrants to settle in the older provinces of this Dominion, and the great additional cost of inducing them to settle in the North-West, and then estimate the number likely to settle there, you will obtain some idea of the several millions of dollars which will be saved to this country in the expense of immigration alone. The only objection to this scheme worthy of consideration which I have heard, is that it will place in the hands of a company a large lot of land which they may retain on speculation. This objection would be a very natural one for us if we were in a position to build that railway and present it to the North-West; if we were in a position to deal with these lands entirely as free grants and homesteads. If this country possessed a population of thirty millions, if we had an overflowing treasury and no public debt, we might very fairly be asked out of our abundance to construct the Canada Pacific Railway, and to take immigrants there and give them those lands free. But, unfortunately, we are not in that position. No one expected that the older provinces of this Dominion would undertake the cost and the burdens of taxation necessary to build that railway, and open up those lands for settlers. That is not our position, and, therefore, we are not in the position to object to the sale of lands for the purpose of constructing the railway. I believe there are thousands of people in this Dominion who would say: Take as much of the land as is necessary for the purpose of building the railway, and free us from the burden, even if the land must be excluded from settlement forever. I believe there are thousands of people in this country who would say: If it is necessary to consecrate one half of the fertile belt for the purpose of constructing that railway, then take it, rather than impose on the older provinces of this Dominion the burden of taxation, which otherwise must fall upon them. Having disposed, Sir, of what are, as it were, the political aspects of the case, I must ask your attention for a few moments to the question as to whether the bargain proposed in this contract is a fair one to the country. The hon. leader of the Opposition, in discussing this same point, has quoted very largely from the estimates made during the last Session by the leader of the Government and by the Minister of Railways. He has taken his estimates of population, as well as lands likely to be sold, from the leader, and he has taken his estimates of cost from the hon. the Minister of Railways. Now, suppose we take his own estimates and apply them to this question, and ascertain from them what is likely to be the advantages or disadvantages of this bargain. We find that, during the course of last Session, in his celebrated speech, he estimated the cost of the road from Selkirk to Edmonton at $17,650,000; from Edmonton to the Summit $9,000,000; from the Summit to the Pacific $36,000,000, making a total of $63,550,000. Now, the costs from Kamloops to Yale is estimated by Mr. Fleming at $10,000,000, which figures are a great deal more than the present estimate, and from Yale to Port Moody $3,500,000, a total of $12,500,000. Deduct this from the $63,550,000, and you have the idea of the leader of the Opposition as to the cost of the work to be done by the Syndicate in the central section, making in all $50,050,000. Now, to that add his estimates of the cost of the road from Fort William to Nipissing, $32,500,000, and you have a total of $82,550,000. That is the total cost of the work which the Syndicate have undertaken to do. Now, deduct $25,000,000 in cash which the Syndicate are to receive and you have a balance of $57,550,000. Now let us add the interest during the time of construction. We heard a great deal more last Session from the leader of the Opposition about interest during construction than this Session. I have not heard a word from him this Session with regard to interest during the course of construction. Now, I propose to add five years interest as an average on the whole amount, at 4 per cent, and it makes a total of $11,000,000, which the Syndicate must pay during the ten years of construction, and you have a total of $68,550,000. Well, Sir, that is not all the interest, we must add to the

estimates of the leader of the Opposition. He has always argued that this road would not pay running expenses, at all events, during the first years of its operation, and if it will not pay running expenses it certainly will not pay interest on capital account. Suppose we add ten years interest at the same rate for the period during which we may fairly say, according to the hon. gentleman's estimates, that there will be a loss of interest on capital account. Add the interest for the first ten years of the operation of the road, $27,420,000, and you have a total of $95,970,000 as the cost of the work to be done by the Syndicate, including interest, which they must lose. Now I am not able to give the hon. gentleman's figures of loss for operating expenses, but he stated it would be no doubt a large sum. He stated that the hon. member for Lambton had said that Mr. Fleming estimated it as high as $6,000,000 a year.

Mr. BLAKE. No; the gross, not the loss of operating.

Mr. IVES. Out of it would be deducted the receipts, but I have added to this amount as the total of loss—I have been very modest in the matter—I have added as the total loss of operating expenses, $4,030,000, and we have here a grand total of $100,000,000 which the Syndicate have got to get out of 25,000,000 acres of land, or, in other words, we sell it at four dollars an acre which is slightly better than $3.18, which the leader of the Opposition said that the right hon. leader of the Government had estimated it to be worth. Now, perhaps, the hon. gentlaman will not approve of those estimates, perhaps he will not like to see them applied to the present state of affairs. We will take the estimates of the hon. the Minister of Railways of last Session, and I must say that I believe that in one particular these estimates will be found to be under rather than over the mark, and that is the cost of construction of the prairie section. His estimates were, from Selkirk to Jasper Valley, $13,000,000; from Jasper Valley to Kamloops, $15,500,000; from Nipissing to Lake Superior, $13,000,000, making a total of $46,500,000. To this you must add for the equipment of these sections, which the Government construct but do not equip, the following figures: from Lake Superior to Selkirk, $800,000; from Kamloops to Port Moody, $430,000; from Emerson to Selkirk, $120,000, making a total of $47,850,000. Deduct from that cost $25,000,000, and you have a balance of $22,850,000. Add to that interest, as in the other case—because I do not suppose any one will contend that there will not be a loss of interest during construction, and during the first ten years of operation—say 15 years interest at four per cent., and you have a total of $36,560,000, that is taking the sale of the land at $1.46 per acre. But I have every reason to believe that the cost of this prairie section will prove to be more than $13,000 a mile. That part of the road will have to be constructed almost entirely with rolling stock, that is, by drawing the ballast on to the road by means of rolling stock. A large amount of rolling stock will be required, and it must not be lost sight of that the rails and supplies for the workmen will have to be transported a long distance. Ties will be far more expensive on that central section than anywhere else on the whole line. If we take the cost of construction of that portion of the road at $18,000 a mile, we have the following figures: from Selkirk to Jasper Valley, $18,000,000; from Jasper Valley to Kamloops, $15,500,000; from Nipissing to Lake Superior, $13,000,000, making a total of $46,500,000 to be expended by the Syndicate; add for equipment of the other portions of the line $1,350,000, and you will have a total of $47,850,000; deduct the cash and there is an expenditure by the Syndicate of $22,850,000; add fifteen years interest as before, $13,710,000, and you have a total of $36,560,000. This would be the sale of the land at $1.46 per acre, and if you call the land worth one dollar an acre, the Syndicate would lose $11,500,000. To offset this they would have the portions completed by the Government. So much for the estimates upon this branch of the subject. I cannot help here, although the ground has been gone over by the hon. the Minister of Railways, making a comparison between this bargain and the Allan charter, and the arrangement proposed by the late Government. Comparing the work with the Allan contract, taking the distance at 2,627 miles, and calling the land worth one dollar an acre, you have, under the Allan contract, cash $30,000,000; main line of land, $50,000,000; Pembina Branch, $1,700,000; Georgian Bay Branch, $3,000,000, making a total of $84,700,000. Under the present arrangement the total to be expended by the Government, exclusive of subsidy, is $28,000,000; cash, $25,000,000; land, $25,000,000, making a total of $78,000,000, which would be a saving under the present arrangement over the Allan contract, of $6,700,000. There is another point to which I have not heard any previous speaker allude, and that is the rate per cent. which money was worth then and is worth now. The same rate per cent., at the present day, would pay both interest and sinking fund on a 38 years bond. In other words, making our financial arrangement for the construction of the Pacific Railway now, there would be a sufficient saving of interest to wipe off the whole obligation of the whole money portion in 38 years. Then, if you take the land at $2 per acre, you find the advantage to be still more striking. There would be cash, $30,000,000; land, $100,000,000, for the main line, and $3,400,000 for the Pembina Branch, and $6,000,000 for the Georgian Bay Branch, or in all $139,400,000. Under the present contract there will be a cash expenditure of $28,000,000; subsidy, $25,000,000; and for the land, $50,000,000, making in all $103,000,000, a saving of $36,400,000. Let us compare this with the amount suggested by the late Government, leaving out of consideration the offer to guarantee the interest upon the bonds. The main line is 2,627 miles long; the Pembina Branch, 85 miles, and the Georgian Bay Branch, 85 miles, a total length of 2,797 miles. The amount of cash, under the offer of the late Government was, $27,970,000; and in lands, at $1 per acre, $55,940,000, making a total of $83,910,000 as against $78,000,000 by the contract under the present Government, a saving of $5,910,000. If the land be reckoned at $2 per acre, the figures will be as follows: under the arrangements of the late Government, $27,970,000 in cash and $111,980,000 in lands, making a total of $139,950,000, as against $103,000,000 which would be the amount of the present contract if the lands were taken at $2 per acre. This would show a saving of $36,950,000, without taking into account the guaranteeing of the bonds. As to the value of the lands I agree very much with the speaker who preceded me. I do not care whether you call the price $1, $2 or $3.18 per acre, so far as the arrangements are concerned, but I cannot resist the temptation of giving a few quotations from the remarks of hon. gentleman opposite as to the value of these lands. In the course of the debate of 1871, the member for Gloucester (Mr. Anglin) said:

"A company had been spoken of but where was the company? How could any company raise $75,000,000 on 50,000,000 acres of barren waste land?"

The Hon. Mr. Joly, then a leading member of the Liberal party, said:

"For years to come the line could not pay one-tenth part of its cost, and no company would undertake it unless they received every assistance, for the line would not obtain anything like the traffic that the Union Pacific obtained."

The Hon. Mr. Smith said:

"No one could suppose that even after the road was built it would pay one-tenth of its working expenses, and how, therefore, could British capitalists be expected to undertake it."

The present member for South Wentworth (Mr. Rymal) said:

"Added to this there would be the yearly and ever-increasing burden of maintaining the railway, all of which would fall on the poor taxpayers."

In a second speech, the hon. member for Gloucester (Mr. Anglin) used the words:

"In addition to this amount for cost of construction there would be the working expenses to add to the burden."

The leader of the late Government, according to *Hansard*, 1874, page 92, estimated the running expenses at $6,000,000 per annum, out of which would, of course, have to be deducted the receipts. I think, Sir, that it has been pretty clearly shown that, independent of those objections which have been raised to matters of detail, the main features of this contract are more advantageous to this country than any other proposal yet made to this House. The next question we have to consider is whether the Dominion can safely assume the burden imposed upon it by this contract. As I understand the matter we shall have to provide about $35,000,000—that is $25,000,000 of a subsidy to the Company and $10,000,000 for expenditures hereafter to be made. It seems to me that it would not be necessary to undertake the construction of the 90 miles from Yale to Fort Moody, for perhaps a period of five years, or at all events until the railway from Kamloops to Yale has been completed. If that course were adopted, I find that the expenditures for each year would be as follows: first year about $6,275,000; the second year about the same amount, while the 3rd, 4th and 5th years would be about $3,900,000 annually, and the 6th, 7th, 8th, 9th and 10th $3,060,000 annually. But I do not think it would be necessary for the country to borrow all of this money, or even the larger portion of it. I believe that in the era of prosperity which has dawned upon this country, and which under the liberal expenditure of money which must be made for the next ten years, the present Tariff may be counted upon to produce a large and yearly increasing surplus. I believe that with the present Tariff it will never be necessary to borrow an additional dollar for the purpose of constructing the road, more particularly if there should be a portion of the money derived from the sale of the bonds, which, as seems to be indicated by one clause of the contract, are to be deposited with the Government. There is one point which is important in connection with the consideration of our resources to meet this obligation, and that is the probability of immigration. During the last Session of this House we had a very long and able discussion of this subject. The leader of the Opposition gave, as his opinion, that we could not expect anything like the immigration into our North-West, which had occurred in the case of the north-western United States, and that for two reasons. In the first place, the hon. gentleman said, we had nothing like the recruiting ground which those States had enjoyed. I beg most respectfully to differ from that view. He argued that our recruiting ground had only 4,000,000 people, whereas the recruiting population of the north-western States amounted to 30,000,000. I must differ from those figures. In the United States, only the New England and Central States furnish emigrants to the western States. No one ever heard of emigration from the Southern States, or from the Pacific slope to the north-western States, to any appreciable degree. Therefore, when considering the extent of the recruiting ground of the north-western States, you must deduct the south and the far west. But the same New England, and Central States, which have furnished a recruiting ground for the north-western States, will furnish one for our own North-West. I believe it is capable of demonstration, that the large blocks of land available for settlement to emigrants in the United States are yearly growing less, and have been nearly exhausted. I do not mean that there is no good land left for settlement, but that the United States have not at present anything that will compare with our own North-West. If that be true, and if, as I believe, our own North-West has become thoroughly advertised, and its merits are beginning to be thoroughly understood, we may look to the New England and Central States as much as a recruiting ground for ourselves as they have proved to be for the United States north-west. The Yankee is not very particular under what flag he lives, provided you furnish him with good land; he is not very particular as to his residence provided he can make money. I do not believe that the fact that the Union Jack instead of the Stars and Stripes floats over our North-West will deter American emigration when its merits become fully known to the American people. Another argument advanced by the member for West Durham was, that if we analysed the increase of the population in the United States north-west from 1860 to 1870, we should find a very large percentage of it was born within those States, and that, therefore, we must take that into consideration in estimating the acres of our land which will likely be taken up and purchased. He made this mistake, that children under 10 years are not, as a general thing, likely to purchase land, and such children born between 1860 and 1870 could not have purchased land in the north-west States. Therefore, we must conclude it was the class that entered that country either from the New England and Central States, or the foreign immigrants that purchased its lands. Only think for a moment what has been the tremendous increase of population in those north-west States from 1860 till 1870. Take, for instance, the several States which certainly have not better land or a better climate than our own North-West. The following figures will show the increase:

	1860.	1870.
Kansas	107,206	364,399
Nebraska	28,841	122,993
Minnesota	172,023	439,706
Wisconsin	775,881	1,054 670
Michigan	749,113	1,184,059
Iowa	674,913	1,194,020
	2,507,917	4,350,847
Increase	1,851,870	

Oh, but hon. gentleman opposite will say, that is in the United States. They do increase there, whereas in Canada we always go slow; we cannot expect anything like the increase witnessed in the United States. Well, let us turn our attention to the New England States, and see what was their increase during the same decade, and compare it with that in the older provinces of the Dominion. These figures will show the result:

Population.	1860.	1870.		
Maine	628,279	626,615	loss	.22
New Hampshire	326,073	318,300	"	2,38
Vermont	315,098	330,551	gain	4.90
Massachusetts	1,231,066	1,457,351	"	18 38
Rhode Island	174,620	217,353	"	24.47
Connecticut	560,147	537,454	"	16 60
	3,135,283	3,487,924		
Gain	352,641	11.24 per cent.		

The Canadian Census returns for the decade from 1861 till 1871, show a gain of 395,200, or 12·78 per cent. But the very fact that the great gain in population in the United States has been in the west—that there has been a falling off in the New England States, ought to teach us the importance of our own North-West to the growth and development of our country. We cannot expect a very large increase in the population of our older Provinces for any decade. As the lumbering interest becomes exhausted, we shall experience a loss of population. As our agriculturists become more wealthy, they will buy out their neighbors, and the population will diminish. But if, under a wise fiscal policy, manufactures and commerce are fostered and developed, we may expect a large increase in our cities and manufacturing towns, and a great development of wealth, as there was in New England from 1860 to 1870, although there was only a small increase of its population. There is sure to be a large increase of wealth in our older Provinces if such a wise and beneficial fiscal policy obtains, hereafter, as I believe is practised at present. But it is said there is a most remarkable exodus of our population to the United States. The

leader of the Opposition, the first day of the Session, gave us some figures to show that, during the last years of the Administration of my right hon. friend there was a yearly increasing number of Canadian emigrants to the Republic; that during the five years of the late Government, the number annually decreased, and that since the accession of the present Government, the number has again been increasing. I take those figures as giving the best possible proof, that a large portion of this so-called emigration represented the movements of business men going to the United States on business. During the good times, before the change of Government, in 1873, when people had occasion to go to the United States to purchase goods, and had money to travel with, there was a very large amount of this so-called emigration to the States; and now, again, that better times are come, and the people have money for travel and business in the States, you find a very large reported emigration, which consists of business men going to and coming from that country. But during the five lean years of the late Government, the number constantly decreased, because our people had no business to do in the United States; but even if they had had business, they had no means of travelling to and from the Republic. I believe that those figures prove that this supposed large exodus consisted of business men travelling, and of emigrants passing through Canada to the States, and through the States to our own North-West.

It being six o'clock the Speaker left the chair.

AFTER RECESS.

Mr. IVES. When the House rose at six o'clock, I was addressing myself to the question of immigration, and, if you will pardon me, I will add a few words to what I have already said on the subject. I look upon the matter in this light: That we have the only large block of good land, prairie land, now remaining unsettled in America; that our lands are becoming well known to the immigrating world, both in Europe and in America; that good lands in the United States, although not entirely exhausted, are rapidly becoming exhausted, particularly in large blocks; and that the Government, in its efforts to promote immigration, working in accord with the Syndicate, will naturally bring about, in the course of the next ten years, a very much larger immigration to our North-West, and also to the older Provinces of the Dominion. This is a matter of the very greatest importance to us. I look upon it as the salvation of the country, and as a means of raising from the shoulders of the present population the burden of taxation which now rests upon us. I now propose to address myself for a few moments to the objections which have been raised by hon. members to the minor details of the contract. The first of these objections is that the lands are to be selected by the Syndicate themselves. Now, as this point seems to be objected to with great seriousness, it may not be out of place to compare the provisions of the contract with those of the Act of 1874, introduced by the late Government. In the contract it is provided that, should any of the sections consist, in a material degree, of land not fairly fit for settlement, the deficiency may be made up by lands to be selected by the Company in similar blocks along any branch line, or line to be located by the Company, or any common front line, or lines agreed upon between the Government and the Company; and the Company may, with the consent of the Government, select in the North-West Territories, any tract or tracts of land not taken up as a means of supplying, or partially supplying, such deficiency. The provisions in the Act of 1874, section 4, are these:

"The said lands to be of a fair average quality, and when a sufficient quantity cannot be found in the immediate vicinity of the railway, then the same quantity or as much as may be required to complete it, shall be appropriated in such other portions as may be determined on by the Governor in Council."

By the present contract, 25,000,000 acres of land, fairly fit for settlement, are appropriated; by the Act of 1874, 52,000,000 acres of land, of fair average quality, are appropriated. Now, I appeal to the House whether there is any serious difference between the terms of the contract and the terms of the Act of 1874, with respect to the quality of land which the Syndicate, in the one case, and the contractors in the other case, were to receive from the Government, except that, in the one case, the quantity to be appropriated was very much in excess of the quantity to be appropriated in the other. Then, the one proposition makes the selection of the land necessary to supply the deficiency along the main line, a matter of agreement between the Government and the Company; whereas, in the other case, the Governor in Council may designate the land which the contractor was to take, but was bound to designate land of fair average quality. I ask whether there is any serious difference between the terms of the Act and the contract in this particular. But there is this very great difference: that whereas the terms of the contract are no more onerous, but, on the contrary, are quite as favorable as those of the Act, yet they make the scheme, as a financial scheme, much more satisfactory than by the terms of the Act. Under the contract it would be impossible for capitalists to say to the Syndicate that they would be obliged to take inferior land. The next objection is that the Syndicate may choose their own route. Here, too, we might compare the language of the contract with the language of the Act of 1874. The termini of the eastern section are fixed, the one at Callander station and the other to connect with the line from Lake Superior to Selkirk, and the termini of the central section are fixed, the one at Selkirk and the other at Kamloops; and, inasmuch as 100 miles of the road from Selkirk west has been nearly constructed, inasmuch as the line has been surveyed and located by the Government, I do not think there is any likelihood there will be any great deflection made by the Syndicate from the line actually selected. In the Act of 1874 the following are the provisions, and I may say they are much less definite than the provisions of the present contract. Section first of that Act provides:

"That a railway to be called the Canada Pacific Railway shall be made from some point near to and south of Lake Nipissing to some point in British Columbia on the Pacific Ocean, both the said points to be determined and the course of the line of railway to be approved by the Governor General in Council."

In both cases the location is subject to the approval of the Governor General in Council; but to the people of the older Provinces what great difference does it make whether the line goes ten miles north or south of a given point. We know that the interests of the Syndicate will be to locate that line where it will be likely to receive the largest traffic, where it may be the most direct and the most cheaply constructed. Provided these terminal points are connected, we have no reason to find fault with the way in which the work is done, and there is more definiteness in the terms of the present contract than there was in the terms of the Act of 1874, which hon. gentlemen opposite found to be perfectly satisfactory. Objection is taken that the Government give the Company right of way and ground for stations, sidings, workshops, &c. Now, I am surprised to hear objections taken to a provision of that kind, I am surprised to hear hon. gentlemen, who represent constituencies of the older Provinces, taking exception to that provision. Does not every hon. member from the Province of Quebec know that nothing is more common than for Governments to aid the construction of railways in that Province? Does not every hon. member from Quebec know that our Local Government not only gives the right of way to a road for its stations, workshops, &c., but actually gives

a subsidy of so many dollars per mile to aid in its construction, and not only that but our own people assist with money bonuses the construction of our railroads in that Province?

Sir JOHN A. MACDONALD. Hear, hear.

Mr. IVES. And I presume it is the same with other Provinces in the Dominion; yet we find hon. gentlemen, whose constituents are in the habit of putting their hands into their pockets to assist railroads at home, object to committing this House to this measure which gives a company the right of way to the North-West, built for the special purpose of the settlers there.

Sir LEONARD TILLEY. Hear, hear.

Mr. IVES. I am surprised to hear this objection raised when we are about to make a definite arrangement which will relieve us of the obligation to build the road, an obligation which those hon. gentlemen have often declared to be an onerous one. Then, Sir, there are three other objections. It does not do for hon. gentlemen to urge their objections consecutively, because they are inconsistent with each other; they first urge one and then throw in an interlude, and then another, and then throw in another interlude, and then urge a third. These three objections are: first, that the Company need not invest any of their own capital in the undertaking, since once they have paid a million security, and subscribed five millions and paid up 30 per cent. of it, the individuals signing this contract are personally discharged, and the liability becomes a liability of the Company; second, that the exemption of the Company's lands from taxation for 20 years after their grant by the Crown, will cause the Company to hold these lands at large prices, to the retarding of settlement and the injury of the settler on the remaining Crown lands; third, that the Company have entire power to fix, and will fix, very high freight rates, amounting to a tax of $4 per acre on the lands cultivated by the farmers of the North-West. Now, let us look at these objections. I take it that the Syndicate will either fulfil their contract and complete and operate the road, or they will not. If they fulfil the contract, the security is fully met; if they do not, they will not hold the lands and will not have the fixing of high or low rates for traffic. If they carry out their contract, they must either sell the lands to obtain money to do so, or else put their own money into the work. If they put their own money into it we shall have security for the building and operating of the road, and we shall have security that they will not do it at a rate that will retard traffic or discourage settlement. We can thus easily see the foolishness of the arguments that hon. gentlemen have urged upon these points. As to the objection that these lands will be exempt from taxation for 20 years—I am speaking of this undertaking as an obligation of the older Provinces of this Dominion to construct this railway,—I ask hon. gentlemen in what way they could carry forward that enterprise, which would cost the older Provinces of the Dominion so little, as the way which the contract suggests. If you reject this contract on that ground, what follows? This follows: that we revert to the old state of things. The Government do not thereby become absolved from the obligation of building the road; they must necessarily take it up and carry it on as a Government work, as they have hitherto done. Then what about exemption from taxation? Would these lands be exempt from taxation in that case until they were sold? Sir, I look upon the argument that was urged by the hon. leader of the Opposition, that the Company have the very greatest interest in the disposing of these lands—that the transportation of the grain raised from these lands was that to which they have to look for a revenue, as being a most important argument. I believe it will be the interest and policy of these gentlemen, who are on all sides acknowledged to be gentlemen of good sense and business ability, to dispose of those lands on easy terms and as rapidly as they are able to do so. But it is said they may not take the lands from the Government, even when they have a right to them, until they find an opportunity of selling them, and in this way may prolong this period of exemption indefinitely. Surely the Government can compel these gentlemen to take an assignment of these lands when they become entitled to them. When we consider that this is the one particular in in which we can make the scheme a taking one, financially speaking, without costing us a dollar, I must say I am surprised to hear this objection raised, especially by members representing the older Provinces of this Dominion. As to the security for the construction of the road, the hon. leader of the Opposition, in the course of his speech the other evening, furnished us with the most conclusive argument that the Syndicate would complete every section of this road. After showing us that the Syndicate were likely to make a good deal of money out of the construction of the central section, he went on to show us that they would make $3,000,000 more by constructing the western and difficult part of the central section, than they would by not constructing it. Surely, if these men are the hard-hearted men they are represented to be, they will not drop that three millions. The hon. gentleman also showed us that they would make $833,000 more by constructing the line north of Lake Superior than by not constructing it. Now, we do not want any better argument that the Syndicate will build these portions than this argument, furnished by the hon. gentleman himself. Then we are told that there may be very high rates fixed, and that the settlement of that country may be retarded, and the prosperity of that country prevented thereby. Sir, it is admitted on all hands that the Government of this country have the fixing of the rates for traffic on this road. But even if the Government had not the fixing of the rates, surely it would not be contended that men of their business capacity would fix such rates of traffic as would prevent the raising of wheat in that country. But I ask hon. gentlemen to state the rate per mile they would fix on the different classes of freight. I ask them if this contract prescribed rates which the House would approve of, whether any company in the world could possibly float the scheme. The Government might have agreed to very high rates, to rates which the Syndicate could have satisfied capitalists were paying rates; but we could not have approved of such rates. We would have said: these rates are prohibitive, these rates will retard the development and settlement of that country; and we could not have agreed to them. But suppose the contract had fixed rates which would, perhaps, be paying rates after the country became settled with a population of two or three millions, then the project would have been entirely unsuccessful, for no capitalists would have been found to invest in the scheme, as, for many years to come, the road must have been operated at a loss, or, at all events, there must have been a great degree of uncertainty about it. Then it is objected that steel rails, fish-plates, other fastenings, spikes, bolts, iron, timber, material for bridges to be used in the construction of the railway and telegraph line, are to be admitted free of duty. Suppose we reject this contract on that ground, what follows? As I said before, the Government must proceed to construct the road, and in that case all these articles come in free of duty. But, hon. gentlemen argue this matter, as if the admission of everything had been made free of duty under this contract. We forget that locomotives, cars, picks, shovels, carts, waggons, harness, horses, axes, steel for drills, powder, boots, ready-made clothing, food supplies, and a thousand other things, that will be used in the construction of the Pacific Railway, in immense quantities are not to be admitted free of duty, and they also

forget to tell the House that steel rails are now admitted free of duty for everybody. I ask whether it is not possible for the manufacturers and business men of this country to make enough out of the operation of that contract, by the enlarged trade that must ensue in such things as are not free of duty, as must necessarily be manufactured in the country, whether they cannot make enough to compensate them for the loss upon nuts and bolts? Then objection is raised that the Government are going to let these people have the whole advantage of that exceedingly good bargain, which the Minister of Railways made with respect to the purchase of rails, but they forget that another bargain was made some years ago, which was not so good a bargain. They forget that the Syndicate are obliged to take all the rails that the Government do not want at cost.

Mr. BLAKE. No; only rails bought since 1879.

Sir LEONARD TILLEY. There are no others.

Mr. IVES. During the early part of this Session we heard a noise as of distant thunder. It was impossible to tell for a day or two what it meant or what was coming, but, early on Friday last it became manifest that we were to expect a manifesto from the Liberal members of this House, that that manifesto was to be signed with the hands and sealed with the seal of the great leaders of the party in this House, and that it would be sent to every voter in the Dominion, and would strike terror to every Conservative heart. Well, it has come, and, to the surprise of everybody, it is not signed with the hand of the great leaders, and it is not sealed with their seal. In fact, it belongs to the no-name series, it is issued anonymously.

Mr. PLUMB. Anonymously, but not unanimously.

Mr. IVES. No one in the House could be found who would take the responsibility of fathering it. I do not wonder because it is a deformed offspring, it is one of those children to whom it is unnatural to tell the truth even from the cradle. Now, why is this manifesto disowned? It is disowned, I have no doubt, for this reason: that it may be necessary, within a week or within a month, but certainly it is probable within a year, to say something entirely different. It may be necessary for the leader of the Liberal party to put forth views entirely and diametrically opposed to the views set forth in the memorandum. Therefore, although I must say those gentlemen are not very particular about consistency, still it would not do to issue a manifesto and acknowledge it, and then to issue another diametrically opposed to it so soon afterwards. Let us look at this celebrated manifesto. It says this:

"It has generally been conceded by all parties that, with proper restrictions in the working of the road, and the power of resuming ownership, it would have been in the public interest to have the Pacific Railway constructed and worked by a private company."

The statement sounds very queer after the expressions of opinion which were given in this House only last Session. Why, Sir, we were told that the construction of the Canadian Pacific Railway would ruin the Dominion of Canada, that the operation of this road, by the Government, would be an annual charge of millions of dollars upon the treasury of the country, and now, forsooth, it is discovered that, perhaps, it would be better if the country could get rid of the obligation and shove it off upon a company. Then we are told in this manifesto that it would have been better on all hands had there been a provision inserted in the contract that the Government might take it back in some future period and operate it as a Government work. Now, upon that point, I propose to read to the House a statement made in the Toronto *Globe* of November 8th, and headed "Impossible Bargain:"

"The engagement to pay so much was, of course, understood to imply that the Company would take the risk of running and maintaining the line for all time. Ten years after completion, in 1891, the road may possibly pay running expenses, and the large sum in excess of its cost would be given to the Company for risking a loss in the meantime. But, the *World* correspondent says, that the road will be thrown on the hands of the Government as soon as finished. We can hardly believe the assertion, though it is consistent with the statement that a guarantee of only $1,000,000 is mentioned in the contract.

"The avowed object of negotiating with a company for the completion of the work in ten years, was that the Government of Canada should escape all responsibility for the enterprise by making a definite payment. The people are, perhaps, not opposed to granting a subsidy in excess of the sum for which the line can be built, if by such grant the line can be finally got rid of. But, to pay $20,000,000 more than the estimated cost of the railway, and, after doing so, assume the enormous responsibility of running and maintaining it, never occurred to any advocate of the Syndicate scheme. Such a plan would unite nearly all the evils of the contract system, with all the evils of pushing forward the enterprise much more rapidly than could be done on that system. Absolutely nothing would be gained by it except that one set of contractors instead of several would undertake the construction of the road. Add to twenty million dollars the great sum which will be annually lost in running and maintaining a line 2,500 miles long during the years which must elapse after 1891 before a traffic sufficient to pay running expenses can be created, and we have the amount which the country will be called on to pay in excess of the cost of building the railway as rapidly as the development of the North-West warrants. The amount is too great to render advisable a scheme recommended only by the fact that it would take from Sir Charles Tupper the power of letting contracts. The possible loss by corrupt administration is as nothing to that which would occur if such an agreement had been entered into as that set forth in the columns of the New York *World*. We cannot believe that even Sir John's Ministry has entered into such a bargain."

That is the opinion of the *Globe* newspaper on the regret expressed in this manifesto: that the Government have not taken power to take back the road into their own hands. Surely the hon. gentleman does not mean to say that any body of capitalists would undertake to construct this road and then operate it, during the period when it must be operated, at a loss, giving the Government the right to take it back when it began to pay, without allowing them for their disbursements? Here is another queer statement in this manifesto:

"According to the valuation of Sir John A. Macdonald and the Department of the Interior, the lands to be received by the Company are worth $3.18 an acre; a sum less than the price realized by the Railway Companies of the United States. This will make the Government subsidy in land, for the construction of the central section of the railway, equal to $59,625,000, or in lands and money, $74,625,000, for building a road worth $28,500,000, and which the Company are to own when completed."

I beg to call attention to the very guarded language of this paper: "According to the valuation of Sir John A. Macdonald and the Department of the Interior." In this manifesto, to which no member of the Liberal party dared attach his name, the statement is not made that the lands are worth even $1 per acre. And why not? Simply because it might be necessary in the time to come to take up the old line of argument, that the country is good for nothing and the lands are worthless. Then we have this statement:

"The terms of the contract give the Company a monopoly of the entire trade of the North-West until the year 1900. A territory larger than the settled portions of the whole Dominion, fertile, and in every way well suited for colonization."

I must say that that is the first declaration of the kind I have heard—that those lands are fertile and larger than the whole extent of the Dominion, and every way suited for colonization; and I regret that some hon. member did not put his name to the manifesto, so that I could have the opportunity of congratulating him upon so sensible and patriotic a declaration. Again it is said:

"The Company are thus made the proprietors of a road built for them by the country, and will receive from the people, not only the railway, but also a bonus, in excess of what the road costs of $56,000,000."

That statement is true thus far, that the contractors will build 2,006 miles, and the Government will build 621 miles, and, according to my estimate, they will have to pay at the rate of $1.46 per acre for the land they get. We are told that the subsidy given in this contract to the Syndicate is excessive. I will give the opinion of the Toronto *Globe*, given on that point no longer ago than November 30th of this year; and I must say that in this article the *Globe*

correctly gave the amount of the subsidy in land and money, whether by a good guess or by information supplied by the Minister of Railways I cannot pretend to say:

"We do not contend that, large as these sums are, they are too much to reimburse the Company at the present time for building such costly sections and working them at a loss. What we do say is that for the present the whole of this enormous expenditure might be avoided by simply confining the scheme to the completion of the works under contract and the extension of the road westward from the Red River to the Rocky Mountains."

The next statement of this manifesto is, that the construction of the line north of Lake Superior is unnecessary. There is the same advocacy of the Sault Ste. Marie Branch which we heard from the leader of the Opposition the other evening. I would like to give the opinion of the *Globe* on this subject as on the 21st of February 1873, when Sir Hugh Allan suggested that that route might be an advisable one to follow:

"A very cursory examination of the country to be traversed by the American road from the head waters of Lake Superior will show how fallacious all such arrangements are, and how, not only the line through British territory may be carried through, from strictly commercial considerations, but must be, if British authority is to be maintained on this continent, and our new Dominion made practically as well as in theory a great fact. Apart from all other considerations, the very fact that the line under consideration is through American territory would be a fatal objection to its being made the grand trunk line for the Canadian North-West. Those who had the command of it would in a very few years command the country. All the intercourse, both social and commercial, of the people of the North-West region would be directly with and through a foreign people, and what might at any moment become a hostile country. By a mere stroke of his pen a foreign ruler might lay an embargo upon the whole intercourse of that part of Canada which lies o the east. The bonding system, as we have lately had hinted at in connection with a region nearer hand, might be stopped capriciously, and on very short notice; the tide of emigration might be turned away from our border. to a certain extent at any rate, while everything would conduce to make the absorption of the whole territory by the States a mere question of time, and of time very short at the longest."

The *Globe* adhered to that view until very lately; in fact, it did not change it until the hon. leader of the Opposition delivered his speech in favor of the Sault Ste. Marie route. No longer ago than the 27th of November of this year the *Globe* had the following article:—

"Instead of the Northern Pacific being likely to take from Canadian routes the trade of the district north of the boundary line, it seems probable that the Canadian Pacific, east of Selkirk, will be able to take some trade from the districts immediately south of the boundary line. We may leave out of consideration the freight that will take water either at Duluth or Fort William, in competing for which the Canadian port will certainly get the Canadian trade. Let it now be supposed that both the Sault Ste. Marie Branch and the line around the north shore of Lake Superior, have been built. For all-rail freight seeking the ocean, the Sault Branch must get the whole traffic of the Northern Pacific, because it offers a route shorter by 439 miles than that *via* Chicago to New York. Montreal will certainly become the eastern port of both the Northern and the Canadian Pacific. It has been supposed, however, that the Sault Branch will enable the Northern Pacific to take from the line around the north shore a portion of the trade of the North-West. TLis opinion is not warranted by an inspection of the table of distances. Produce delivered at Selkirk would have to travel over 100 miles farther to Montreal by the south shore than by the north shore of Lake Superior. Again, take a point on the boundary line due north of Bismark, and it will be found that a bushel of grain grown there is more likely to go to Montreal by the Canadian north shore line than by the Northern Pacific and Sault Branch. A railway has been projected from Winnipeg to Souris River, and westward from the Souris to the Bow River district, near the Rocky Mountains. That road will surely be built at no distant day, as a commercial enterprise unaided by a Government subsidy. Freight situated on the boundary line due north of Bismark and destined for Montreal, would have to travel about thirty miles farther if it went south to the Northern Pacific than if it went north by the Souris line to Selkirk. The Canadian Railway west of the Souris will run nearly parallel to the boundary line, and about the same distance from it as the Northern Pacific; it follows that if branch lines were constructed from the boundary line north and south the Canadian route would offer to all freight on the boundary line shorter transit to the ocean than the Northern Pacific. In fact the Bow River, Souris, Selkirk, and north shore route *ought* to take the traffic of a strip of American territory some fifteen miles wide. Of course branch lines will not be constructed on mathematical direct routes, but according to the topography of the country and the necessities of the people. But the facts which are set forth show that there need be no fear that the Northern Pacific will tap the Canadian trade. On the contrary, the American trade should be tapped by the Canadian railways. If both Governments grant charters freely, the result will probably be that some Canadian produce will go seaward by Duluth and more American traffic by Selkirk. At any rate Montreal will get traffic from both roads, as all points on both are many hundred miles nearer Montreal than any American ocean port.

Now that has a very important bearing on this question of monopoly. If the Canadian Pacific Railroad constructed to the north of Lake Superior, would not only hold its own in competing for the trade of all the North-West, but would also, if branches were constructed into the States, attract from the northern States a portion of the traffic of that country, we have not very much to fear from the cry of monopoly. Certain political leaders before to-day have published manifestoes, and have often been surprised to find the people did not get more excited over them. I am inclined to think that the Liberal members of the House of Commons, who put forth this manifesto, will find it has not created such a tremendous sensation as they expected. But supposing we reject this contract, not because its major provisions are unfair to the country—because no one seriously argues that—but because we do not approve of this or that little detail connected with it, what is to be the result? I am now addressing more particularly my political friends. The result would be the defeat of the Ministry, and the strangulation of all those industries that have sprung up and been fostered by the now fixed policy of the present Government. The leader of the Opposition says the people will speak when they have an opportunity. I believe they will; and what will they say? They will say that the Liberal party taught them to believe that the construction of the road was almost beyond the financial power of the Dominion, and that its operation would prove to be an annual burden on the Treasury. They will say they believe that the subsidy given this Company is a moderate and reasonable one; that, as to the minor details of this measure, they do not propose to throw it overboard, and assume the great burden they have happily got rid of merely on account of those minor details; also, that this question of exempting the Company from taxation is one that ought not to weigh with the people of the older Provinces, who, I believe, will not regard this contract from that ground merely, and take upon their own shoulders again the burden of constructing and operating this railway. The people of this country will speak when they have an opportunity, and, if I mistake not, their verdict will be this: that they prefer to expose the Government of this country in the hands of those men who have had the honor and pleasure of introducing almost every good and useful measure that has ever become law, rather than entrust power to the hands of the men who, during their term of office, seemed to have done more towards depressing the industries of this country than any other Administration. The leader of the Opposition referred in terms of derision, to a fancy sketch made by someone, of the right hon. leader of the Government looking down from the realms above upon a train with the Club Cartier going west over the Canadian Pacific Railway. I hope, and believe it is the wish of every hon. member that he will have the pleasure in his own lifetime of seeing that realization of his hopes. I think that, after the time and labor he has devoted to the service of this country, he deserves to live to see accomplished the greatest work of his life. This much I feel convinced of, that if he were judged by the people of Canada, he certainly would be in a position to look down upon such a scene; but I fear that if the gentlemen on the other side of this House were to be so judged, that the miseries the people suffered at their hands for five years would load to their consignment to a place in which, were they conscious of the motion of that train, it would be merely by hearing the rumbling of its wheels.

Mr. LAURIER. The contract now before us, and which the House is asked to sanction, is the last and crowning

consequence of the principle laid down ten years ago by the Government then in power, when they introduced the Canadian Pacific Railway scheme, and which was: that this railway should be built immediately and without interruption until its completion. It must be clear, from the remarks of the member for Richmond and Wolfe (Mr. Ives), with regard to the position of the two great parties, that, at the outset, the ground taken by the Conservative party was this: the railroad should be built immediately, and without interruption till finally completed; whereas the policy of the Liberals was that it should be built gradually as the wants of the country should require, and its resources permit. The reason urged by the leader of the Conservative party for the immediate completion of the road was, that it was a necessity of Confederation which would otherwise remain incomplete. If it was, it was not a necessity of Confederation as primarily established; nor was it a necessity that sprang from any natural cause. If it was, however, such a necessity, it is perhaps the severest commentary upon the policy followed some years ago of creating whole Provinces out of the wilderness, and of endowing them with all the institutions and luxuries with which Provinces with large populations must be supplied, while in these cases there was scarcely any population. Hon. gentlemen opposite will remember that they received ample warning not to create that state of things which would bind this country to the immediate completion of the road. They were reminded that if they did so they would be putting a burden on this country too heavy for its strength to bear; but they did not heed these warnings, they forced their followers to vote for this policy, and now, as a crowning consequence of that policy, their followers are asked to consent to the enormous sacrifices involved in this contract. If I recall these facts it is without any intention to recriminate. This is not the time of recrimination, it is the time of all others when every man should apply himself to discharging his duties to the best of his lights and conscience.

Sir JOHN A. MACDONALD. Hear, hear.

Mr. LAURIER. If I recall these facts it is simply to say once more, if such evidence is necessary, that the great principles of a country are never to be trifled with; that the true principles which should guide the policy of a nation should never be deviated from, because, if once deviated from, the country will be led from consequence to consequence ending in a most fatal conclusion. In my humble judgment it was in 1871 a fault—I will not say it was a crime, though I might say without severity it was a political crime—at all events it was a fault to bind this country to the immediate construction of the road. It was a fault, last Session, after the experience of the previous ten years to persist in that policy. It was a fault, not then to have adopted the policy suggested by the hon. member for West Durham (Mr. Blake) of commencing in the east, and building this road gradually as the resources of the country would permit. That the undertaking to build this railway until final completion within a short term was a vicious policy, to say the least, is fully proved by the conduct of the Government since they have entered office. It is proved by their hesitation and vacillation in carrying out their scheme when the necessity of carrying it out was forced on them, and it is further shown by the present contract. What has been the policy of the present Government? In less than three years they have changed their policy three times. The first year after they had resumed power, they came before Parliament with a grand scheme—a new idea—and the idea was that this road should be henceforth considered as an Imperial work, that the Imperial authorities should be asked to contribute to it, because the surplus population of the Empire would find homes in the North-West. This idea was accepted by the followers of the hon. gentleman as a masterpiece of policy. It was represented as such by the party orators and the press; yet, good as the idea was, it did not last. It withered as the flowers of summer, but was immediately replaced by another scheme which was submitted last Session. The principle of this scheme was that the lands should pay for the building of the road. This scheme was accepted by the followers of the hon. gentleman with the same enthusiasm as was the first, yet it also met an early fate. It did not last, and no wonder. When the Government brought down this plan, a feeling of anxiety was felt throughout the country, and that feeling found vent in the resolution moved by the present leader of the Opposition. That resolution, it is true, was voted down, but I think we can survive it. Many hon. gentlemen opposite, when voting down that resolution, strove hard to conceal under a smiling face a heavy heart. I think we can survive that, because the Government, immediately after the Session was over, abandoned the very policy which they had called on their followers to support. Yet something had to be done. The Government were in a dilemma, for if they went on to carry out the work they might cripple the finances of the country to a degree almost beyond remedy. If they did not go on with the work they would be going back on their old policy. What was to be done? Like the wizard in the tale who found his own life in constant danger from the fangs and claws of the strange progeny which he had reared, they, too, had created a monster that threatened their own destruction. What was to be done? They went to Europe. They offered their white elephant for sale in the markets of Paris and London, but no one would accept it even as a gift. Finally, they had to take the beast home, where they gave it a vast territory to roam over, made it impossible for any other being to go into the pasture, and then they found somebody who was willing to relieve them of this ever recurring cause of anxiety. That this proposed arrangement is a vicious policy is well proved by the language which the Government used to induce their supporters to accept it. What are the reasons they gave their supporters for voting in favor of this contract? What was the answer they gave to the numerous objections raised against it? It was simply this: do not criticise but accept the contract; it is the best we could get. In order to show this clearly I cannot do better than quote on this subject the very words which were used the other day by the hon. Minister of Public Works:

"Well, Mr. Chairman, in this case we have not to deal with only one party, we have to deal with the Syndicate. Those gentlemen are the one party and we are the other. We have to make a contract with them for the building of this road. Shall we say to them, you must take that or nothing? That is not the way contracts are made. You have to give and take. You have to take into consideration the exigencies of the case. You have to see whether your terms are acceptable to the other party, and after reasoning the matter with the other party you will find that he is right, and your proposal is not sufficient, and if you have to give more lands or more money, or other conditions, the result is that you have to agree to give and take on both sides to prepare the contract and sign it. That is what we have done. Here is a contract, and we say it is the best we can do."

Is that the language of a free Government, of the executive power of a free nation? What has seized the Government of this country that they have been compelled to accept this contract from the Syndicate? Who in the world compelled the Government to negotiate with the Syndicate? What great calamity has befallen this country that the Government should be compelled to surrender unconditionally to the Syndicate? If there had been a war and we had been defeated, and the Government forced to accept from the victor such terms as suited him to enforce, and if the Government came here to have the treaty ratified, would their language have been different to that used in order to induce their supporters to accept the contract? When, in the year 1871, at the termination of the disastrous war with Prussia, the Provincial Government of France met the newly elected National Assembly and presented to it the treaty concluded with Germany by which France ceded to that

country two of its best provinces, some of the members protested against the clauses of that treaty. And what was the language of the French Government in reply? It was exactly the same as used to-day by our Administration: accept the terms, they are the best we could get. France had been defeated in war and lay crushed under the iron heel of the victor; our Government had not been defeated, but were bound in the shackles of their own vicious policy. After having spoken the language which I have just quoted the hon. Minister of Public Works went on to say: "I believe it is to the advantage of the country that we should save the money of the country by adopting these resolutions, and I hope the answer will be 'yes' from all our friends." This is the crowning consequence, and the followers of the Government are this time asked to give the final "yes" which will plunge this country into an unknown expenditure. Yet I am free to confess, since the Government are determined to go on with the construction of this railway at once until completion, the idea that it should be built by a company is one which has a great deal in it to commend itself to the people of this country. But for the very reason given by the hon. Minister in the early part of his speech, there were difficulties in the way. He said:

"But although the country stood by us, and a large majority of the members of this House sanctioned the action of the Government, nevertheless, it would be childish to conceal that there was a possibility of apprehension for the future. The feeling was this, that the uncertainty about the amount of money that would be required to build the railway was disturbing the public mind. Nobody could say positively what would be the liabilities of the country, or how many millions would be required, not merely to build the road but to work it, and to work it for all time to come."

The hon. Minister might have added that the public mind was also disturbed by the necessity of the Government having still to go on letting out contracts, and seeing that contracts already made were carried out. Such were, Mr. Chairman, the reasons why the country favored the policy of handing this work over to a company. But have these expectations been fulfilled by this contract? This contract is a policy which does not meet any of the reasons advanced in its favor by the hon. Minister. The country expected that by this contract the Government would be relieved of the necessity of letting out new contracts, and of seeing that old contracts were carried out. Instead of that the Government have still to let out new contracts and see that old ones are carried out. For ten years to come they have to pursue the same system which they pursued in the past, and which caused anxiety in the public mind. The people of this country expected that their liabilities for constructing this road would be settled. But this, I believe, also is denied. That cannot be settled for this very reason that the Government must pursue the same course which it pursued before. For ten years to come it must go on letting out contracts, and the liability will be settled only when ten years hence the work has been completed. So that this is a hybrid engagement which fulfils none of the engagements it was expected to fulfil. It would in fact so appear, as it were, a sort of partnership between the Government and the Company. There are four sections of the road to build, the Company build two sections, and the Government two sections, and those the most difficult. The Company completes in ten years, and the Government completes in ten years, and at the end of the ten years the whole is to be handed over to the Company. Not only that, but while the Government is doing the work of the Company, the Company is to have all the privileges of the Government. The Company can import as free as the Government can. The Company is exempted from taxation as the Government is. The Company has the further privilege of fixing its own tolls almost without the possibility of hindrance or interference on the part of the Government. I say almost the possibility of interference,

for I confess that under the letter of the contract there is a possibility of interference. But when is the Government to interfere? Only when the Company has realized ten per cent. on the cost of constructing the road, which cost is estimated on the other side at $78,000,000. As to the privilege given to the Company of importing their materials free, that has perhaps more the nature of a family quarrel among hon. gentlemen on the other side of the House, and, therefore, I shall have nothing to say upon it. As to the exemption from taxation, that is a far more serious matter, and one which should engage the attention of this House. It has been contended on this side of the House that this exemption from taxation, coupled with the other advantages and privileges given to the Company, will give almost a monopoly of the North-West Territories into the hands of this Company. This assertion has been replied to by gentlemen on the other side. But under this contract the road-bed, the station grounds, rolling stock, capital of the Company, are to be for all time, for all generations to come, exempted from all sorts of taxation. From federal taxation, if ever such a contingency should happen, from local taxation when Local Governments are organized, from municipal taxation when municipalities are established. If we consider that this Company is thereby given an unfair advantage over every other Company who try to compete with them, it will be seen that it will be difficult to secure competition with them. Thus the Company have, therefore, the privilege to hold these lands, and, like the dog in the manger, to prevent anyone using them except themselves; and they have also the privilege of fixing their own tolls so as to obtain extortionate profits out of the settlers of the North-West. It must be evident, Mr. Chairman, to every dispassionate observer, that this is a monstrous monopoly, and one that will make the Company landlords of the North-West. I use that term advisedly. It is true that it is not in the power of this Company to establish such institutions as would amount to feudalism, in the sense in which it exists in Europe, and which it needs almost a convulsion to get rid of; but feudalism is not the only mode by which populations can be enslaved by a combination, it is not the only mode by which the many can be made the toy of the few. Nor can it be contended that, on this continent where we claim to be free, where we claim to have got rid of feudalism, no large combinations can be attempted whereby men can get dishonest terms out of the toils of others. We have the fact already before us; we were told the other day by the hon. leader of the Opposition, that at this very day, the railway magnates of the North-West extort such enormous profits from the settlers of the country for carrying their goods to market that it practically amounts to their having proprietary interests in their farms, and the settlers are thereby deprived of the best part of their profits. This may not be feudalism in name, but is it not feudalism in substance and in fact. Then, Sir, here is another feature of the vicious policy which has been followed hitherto. Without venturing any expression of positive opinion, it may be a question, whether, if the road, instead of being built, as it is now contended it must be built, had been gradually and step by step constructed, as the necessities of the country might require, it might not have been a consideration whether it should be built by a subsidy of lands and money, or whether the Government of Canada should proclaim to the world that the needy and poor of the whole world could find free lands and free soil throughout the whole of the North-West, and that they should be enabled to obtain the best market prices for their products. Perhaps, if that system had been followed, there might, in a few years, have been a few less millionaires in this country, but there would have been a much greater number of happy and contented homes. But another system has been followed. Twenty-five million acres of land are to be given to this Company, and are to be locked up at the option of the Company. The result of that policy must be

the same in the North West as it has been in every place where we have had land companies. The immigrants will first settle upon the lands of the Government, upon the homestead and the pre-emption lands; but after a certain while, when they commence to be crowded, both from outside and within, they will squat upon the lands of the Company, and then one of two results must follow—either they will be ejected by the agent of the Company, or they will be compelled to submit to the extortionate terms that will be forced upon them by the Company. We know well that the majority of the settlers will be poor, that the majority of them will have no other means, no other capital, than their able bodies, and we know well, by experience in the past, what exertions it requires for such settlers to pay up the instalments on their farms, when they have to supply the requirements of their families and to furnish their farms. Moreover, by-and-bye, municipal Governments will have to be organized in that territory, roads will have to be laid out and opened, and yet this Company cannot be taxed for these roads, which will be a constant source of litigation and bitterness in the country. Against all this, what have we? What is the safeguard, what is the guarantee that we have against the possible, I should rather say the certain, evils of the proposed system? We have, as a guarantee, only the good will of the Company itself. It has been asserted, on the other side, that the present members of the Company are men of the highest character, and certainly every one may assent to this; but if the men who now constitute the Company are men of the highest character, who knows who will be the members of the Company ten years hence, five years hence, or even six months hence? Who can say that six months from to day, this Company will not have gone to New York, and, for a money consideration, bartered its interests to foreign capitalists, giving them the privilege of locating the line themselves, and of still further oppressing the settlers on the Company's lands, in order to recoup themselves for the consideration they have given to the Company? But, Mr. Chairman, whoever may be the members of this Company, we know that they are of the human race, and it is a well known fact, and one illustrated by the whole history of mankind, that men in every station of life, where they are not checked by positive laws and regulations, will abuse their position to the detriment of others, if they can gain any advantage by it. And we have an example of the way in which this Company will treat the settlers by the manner in which they have treated the Government. They have driven a hard bargain with the Government. They have obtained the most onerous terms from the Government; and if they have extorted these onerous terms from the Government, what is it for? Is it for the pleasure of gaining a moral victory over the Government, and making no use of it, or is it not to make the best use they can out of these onerous terms, to make the land they obtain worth to them all they can make out of it? On the whole, therefore, the position of the settler in the North-West, will be, under this contract, the position of a Tantalus, before a well dressed table, at which he cannot satisfy his appetite. The settlers cannot settle on the lands which are close to them, without submitting to the terms of the Company.

Mr. PLUMB. They will settle on the Government lands, alongside.

Mr. LAURIER. But I presume the hon. gentleman does not suppose the population of this country should be confined only to the Government lands. Look at this matter in any way, and it is this: that you create a most monstrous monopoly. We, from the Province of Quebec, know what a monopoly is, and I call the attention of my colleagues from that Province to our experience under that monopoly. In that province we had a bitter experience of the seigniorial rights, and we had to try hard before we could get them abolished. There was a monopoly of the right to establish mills held by the seigneurs, and we wanted the right extended to the people at large. I am free to say that if that privilege had been refused us by legislation, it might have caused a rebellion. I think every Province of the Dominion has had its land company. There has been one in Ontario, one in New Brunswick, one in Quebec, and one in Prince Edward Island; and I am quite certain I can appeal to the experience of every hon. member of this House from these Provinces to say that the results of these monopolies have been everywhere and at all times the same, namely, to retard settlement and press heavily upon the energies of the settlers; that they have everywhere been a curse and a bane. This has been the case with regard to land companies which have not one-tenth of the powers which have been granted to the Syndicate by the present contract. It is said, and I have been reminded by the hon. member for Niagara (Mr. Plumb), that there are blocks of land reserved between those which have been granted to the Company. We have reports to the effect that we have 250,000,000 acres more land in that country, though we have not such accurate information as yet as will enable us to be absolutely certain upon that matter. However, I am quite ready to believe that we have 300,000,000 acres space in that country; but when we deduct from that the land covered with lakes, streams and marshes, the mountains and hills, the barren lands, and those which are unfit for settlement on account of climatic conditions, lands which are only fit for grazing purposes, and we further deduct the portion which belongs to the Hudson's Bay Company and those reserved for school purposes, what will remain for our settlers over and above the 25,000,000 acres allotted to this Company? Looked at from whatever point of view you choose, there is not a single redeeming feature in the gigantic monopoly which has been given to this Company. There is another objectionable feature in this contract—not perhaps objectionable *per se*, but rendered so by the nature and condition of the country at the present time. This contract forces us to go on immediately with the construction of the road along the north shore of Lake Superior. We are all agreed that a Canadian Pacific Railway must be built on Canadian soil. We all agree on the point.

Mr. LANGEVIN. Hear, hear.

Mr. LAURIER. I do not think there are two opinions in regard to that matter.

Mr. LANGEVIN. Your leader differs from you.

Mr. LAURIER. No; he says that we should go on with the building of the road as the requirements of the country may demand. I have never heard expressed here the opinion that the Canadian Pacific Railway should not be built. The only point upon which there is any disagreement is as to the expediency of building the whole road at once, or only as rapidly as the wants of the country may require. I think it must be perfectly manifest that this section on the north shore of Lake Superior is not required at the present time, that its construction might be advantageously postponed until some future period, and that it would be quite sufficient, at present, to build the eastern section as far as Sault Ste. Marie. The fertile plains of the west are separated from the east by an extent of barren territory in the region north of the Lake, while it happens that the route along the southern shore would pass through some of the best lands on the continent—through several of the most important States of the Union. Would it not be better, under those circumstances, to bring the road immediately to Sault Ste. Marie, tap the American system of railways, and secure not merely the trade of our own North-West, but a large share of the traffic from those States. This is so evident, from a geographical point of view, that I will not stay to discuss it. There are two policies

before the House at the present moment. The policy of the Government is: that the road shall be constructed at once on the north shore of Lake Superior. What would be the consequence of carrying out that policy? There would be no communication by that road with the eastern railways for ten years to come; and though we may secure the incipient trade of our own territories, we would lose the traffic from the north-western States of the Union. The other policy would be to bring the line at once to Sault Ste. Marie, thus securing us immediate connection, not only with the North-West, but with the American railways. Can any one hesitate for a moment in the presence of that policy? What reason can be urged for the adoption of the route along the north shore of Lake Superior? Though the question has thus far been discussed entirely in an unsectional spirit, I think I might well enquire which of these two policies will be of most benefit to my own Province. The immediate construction of the road to Sault Ste. Marie would at once carry over the railway system of Quebec the trade of our own North-West and of the American north-western States as well—a state of things which would prove of immense and obvious benefit to the cities of Montreal and Quebec. But this is not the primary reason for the adoption of the line by way of Sault Ste. Marie. This road would help our Province to get out of the financial difficulties by which it is at present beset. That Province has now a debt which exceeds $15,000,000; this year it has been compelled to borrow $4,000,000 more, and this with the pressure of constant and annually increasing deficits. It is a matter of anxiety to every inhabitant of Quebec how these deficits are to be met, but so far it has been found impossible to devise a means by which they can be wiped out. Our resources have been pledged to the fullest extent, and they have not that elasticity which will enable us to avail ourselves of them in the near future. Our only resource will be the direct taxation of our people unless we are so happy as to find a means of increasing the traffic of our railways. Unless that relief comes within a short period, the financial prospects of Quebec must be held to be critical indeed. If the road to Sault Ste. Marie was constructed, instead of having to wait for ten years we should have, within a period of two or three years at the utmost, the benefit of the trade of north-western Canada and the United States; and it must be evident to every hon. gentleman from Quebec that that traffic would be of material assistance to our Province in its present financial condition. I do not say that that assistance would be sufficient to lead us out of our present difficulties, but it would leave the present and future of our Province not so dark as it is at the present moment. I would appeal upon this question to my fellow countrymen from Quebec who are supporting the Government. We have often been told, by the supporters of the Government in Lower Canada, especially by the press, of the immense influence which these hon. members have with the Administration, that they have only to come and ask what they want and they will receive it at once. They would almost have us believe that the Government occupy the position of the servant mentioned in Scripture, who came when he was told to come and went when he was told to go. If these gentlemen have so much influence with the Government, now or never is their opportunity of exercising it to the great benefit of their Province, and for the purpose of averting injury to the Dominion, for I hold that the adoption of this contract would be a great calamity to the Dominion at large. It is a delusion, because it would not remove any of those inconveniences expected to be dispersed; because it leaves this Government with the same inconveniences that were experienced in the past with the former system, and adds to them other and greater. It is a danger, because it threatens to create, upon the free soil of this country, a monopoly which may at some time or another be a cause of trouble to the peace and harmony of this country. This is the contract of which Ministers are so proud, that the mere remembrance of connection with its inception and execution they feel proud to leave as a legacy to their children. My wish and hope is that the legacy may be as pleasant to their offspring as to the parents. I am quite sure it will, because we know it is a law of human nature that where the affections are strong and love prevails even faults are accounted merits. I think it was the Minister of Public Works who stated that this contract was calculated to enrich our country, increase our population, and secure our free institutions. How it is to achieve all these results is not to my humble perception quite visible. As to its securing British institutions in this country, I would be sorry indeed for my country if they were dependent upon the construction of a railway, whether of gigantic or diminutive proportions. British institutions rest in this country upon a surer foundation; they are impressed upon the minds and hearts of our people, because this land, inhabited as it is by men differing in creed and origin, and whose fathers were once separated by deep national feuds, have secured under those institutions, freedom, equality, amity and good will. But Ministers should remember the fact, which they seem to forget, that those institutions that have secured us our present blessings, are those of the 19th century, and not those of an earlier time, the relics of barbarian days. If hon. gentlemen opposite are desirous of securing British institutions, they must infuse into the legislation of this country the broad spirit of modern England, and not seek to establish those monopolies which at this day prove so many thorns in the side of England, great as she is. Let them look at the country they pretend to admire, and they will see what deep and firm roots abuses will strike into the soil, and what toils, labors, miseries and sufferings, such abuses can produce to the people of that country. They have examples of this kind before their eyes at this very day. If this contract is to be judged in the light of modern British ideas and principles, it carries with it its death warrant, and the only duty that remains for the House to perform, is simply to reject it on the first opportunity.

Mr. CIMON. I rise to say that it is with the greatest pleasure that I endorse the contract that the Government has entered into with the Syndicate, and which secures the construction of the Canadian Pacific Railway in ten years. I quite understand the ardor with which the Liberals attack this contract. You see, Mr. Chairman, they are being disarmed. Since 1874, when I first had the honor of taking a seat in this House, every year we were obliged to vote several millions of dollars for the construction of this railway; every year our liabilities were increasing. We were in doubt. The Liberals declared that the road would cost the country $150,000,000 and even $180,000,000 in cash; we were told that the lands of the North-West were of no great value. They added that once the road was built it would be necessary to equip and work it, and that that would cost the Government several millions annually. We had, therefore, reason to fear and tremble. And when the Liberals rolled out these mighty figures before the people, it is easy to conceive the dread that they created. But now, Mr. Chairman, the Government brings down a scheme that puts an end to all that uncertainty. Once the contract is ratified by this House, the Syndicate will go to work, and the Pacific Railway will be speedily and efficiently constructed; the works will be immediately carried on at both ends, and in the centre, of the road at the same time. As these works progress, the North-West will be developed and the whole Dominion enriched, and in ten years this great railway will be completed and opened to traffic from one end to the other. Then the obligations of the Government will cease, and we will no longer talk of this great undertaking, which will at length be realized, except to

rejoice over its completion and to praise the distinguished statesmen who have carried it out. Henceforth, Mr. Chairman, we know the extent of our liabilities in respect to this railway. It is not $180,000,000, nor even $150,000,000, with several millions a year to equip and work it, that we will have to pay. We will only have to pay $25,000,000, besides the works yet to be done for $14,000,000, in all $39,000,000, or about $3,900,000 a year for ten years, and then we are free for ever. We will not have another penny to pay either for the construction or the running of the road. But they tell us: "You give, besides, 25,000,000 acres of land." Yes, but it is so much taken off the burdens of Canada. We should all then be glad to learn that we can, with these lands in the North-West, pay a part of the cost of the construction and working of the railway. Moreover, by this arrangement the Syndicate will be interested in the development of the North-West; and as we have alternate lots of land, we are sure that when the Syndicate sells an acre, the Government will sell as much, and the proceeds of this sale will help the Government to pay the interest on the moneys that we are spending on this great work. We, the representatives of the Eastern Provinces, should be delighted to find that the Government has succeeded in making the North-West pay a considerable portion of the cost of the Pacific Railway. They add: "You give the Syndicate an unprecedented monopoly." Is it for us, of the Eastern Provinces, to complain of that? We build a railway which will be an immense benefit to the future inhabitants of the North-West. This monopoly was one of the considerations that secured and hastened the building of the road. It is, therefore, only fair that the people of the North-West should pay the working expenses of the road by submitting to the monopoly of the Syndicate, which, moreover, is not excessive. I represent, Mr. Chairman, the electoral division that will profit the least by the Pacific Railway. Yet I do not hesitate to say that my constituents will hasten to ratify the vote that I am about to give in favor of the Government on this question. My constituents would be so glad to have a railway themselves that they are not jealous when railways are built elsewhere. And if my constituents were asked: "Would you be willing to give a like monopoly to a company that would build, in ten years, commencing at both ends and in the centre, a railway from Quebec to Lake St. John?" I assure you, Mr. Chairman, that they would promptly answer: "Yes, by all means grant the monopoly." This monopoly may exist to-day. The hon. member for Quebec East has just likened it to the *tenure seigneuriale* which existed in Lower Canada, and which created such uneasiness. Yes, but it should also be said that when the people of Lower Canada became rich enough to get rid of these rights, by paying an indemnity to the *seigneurs*, they did so. Now, one of the considerations for which the Syndicate undertakes the construction in ten years of the Pacific Railway is precisely this monopoly; but the North-West will have the price of this monopoly in the railway that we are giving it. It is to be supposed that the North-West will fill up rapidly, that in twenty years it will contain perhaps 3,000,000 souls. Well, this population will then have its local legislature, and will be rich and flourishing. If the Syndicate's monopoly presses too severely, they will buy it off by paying an indemnity to the Syndicate, and nothing could be fairer. We are not going to pay alone all the costs; we want the North-West to pay a considerable portion of them. That is why I do not complain of this monopoly. So you see, Mr. Chairman, that the monopoly granted to the Syndicate should not alarm us. What most pleases me in the contract now before this House is that in ten years this railway will be in operation from one end to the other; in ten years Canada will profit by this gigantic undertaking. That is another consideration that should induce us to accept the contract. Even were I told: "Grant a delay of twenty-five years for the construction of the road, and it will cost you one quarter less," I would say, "No." It is better to pay dearer and have the benefit fifteen years sooner. Since we must build the road let us have it as soon as possible. Let this road contribute, as quickly as possible, to the wealth and prosperity of Canada. The contract entered into with the Syndicate brings the liabilities of the Government to an end. We can, therefore, at once examine our financial situation, and look around us to see what other improvements the country requires. We have secured the development and the prosperity of the North-West, and we know that by so doing we have not exhausted our resources. It will be for us to turn our attention henceforward to the east. We have a "North West" in the Province of Quebec. We have an immense region extending from Three Rivers and Quebec to Lake St. John, where we find a magnificent valley containing more than three million acres of arable land of superior quality. We have, besides, between this valley and Quebec, more than a million acres of arable land of fair quality. We have, moreover, very rich forests and all kinds of mines. I say to the west: "We have secured you the Pacific Railway, now give us assistance. Help us to build a railway to Lake St. John." I am, therefore, full of hope and confidence in voting for this measure. I am sure that, henceforth, our statesmen will turn their attention to the east, and I am satisfied that in a few years Lake St. John will have its railway. Our statesmen have just secured the construction of the Pacific Railway, a road a thousand leagues in length; it will not be difficult for them to secure the building of the Lake St. John road, which is only fifty leagues in length. I am, therefore, in favor of the Pacific Railway, because I want a railway to Lake St. John; I am especially in favor of this latter road. We will have it, because the Government is desirous of developing the east as well as the west. I thank the House for its kind attention.

Mr. FISET. Mr. Chairman, the hon. member who has just spoken so eloquently pretends that, on the hustings and elsewhere, the Opposition maintained that the cost of the Pacific Railway would reach $150,000,000, or even $180,000,000. That is an exaggeration. I do not believe that our party ever uttered such an opinion. We may have said that the cost of this great undertaking would reach $120,000,000; and with the conditions of the present contract, and all the other privileges granted to the Syndicate, I think it will not fall far short of that sum. The hon. gentleman also stated that the monopoly granted to the Syndicate was one of the reasons that induced him to vote for the scheme brought down by the Government, and that he would pledge himself to obtain from his constituents the same privileges for any company that would undertake to build the Lake St. John Railway. Perhaps he might do so, if he contented himself with making known to his constituents only a part of the dangers of such a monopoly; but if he were to tell them that the company, once the road was built, would charge them double the prices charged by other railways for carrying their produce to the nearest market, I very much doubt whether they would accept my hon. friend's conditions. That is, however, the privilege that the Government grants to the Company that is undertaking the construction of the Pacific Railway. The hon. members on the other side of the House talk of the construction of the road in ten years, as if it were an accomplished fact; in their minds there is no doubt, no uncertainty, that the road will be built. But in 1871, these gentlemen promised us to build the road in the space of ten years; these ten years have almost elapsed, and yet the line is hardly located, and only a few miles are completed. Therefore, instead of being as certain as these gentlemen are that the road will be built in ten years, we are justified in fearing that it will not be then completed. I am willing to admit that the gentlemen composing the Syndicate are

honorable. that they have the necessary means, &c., but who can assure us that these gentlemen will remain in the Syndicate? Who can assure us that in six months they will not have transferred to others the rights and privileges that we are about to grant them? Have we a sufficient guarantee that the road will be built when we require, as security, only one per cent. from the Syndicate, whilst ordinary contractors are obliged by law to deposit with the Government five per cent. on the price of their contract? That is an injustice that we are committing to the detriment of those who have contracts with the Government. Now, I am not opposed to the construction of the road along the north shore of Lake Superior, but I do say that the Government should subsidize a line of railway passing by Sault Ste. Marie. The road to the north of Lake Superior has the advantage of being on Canadian territory, and it is for this reason that I am not opposed to it; but, on the other hand, as this road will not be completed before ten years, the Province of Quebec will be debarred, during these ten years, from the profits accruing from the western traffic; whereas, by subsidizing a line passing by the Sault, this railway would be in operation before the end of three years, and being the shortest route, traffic will necessarily take that direction. Then Montreal and Quebec, which are our nearest ports, would enjoy, seven years sooner, the immense advantages of the western trade. And what will prevent us from carrying on the construction of the road to the north of Lake Superior, especially when we shall have succeeded in drawing the western traffic away from the American roads, to the benefit of the Province of Quebec more particularly? We will then be able to complete this immense railway on Canadian territory. The scheme of the Government being opposed to the few remarks I have just made, being, in my humble opinion, contrary to the best interests of the people whom we have been prevented until the last moment from consulting, I will vote against the Bill.

Mr. ANGLIN. The importance of this subject is manifestly so great that I am sure hon. gentlemen will not display very much impatience if I occupy the time of the Committee for a few hours, perhaps, in stating as briefly and tersely as I can the reasons why I believe the proposals submitted should not be approved. In the course of the debate, so far as it has gone, a great deal of matter very irrelevant indeed has been introduced, almost entirely, however, by hon. members who spoke in favor of the resolutions now before the Committee. That was probably owing to the fact that they had little indeed to say in favor of the resolutions. They spoke to us of former schemes and propositions, and quoted at length from speeches made at various times, and under somewhat different circumstances, by leading men on this side of the House. They strove in this way to divert attention from the question which really should have occupied the attention of this Committee, and to persuade hon. members that the present bargain is, in some respects, a better bargain than any that had been previously submitted to Parliament, and that, therefore, without any regard whatever to the merits of the case, they thus should support it. This would not have been so very objectionable if the quotations had all been properly used, and if the statements which hon gentlemen supposed they were sustaining by those quotations had not been so extremely inaccurate. It is not true that this is the best bargain that was ever submitted to Parliament. It is not only intrinsically a bad bargain, but it is the worst bargain, the worst mode of constructing the Pacific Railway ever proposed to Parliament. Some hon. gentlemen have alleged that it is a better bargain than that made with Sir Hugh Allan several years ago. I think the right hon. leader of the Government, in that now famous speech of his made at Halifax to those young gentlemen with an address, declared that it was a much better bargain made than that made with Sir Hugh Allan, that the terms were very much better than those which Mr. Mackenzie had proposed, and that Mr. Mackenzie himself would be compelled to admit, in his place in Parliament, that this was the best bargain ever yet made for the purpose of constructing this railway. The hon. Minister of Railways attempted to persuade the Committee that this was indeed a very much better bargain than any of the previous ones. Why, he said, with regard to the standard of the railroad, it was precisely the same as that stipulated for in the Allan contract. There, as we found out, he made a most egregious blunder, a most extraordinary blunder for a gentleman holding his position, who had taken so large a part, it is to be presumed, in the negotiations leading up to this contract, who was the chosen mouthpiece of the Government, to state to this House what the terms and the merits of this extraordinary bargain were. The leader of the Opposition took occasion to set him right on that point very quickly indeed. We find that the standard to-day is very much lower than that set forth in the contract with Sir Hugh Allan. This is not a contract for building the road such as the Union Pacific was in 1873, but a contract to build a road of a very inferior character—to build such a road as the Union Pacific was when first constructed. Sir Hugh Allan, on the contrary, was to build not only as good a road as the Union Pacific was in 1873, but further provision was made that the grades and curves should be superior to those of the Union Pacific, as it was in 1873, whenever the character of the country would permit of their being superior; so that we have to-day the very lowest conceivable standard for this railroad, and yet the hon. Minister of Railways proceeded as coolly, as if there were not this marked difference, to compare with the railroad which the late Premier proposed to build with the one which this Company are to build if this contract goes into operation. Why, it would be as reasonable to assert that a well furnished dwelling-house would cost too much, because it could be shown that on exactly the same piece of ground, covering exactly the same area, a barn might be built for one-half or one-third the cost. The hon. gentleman then made various comparisons to show that the hon. member for Lambton, when Premier, had brought down an estimate which showed that the whole road would cost somewhere about $120,000,000, and that the present leader of the Opposition introduced another estimate. The hon. gentleman proceeded to argue very gravely that there was a monstrous inconsistency in this, until the hon. member for West Durham took occasion to correct the hon. gentleman, and to show him that he had used exactly the same estimate as the member for Lambton—that the figures he quoted were taken from Mr. Mackenzie's estimate for a portion of the road. The Minister of Railways also asserted that this was the very best proposal that had ever been submitted to Parliament. He even went a great deal further than this, and asserted that the proposal to postpone the construction of that part of the road running north of Lake Superior was in some inconceivable way or other a proposal to do some serious injury to the Province of Quebec. What, he said, will the hon. leader of the Opposition never allow the Province of Quebec to have its railway? Are we to be shut out from railway communication for all time, or something to that effect. The hon. Minister of Railways, I think, had no cause whatever for his extraordinary display of zeal on behalf of the Province of Quebec. The late Ministry showed how truly they had the interest of Quebec at heart when they made their bargain with the Canada Central Railway, and their bargain for the construction of the much-abused Georgian Bay Branch, both of which would have the immediate effect of placing the whole Province of Quebec in direct and immediate communication with the great North-West. The Georgian Bay Branch was a work particularly intended to promote the interests of the Province of Quebec. In

former times, one of the arguments frequently used by the hon. Minister of Railways against the Georgian Bay Branch was: that there were other existing modes of reaching Lake Superior more direct, and more easily availed of, and which would cost the country nothing. Then the interests of the Province of Quebec were not so much regarded; then it was contended by that hon. gentleman, on behalf of the whole Opposition, that the Georgian Bay Branch was to cause an immense expenditure, that it should not be built at all, but that we should go by way of Toronto up to Collingwood, and so reach the waters of Lake Superior. There never was anything said, either by the present leader of the Opposition or by the leader of the late Government, that would at all justify the extraordinary outburst of the hon. Minister of Railways on that occasion; and, let me say, *en passant*, that that hon. gentleman indulged in some other extraordinary pieces of declamation. I do not know exactly what it was that the hon. leader of the Opposition said, which the hon. Minister of Public Works chose to regard as a basis for all he said about the Irish people in the North-West. I did not hear the hon. member for West Durham raise any objection to the settlement of Irish people in the North-West. I never heard him utter a word that would imply, in the most remote or indistinct way, that Irishmen have not the same rights in this Dominion as men of any other nationality—never a word that would imply that they should be prevented, or discouraged from settling in the North-West; and yet the hon. Minister of Public Works spoke as if the hon. leader of the Opposition had avowed himself as strongly opposed to the settlement of Irishmen in the North-West. What the hon. member did say on that point, if I recollect rightly, was, that there was now some talk of bringing out Irish people to settle in the North-West; that if this monstrous monopoly went into operation those people would find that they had changed the rod for the scorpion, that if they were scourged in Ireland, through rack-rent, they would find themselves more bitterly scourged in the North-West at the hands of this monstrous monopoly. An hon. gentleman, I think the representative of Richmond and Wolfe (Mr. Ives), took, I think, a very extraordinary course with regard to this question. He treated us to a very large number of figures, some of which he stated to the House were the figures of the hon. member for West Durham, and from these figures he certainly drew some most extraordinary conclusions. Taking a higher estimate made by the hon. member for West Durham for the whole railway, he chose to extract from that a lower estimate for the western portion of the road, and so he obtained a large balance as the price of the central section; and that he chose to say was the estimate of the hon. member for West Durham for the central portion of the railway. I cannot imagine what the hon. member intended to effect by the use of such figures. I certainly am satisfied that he did not persuade any hon. gentleman that the railroad would cost the Syndicate the very large amount which he alleges they will have to expend in order to perform this work. But, Sir, if after all, we come down to the consideration of the contract itself, putting aside all these extraneous matters, and ask ourselves whether we should accept this contract as it stands or not, I think we shall find this question a much more supple one than anyone could suppose who merely heard the statement of the hon. member for Richmond and Wolfe. The Minister of Railways, and other hon. gentlemen, have chosen to say, that this is a better bargain than the one with Sir Hugh Allan. In one point I have shown that it is not so good. But they say Sir Hugh Allan was to get $30,000,000 in cash, and 50,000,000 acres of land, which, estimating the land at $1 an acre, would make $80,000,000; while, under the present contract, we are paying $28,000,000 in works, $25,000,000 in cash, and $25,000,000 in land, making altogether $78,000,000. But Sir Hugh Allan was not to get the privilege of selecting the lands where he pleased all over the North-West. As the hon. member for West Durham proved, even if you select all the lands in the fertile belt, these lands more remote from the line cannot have anything like the marketable value of those adjacent to the railway; so that the land to be given to the present Syndicate is much more in value than that represented by the 50,000,000 acres which were to be given to Sir Hugh Allan. The hon. member for West Durham, accepting the value that had been put upon the lands by the leader of the Government, showed that 25,000,000 acres lying next the railway would be worth $79,000,000, while 25,000,000 acres lying beyond would be worth $27,500,000. But, Sir, that is not all, for Sir Hugh Allan was bound to take those 50,000,000 acres from all along the line of railroad, from the boundary of the Province of Ontario right through to British Columbia. Under the present contract the Syndicate are virtually allowed to choose land where they please. The present Syndicate are not bound to take any land except they choose, and they can select the very best land along the line of railway, and, therefore, lands that will be of the very greatest value. I think anybody, who knows anything about the lands in other parts of the Dominion, would believe—and it may be reasonably believed that the lands in the North-West are not on the whole different in character—that the 25,000,000 of acres to be selected by the Syndicate, as this Syndicate has a right to select it, will be equal in marketable value to the 50,000,000 acres that Sir Hugh Allan was to receive alongside of the railway. There are other points in Sir Hugh Allan's contract, which, I think, made it a better contract than the present. But it was alleged also that the terms embraced in this contract were very much superior indeed, to those that were offered in the Bill introduced by the late Premier in the Session of 1874. Why, it was said that Mr. Mackenzie offered to give 20,000 acres of land per mile all along the line of the railway, and not only that, but also a large land subsidy for the Georgian Bay Branch, and also a large land subsidy for the Pembina Branch, so that the calculation was that it would amount to 55,000,000 acres of land. The hon. member for West Durham states that the land was worth, according to the Premier's estimate last Session, $5 an acre. Oh, says the hon. Minister of Public Works, how monstrous it would be to estimate the value of such land at any such rate as that. It applied to the 55,000,000 acres that Mr. Mackenzie was to have given, and which would have amounted to $275,000,000. And, then, as if he had said something very clever, he was loudly applauded on the other side. Somebody has made a calculation, I think, that it would require a line of railway some 17,000 miles in length to furnish the 55,000,000 acres within the five mile belt A. But, Mr. Chairman, when we come to examine that so much misrepresented and possibly so much misunderstood proposal, we find how superior, in many important particulars, it is to the contract now before the House. It is quite true that Mr. Mackenzie took authority to make such a bargain as that, and to give a company 20,000 acres per mile and $10,000 in cash subsidy, and, besides, a possible further cash subsidy for which, however, he would have required to receive the approval of Parliament; but the 20,000 acres of land per mile was to be land of fair average quality and not the pick and choice of the whole fertile belt. Hon. gentlemen when upon this subject have, over and over again, spoken of it as if fair average quality meant that the very choicest land was to be the standard; but surely no reasonable or rational interpretation would justify such a conclusion as that the fair average quality would be the fair average quality of land in the country over which the railroad will run, and no other reasonable interpretation could be put upon that

clause. More than that, Mr. Chairman, if sufficient lands of fair average quality are not to be found within the distance of the line of railway, the Company were to be entitled to receive other lands in other parts of the fertile belt, but not other lands selected by themselves, but other lands selected by the Government. Moreover, they were not to receive the absolute title to that land as is now provided; they were not to be permitted to hold those lands as long as they pleased without taxation, as is now provided, they were not to be allowed to speculate on their lands as now provided, but the Government took the power to themselves to dispose of two-thirds of the whole of the land to be allotted to the Company on such terms, to be sure, as might be agreed upon with the Company, but on such terms unquestionably as would have promoted, to the greatest possible degree, the settlement of that country. But, Sir, these are not the only points in which the measure was far preferable to that we are now asked to consider as the best ever offered. There is one very important point of which we have heard much; and we shall, no doubt, hear more about the extraordinary provision which gives to this Syndicate a monopoly of the whole of the business of the north-western country, and virtually leaves them free to charge what rates of freight they please. Under the much derided, much maligned, and much misrepresented measure of the late Government, the Government reserved to themselves the absolute right to fix the rate of freight all over the railway, a most important point in which their measure was incomparably superior to that which is now before the House. Now, Sir, I think if any hon. gentleman will take the trouble to look into the contract of Sir Hugh Allan, and compare it with this, they must come to the conclusion, especially if he compares it with the Mackenzie Bill, that it was a much more reasonable measure than this most unreasonable one. It protected and guarded most carefully the rights of the people, and provided most carefully for the early and complete settlement of the great North-West. This one utterly disregards the rights of the people, and is not calculated in the slightest degree to promote the settlement of the North-West, but rather to frighten people from settling in that country. It is alleged that it will be to the interest of the Syndicate to induce settlement in the North-West. Well, Sir, it is by no means certain. We leave them free; we leave it entirely in their power to calculate for themselves what will be the most profitable for themselves, and in making their calculations, they will, no doubt, take into account that there still remains a large number of acres of Government lands, and they will be quite willing to allow the Government to bestow its energies in settling up its own lands, whilst they retain theirs, because we have heard of 25,000 people a year going into that country; but if, we say, 50,000 people a year, the Government will have enough land to give them, whilst the Syndicate will still have its own lands. The settlers on the Government land will contribute quite as much to the support of the road, by the business they do over the road, as those settling on the Syndicate lands. Take another 50,000 people, and still another, and the Government will still have enough land, whilst the market value of the Syndicate lands which they hold will be greatly increased. Therefore, it is by no means certain that the Company will find it to their interest to settle up their own lands rapidly. They will, no doubt, in an indirect way, invite immigration to the Government lands, but it must by no means be supposed that they must necessarily settle up their own lands. If we were land speculators we should want some thousands of people to go into the country, because their presence would increase the value of the land. There is no doubt about that. Now, Mr. Chairman, the first grave objection to the scheme now before the House is that, by it, we are bound to pay for a certain work more than the work is worth. We are bound to pay for constructing a piece of railway, or two pieces of railway, rather more than a railway of just the same character would cost if built even under the present Administration. Let us look at this point, because the hon. gentleman from Richmond and Wolfe (Mr. Ives), labored very earnestly for nearly an hour to render it obscure. It is a very simple point and very easily understood. The road which the leader of the late Government, the late Minister of Public Works (Mr. Mackenzie), intended to build across the country from Lake Nipissing, and ultimately to the Pacific Ocean, was such a road as he believed the people of this Dominion desired to see built. It was to be a road of the very first-class—a road with the best possible gradients, with the easiest possible curves—a road which would be calculated to do that great trans-continental trade which very many people in this country believed, and probably some still believe, we may do on a great Canadian Pacific Railway, were that railway properly constructed. More than that, Mr. Chairman, he had in view the importance of affording the people who settled in the country the cheapest, the easiest, and the readiest access to the markets of the world. To insure them that, Sir, it was necessary that the railway built should be a good road, and that the grades upon it should be as easy as possible. The boast of the Chief Engineer of that railway was that he had succeeded in obtaining, between Lake Superior and Winnipeg or Red River, a road of such a character; that the grades upon that road, when running eastward would nowhere exceed 25 feet to the mile, and that it would be, or might be, possible to do a very large traffic over that road on the cheapest possible terms. He contemplated that a similar road would be built across the prairies—a thoroughly good road, with an elevated road-bed, running as directly as possible across the country, with iron bridges; in fact, in every way a road of the very best character, and that was estimated to cost about $120,000,000. We find now, Sir, that the character of the road is utterly degraded. The hon. the present Minister of Railways began this work of degradation nearly a year ago. Last Session we had, I think, three several estimates before this House, each lower than the preceding; and when the Minister of Railways brought in what I believe was the third estimate submitted by members of the Government during the Session, we believed certainly on this side of the House that he had degraded that road until he had brought it into as low a condition as possible. But this year we have it further degraded, and at present we absolutely do not know to what depth of degradation it has been reduced. I think the hon. the leader of the Opposition has a notice on the paper asking for a return showing what modifications have lately been made in the sections now under contract; for we have been told that modifications have been made in these sections so as to reduce the cost very much, and that in the far western section the result of the reduction has reached an amount of even so much as $1,600,000. If I remember aright, last year the Chief Engineer stated that, in order to cheapen the western portion of the road, he was obliged to make considerable changes, either in the alignment or in the grades and curves, at all events in the character of the road. Now, Mr. Chairman, of all parts of this railway, there is none in which it is so absolutely necessary that we should have the best possible work, if we expect a large traffic across our part of the continent, as in this western section. A road running up through these mountains, passing along the verge of canyons, almost everywhere dangerous in its character, ought to be as good a road as it is possible to make. The very best road we could make up in that part of the country, even with a very large expenditure of money, even with an expenditure as large or larger than the highest estimate made by Mr. Fleming, would nevertheless not be a very safe or a very good road. It is almost impossible, in a country of that kind, to make a thoroughly good road. The grades at one time, I think, were to be

116 feet to the mile. Under Mr. Mackenzie's direction, I think, efforts were made to find a better route than that, and the grades were reduced, but they still remained very heavy and the curves remained very sharp, and the slightest accident there would entail destruction to a train and all its contents. Yet we have found further modifications which tend very largely to degrade the character of the road. Notwithstanding this, the road is to cost now, according to the lowest estimate, $80,000,000; but if, as the hon. member for West Durham (Mr. Blake) argued some evenings ago, this system of degradation is to be carried out in the other sections which are not so difficult of construction as this, in the eastern section, and in what is now called the central section, the estimated cost would be found to be very much lower than $80,000,000—how much lower it would be hard to calculate. Probably $75,000,000 would be in the neighborhood of what the estimate should be. But even taking the amount at the $80,000,000 stated by the hon. Minister, what do we find remains to be done? We find that the Government propose to give for a work which is only to cost $80,000,000 an amount in works executed and being executed and paid for, equal to $23,000,000; besides that we are to give $25,000,000 in cash, making a total of $53,000,000 in cash, not to speak at all of the interest account to which the hon. member for Richmond and Wolfe, speaking on the other side, attached so much importance. We are also paying a large amount of interest on the money already expended on that road, and that never appears in any compilation of the cost. However, putting the interest account altogether out of view, we are to pay $53,000,000 in cash, besides 25,000,000 acres of land lying close to the railway, as far as lands can be found around the line of railway, and where they cannot be so found they may be selected where the Company please. Now, Sir, hon. gentlemen opposite say that the land is worth only $1 per acre, and that the 25,000,000 acres at this rate, added to the sum of $53,000,000 would make $78,000,000 in cash as the very lowest estimate to be paid by this country. Taking it at this estimate, we pay $78,000,000 in cash and land for a road which at the outside would cost only $80,000,000. Now, Mr. Chairman, we were told that this whole country experienced an inexpressible sense of relief on finding that the Government intended to entrust the construction of a portion of this road to a Syndicate instead of conducting it themselves. Why, Sir, was that sense of relief experienced? Why should anybody experience a sense of relief when they are told that the Government is to pay $78,000,000 for a work which was to have cost only $80,000,000? Sir, if there is to be any doubt about the estimates, if the estimates are to be overrun anywhere, will they not be overrun in those sections which the Government have undertaken to complete? Not on the prairie section will it be at all necessary to overrun the estimates. On the prairie section it will be entirely for the Company themselves to determine what sort of road it will be to their interest to build. They can make the line as cheaply as they please along the prairie, but on the sections between Thunder Bay and Red River the works are heavy, and no matter what modifications are introduced I think this House will find, bye-and-by, that the cost will greatly exceed the estimate. So, when you come up into the Rocky Mountains, where you have to swing men in baskets over the sides of the canyons in order that they may get on the face of the cliff, and where you have to tunnel for miles, you will find, bye-and-by, that, notwithstanding the recently introduced modifications, the cost will greatly exceed the estimates; for, Sir, I think this country will feel that it is bound to carry out its side of the bargain, and bound not to slight the work, but bound to construct a fair and proper railway. Perhaps not what we would call a first-class railway, as we intended it, perhaps not even a second-class railway, but still, a good substantial railway, that will cost the country a very large amount of money. But we agree to give them $78,000,000 for what is not the but $80,000,000. Now, Mr. Chairman, that is we are strangest part of the bargain. Why, or how is it we are to give for the construction of the line, land that is close along the line of the railway; land carefully selected, not swamps, or barrens, or hills or rocks, and how is it that this land is valued at no more than $1 an acre. When, or how, or why is it that the value of the land in the North-West has depreciated in the minds of hon. gentlemen opposite. It is not nine months since the hon. leader of the Government brought down a formidable bill of calculations to this House, to show that the land was worth, in Belt A, five miles on each side of the railway, $5 an acre; Belt B, 15 miles outside of the railway, $4 an acre; that, in the next Belt C, was worth $3, and that in the belt outside of that again, far, far away from the railway, was worth $2 an acre; and now we are asked to take, as the basis of our calculation, that the very best and choicest lands in all the North-West is worth only $1 an acre. If the choice land lying close to that line of railway will be worth but $1 an acre, the sooner we abandon the idea of opening up the country, and of settling it, the better. The sooner we cease inviting our own people to go in there the better. One dollar an acre! prairie land, fertile, as we are told; rich, as we are told; the best wheat land in the world, as we are told; and worth but $1 an acre! $3.50 I find was the average price according to the Premier's calculation last year, in a belt of 220 miles wide, and now, within a few miles of the railway, we are asked to say that the land is worth but $1 an acre. Now, Mr. Chairman, did the hon. Premier believe himself last Session when he submitted that calculation to this House? Did his hon. colleagues believe him when he submitted that calculation to this House? Did the large majority of hon. members who voted against the motion of the hon. member for West Durham, that we should proceed with this work only as our means would justify, did they, Sir, believe that that statement was correct? If they believed that statement last Session, what has occurred since to alter their views and opinions? If they believed the statement of their Premier, made solemnly from his place in the House last Session, why do they now say that it was inaccurate and misleading. If that statement, so carefully and elaborately prepared and submitted to this House last Session, was a correct statement, why was it hon. gentlemen opposite felt that there was a sense of relief when they got this contract out of their hands. If the country believed the statement made by the hon. gentleman, or half believed it, why was the sense of relief experienced, and how did hon. gentlemen opposite feel that there was a sense of relief when the whole country was anxious to get rid of the construction of a road which, last year, the Premier proved conclusively was not to cost this country a cent, but was to be abundantly paid for by the sales of those lands; and moreover, we were to receive many untold millions in future years from the sale of those same lands. Within 10 or 15 years we were to have money enough actually paid in to pay for that railway, and large sums yet due and secured by liens upon the land sold, besides millions of acres yet undisposed of. Now, the country would like to know more distinctly and clearly than is now known, why the value of those lands has depreciated in the hands of hon. gentlemen opposite. Looking at the old Allan contract of 1873, before that country was fairly opened up, or the value and character of the lands was fully ascertained, we find that the Government pledged themselves, solemnly, to say that not one acre of that land should be sold for less than $2.50 without the express permission of the Company. If these lands were worth $2.50 eight years ago, why is it that, after we have spent millions of dollars in opening up the country, settling diffi-

culties, extinguishing Indian titles, making surveys, increasing, as we fondly supposed, their market value, why is it that the hon. Minister says now that they are worth but $1 an acre?

Mr. PLUMB. You said so yourself last year.

Mr. ANGLIN. I am not now speaking of my own opinion, but I am asking now why it is that hon. gentlemen on the other side repudiate the statement made by their leader in this House a few short months ago? Why is it that they ask us now to conclude that that statement was utterly and grossly inaccurate? If the prairie lands lying close to the railway are worth but a dollar an acre, then lands lying twenty, thirty or forty miles away, of what market value are they? Sir, the object of this depreciation is very palpable. If the hon. the Minister of Railways, in making his statement before the House, were to admit that the statement made by his leader a few months ago was a correct statement, then he must say to this House and the country that this is a monstrous bargain. Taking the average value of these lands, even at the corrected estimate—the hon. member for West Durham did correct, in a material point, the calculation of the Premier last year and so reduced the general average of the price of the land—taking even that reduced average these lands must be worth at least $3.15 an acre; but at $3 an acre you would have $75,000,000 paid to those gentlemen, or $126,000,000 in all to build a railroad that is at the outside to cost but $80,000,000. That is the reason why the estimates of last year are so coolly repudiated. Why do those gentlemen taunt us with inconsistency? We can proudly point to our past record; we can defy them to take up every line of our speeches and to point out the slightest inconsistency. They may find that we may have had reason, after acquiring further information, to correct our views on some minor points, but where principle is concerned they will find that our views and opinions are thoroughly consistent upon the whole question. Some gentlemen say that perhaps two dollars an acre would be a fair average price for those lands. If the land is worth anything, if the country is worth settling at all, two dollars must be a low average indeed; but at that price the bargain would give $50,000,000 in addition to the $53,000,000, or $103,000,000 for the building of a railroad that is to cost but $80,000,000. But there is no certainty whatever that it will cost that sum. The standard adopted leaves it entirely in the choice of the Syndicate whether the portions of the road they build shall cost $80,000,000. The extent to which the railroad can be cheapened is something hardly conceivable. The hon. member for Centre Huron (Sir Richard J. Cartwright) informed us a few evenings ago that a very difficult piece of railroad running out of Kingston was constructed for $15,000 a mile. A gentleman connected with that road has since assured me that though it ran to a rocky country, it was actually built for $15,000 a mile, and was, when constructed, a first-class road. It is well known that a road can be built very cheaply if we are only contented to have heavy grades and sharp curves, and poor road-beds and wooden bridges. A very important feature of this bargain is that for a portion of the road which can be constructed most cheaply the Syndicate are to get the largest quantity of land per mile. One would suppose that when you come to what is admittedly the most difficult section of the road, the Lake Superior section, the allowance of land and money would be much larger than in the eastern and central sections. Nobody has explained why more land per mile is to be given on that central section than on the eastern section. If the Syndicate chooses to convert the $25,000,000 of cash subsidy, as they are authorised to do, into bonds on which the Government will be obliged to pay 5 per cent. per annum for twenty years, it is calculated that they can in that way convert $25,000,000 into $40,000,000. The Government provides that of the money so raised the Syndicate shall be paid *pro rata*, withholding only $2,000 a mile for 800 miles, to be applied for the construction of the more difficult portion in the far west. Even taking off that $2,000 a mile you find there remains a sum of $14,500 a mile. Last year Mr. Fleming's estimate of the cost of the whole railroad through the prairie section was but $13,000 a mile, and we know that the hon. Minister of Railways, last year, boasted that he had let one or two sections at a rate so low that the total cost would be much less than $13,000 per mile if this contract had been carried out, so that the road might be constructed for $10,000 a mile. Now, I venture to say that no one who knows any thing of the mysteries of railway construction can deny that a railroad of some kind or other, equal, at all events, to the Union Pacific, as first constructed, can be built across the Prairie section for $8,000 a mile. But let us suppose it will cost $13,000, yet we undertake to pay $14,500 a mile, or $1,500 a mile more than the road is to cost, and to give besides 12,500 acres per mile of the choice lands. Now, you will find, if you take 12,500 acres of lands for a thousand miles—for the Syndicate may possibly find it to their interest to build a hundred miles beyond Jasper House—at this rate you have 12,500,000 acres of land, and that is as much good land as can be found in either of the twenty-four mile belts along the railroad. So that you positively give them $1,500 a mile more than the outside estimate of the cost of the railroad in cash, and besides 12,500 acres of land throughout the whole length of the road, and you convey that to them absolutely, you cease to have any control or right over it, and they may convey it away any day they please. What security have we to have, if they find it is not to their interest to build the more difficult sections of the road?

Mr. PLUMB. What has the country to do with that?

Mr. ANGLIN. Why! The country is to give all these millions in money and millions in acres of land, and if the country gets nothing back again, are we to be asked what has the country to do with that? Mr. Chairman, such a question put to me from the other side of the House at this stage of the debate, shows what little attention the hon. gentleman has paid to this question, and shows what their feelings are in regard to interest. The country is everything to us. But I fear much that the majority of the hon. gentlemen on the other side will put the matter in such a position that they can, with much propriety, bye-and-by ask, what the country has to do with it! They will take everything away from the country, and leave us nothing in return—no security. A million dollars is to be lodged in the hands of the Government. What is one million compared with the profits they will make in this transaction? They would forfeit a million even if the security was real, instead of being sham and bogus, and take this $1,500 a mile cash profit, and all the fertile land in the twenty-four mile belt along the 1,000 miles in that fine country. It has been said there is another security—that the Syndicate are bound by their contract to commence the work on the eastern section within a month after commencing on the western, not proceeding exactly *pari passu*, but at a rate that will satisfy the Government. They intend to complete it within the ten years. We are told they will build the central section within three years. No doubt they will. There is no great difficulty about constructing it. Whether they intend to remain in the country, and use the extraordinary powers as a monopoly which this Bill will confer on them, or be content with the profits realized and abandon the whole scheme, still they will build that section within the three years. Well, how much of the other sections will they have built in the three years? Three-tenths, if they carry out the contract faithfully. Then, if they build a road not better than the Union Pacific they will receive money enough to cover their whole

expenditure, and so they will have given us no security for the completion of the road. They will have received money enough for the land north of Lake Superior to pay them for all the work done. By this contract we are putting them in this extraordinary position: that it is for them to choose whether they will complete the railroad and exercise all the powers of a monopoly or abandon the whole thing after building the central section, and a portion of the northern section, and receiving all their millions in cash over and above what it has cost them; and all those millions in cash are conveyed to them beyond the reach of any Government We are to have no personal security. We have heard much since the Hochelaga speech of the right hon. gentleman, of the introduction of great English, American, French, German and Canadian capitalists into this work, men with the means of building ten such railroads at their disposal, and that they were all united; that their interests were to be so concerned in the work that they were to become great emigration agents who would bring a vast tide of emigration into this country from Germany—probably some such tide as Earl Beaconsfield described as likely to flow into the great North-West. Where are all these great capitalists now? Have they all vanished into thin air? The gentlemen whose names are prominent in this Company, and whom the Minister of Railways told us we had either attacked or intended to attack, are men for whom we on this side of the House entertain the highest personal esteem. If it were merely a question of personal friendship or favor, we would do all in our power to meet their views. Many of them are entirely in political sympathy with us. They are gentlemen we never reproached or denounced as unworthy of public confidence or public esteem. But we have a great duty to discharge to this country, in the light of which all personal considerations, private friendships and bonds and party ties and sympathies must disappear when men mean honestly to do their duty. But we have not even the guarantee of the personal character of these gentlemen in the fulfilment of these obligations. It is expressly provided that, so soon as the Company shall have been formed under this contract, all private obligations shall cease, and we shall have nothing but the Company we ourselves created; and as to the capital not all the capital even the Company are bound to raise, for the $5,000,000 will be entirely beyond our reach. There is no provision by which we shall be able to lay hands on it to make it security for a breach of the bond. They will pay up this capital as such companies are wont to do. It becomes something intangible. They might just as well, for all the security given to this country, have no security at all; one million dollars is all the security lodged for the working of this road? There is a little more—the Minister of Public Works thinks it a great deal more, namely, the provision that, instead of getting 25,000,000 acres if they fail, we reserve 5,000,000 acres. We practically say, you will get 20,000,000 acres for doing so and so, and at the end of ten years 5,000,000 more. Nobody would consider that security. The color of security is given by transferring 25,000,000 acres to these gentlemen, and saying we hold 5,000,000 of your lands as security, lands which are ours in reality, for the performance of the work. This is no security. There is another point to which I would like to address myself as a representative of New Brunswick. There was a time when a great many people in the Lower Provinces were induced to believe that if we were all Confederated, and had a certain system of railroads created, we should enjoy vast benefits from participation in the trade and commerce of the north-western States, and particularly of our own North-West. That illusion has, to a great extent, been dissipated; and to-day a great majority of our people in the Lower Provinces, while taking an interest in the North-West, and while desirous of seeing anything done, anything likely, to promote its settlement and growth, and willing that portions of the lands in the North-West should be used for the purpose of building railroads in that region, and securing the future greatness and happiness of that country, feel particularly sensitive on one point, that is, that they have had to pay so large a share of the interest on all the money expended in opening up that country and building the railway. New Brunswick, from which I come, pays, I think, one-eleventh of the whole revenue of this country. We have to pay one-eleventh of the whole revenue of this country, and here we are about to assume a debt of about $5,000,000 cost for the construction of this railroad. Last year we were told that this was a mere temporary loan for which we would be recouped in a few years, both principal and interest, by the sale of all those lands. We would like very much to be able to believe that, to be able to feel that we have not been paying towards the expense of opening up that North-West without hope of return. We believe that if the North-West had been acquired in a way that it should have been acquired, that if the Imperial Government had been required to contribute a fair share as was due from the Empire to a portion of the Empire towards opening up and settling that country, and if we had proceeded in the opening up and the settling up of that country with moderation there would have been no deficit, even during the last four or five years. If we had not to pay the cost of the Mounted Police, the Indian annuities, and all the other extraordinary expenditure in the North-West, besides the interest on those $15,000,000, now $18,000,000, expended on those railroads, we would have had no deficits and no increased taxation would have been necessary. Every time the subject came up for serious consideration in Parliament we protested that whatever we did must be so done as not to increase the rate of taxation, and yet, refusing to see the plain evidence, we have gone on year by year increasing the rate of taxation until it has reached its present proportion. We in the Lower Provinces feel that, and would like to know how this money is to come back to us. The right hon. Premier told us last year a very fine story. According to his calculation the money would be all repaid within a few years, but this year we find his own colleagues, nay, his very self, declaring in effect that that calculation was an erroneous one, unwarranted by the state of the country, and that, in point of fact, neither himself nor his colleagues ever believed it, because within a few short weeks after that very statement was made these hon. gentlemen set to work to devise a new mode of constructing this great railway and have now told us they did so because it was necessary to dispel the apprehension of the country, and relieve it from the doubts which everybody, even they, entertained. Now, how are we to get back this expenditure of $53,000,000? Take this whole twenty-four mile belt, and you will find it a very liberal calculation, to say that there are 12,500,000 acres of available good land in the 24-mile belt for the Company, and there will be as much more for the Government; but the Hudson's Bay Company have the right of 5 per cent. on every portion of the land apportioned off. That 5 per cent. must be paid in both cases by the Government, which will make 10 per cent. on our 12,500,000 acres. Hon. gentlemen opposite told us that this land was worth a dollar an acre. We have, therefore, at this rate, deducting the 10 per cent. eleven and a quarter millions acres of land and the same amount of dollars. Where, then, are we to get the other $42,500,000 of expenditure from? We are told now there are 250,000,000 acres of magnificent land out there. It is amazing how the area of fertile land has grown in that country. When we proposed to give 50,000,000 acres to Sir Hugh Allan & Co., some doubted whether there was so much good land out there. Well, it was asserted, not with very much confidence, that there was probably 100,000,000 acres there. Then it had grown to 150,000,000. After that some faintly ventured to assert we had 200,000,000

acres. Now this last week we are told we have 250,000,000 acres there. I would like to be able to believe anything of the kind, that there was 250,000,000 of acres there fit for settlement in every respect, where the climate is not too severe and the frost not too early. This is a recklessly wild assertion; we have no evidence to show anything of the kind. Professor Macoun has done his utmost to extend the area of fertile lands, to persuade us all that lands formerly considered barren and useless are among the most fertile in the North-West. But no one man could in two, three, five, or ten years so examine the country as to be able to say there was 100,000,000 acres of good land in it. It is simply physically impossible. But even if it were all fertile land, that which is close to the railway is estimated to be worth only a dollar an acre, what then would be the value of land from 200 to 500 miles off? The older Provinces will, therefore, have to pay the whole of this $53,000,000 in cash, and the chances of their ever receiving $1,000,000 of it back again is very small indeed. The very interest upon the amount we have already paid would absorb the product of a great many million acres of land to be sold every year. The last returns show an expenditure of about $18,600,000, which, at five per cent., give an interest of nearly $1,000,000 a year. This would require, according to the best estimate, a million of acres to be sold and not repay a single dollar of the principal. I regard the prospect of getting back the money that we will expend utterly out of the question. Had we any reason to expect that tens or hundreds of thousands of people would flock into that country within a few years, we might possibly try to be content with having to pay so large a sum towards opening up that country. But the monopoly we are about to create will effectually prevent the settlement of that country. There were very serious obstacles already to its settlement; it was difficult to persuade people, that a country where the average temperature during the whole winter was very low, and where in many parts early frosts were experienced, was a very desirable country for settlement, no matter how rich its soil might be. But we are about to create an obstacle greater than any that nature has placed in the way of the settlement of that country. The monopoly which we endeavored to extinguish in that country, was not essentially so odious and detestable as that we are now asked to create. Why, if the gentlemen associated with the Syndicate in the Company, do choose to construct all this railroad, just see what a position that country will be in. The hon. member for Glengarry (Mr. McLennan), this afternoon, in the effort to prove that we were not about to close up all avenues and lock up all the gates of that country, and hand over the keys to the Syndicate, said that there were other modes of getting into the country, and I think I heard him speak of water stretches—those water stretches so much despised and scorned for many years—by which another avenue could be made. Well, suppose the people in that country become numerous and wealthy enough to be able themselves to open some sort of communication in the way the hon. gentleman indicated, what would it amount to? It would be but a summer route, after all. But the possibility, not to say the probablity, of any such a route as that being open for many years to come, is very faint indeed, and the very fact that a gentleman of the experience in business and in public affairs of the hon. member for Glengarry felt obliged to argue that such an avenue could be opened, proves in itself how extraordinary are the powers we are about to confer on this Company. Having already access to the great railway centres of the United States, and being in such a position that we may, in a year or two, have easy access to the waters of the great lakes, why should we place that country in such a position that the day after this Bill is passed, it will have no means of communication with the outer world except such as are provided by the Syndicate, that we shall have deprived these people of all power to help themselves, save such power as ever rests with a people determined never to submit to oppression? We give this monopoly the power to build railways wherever they choose—in one instance between points a thousand miles apart. True the consent of the Governor in Council must be obtained for such works; but what guarantee is there that the Government who entered into such a bargain as this will ever use its power to prevent the Syndicate from doing what they consider best for themselves? Why, we have heard it argued that these men, who are commercial men, know best where to locate the road. If they know best, where should they be restrained? If the true intent of this policy is to enable these men to do the best they can for themselves, why should we expect the Government to interfere? They will locate that road wherever they please—there is no doubt about that. The Government may make some show of insisting that the line must go one way or must not go another way, but even for that little show of independence, let me tell them, they will get no credit. The public will not believe in their sincerity, will not believe that, after having sacrificed so much, they are likely to insist on such trifles. The Syndicate can select lands and positions where they please, which will for all time virtually give them the command of the whole country. They fyle their plans in one of the departments here and forthwith their route is established, and they build railways wherever they please, and for such railways they get the right of way anywhere and everywhere, and along such lines they get such lands as they please. This monopoly presses down upon the population in that country until it makes them its perfect slaves, cramped, cabined, confined, utterly unable to help themselves; and we are depriving ourselves of the power to help them, so that appeal to us for assistance or redress would be useless. All that, Mr. Chairman, for the long period of twenty years. We hand them over the Pembina Branch, the line of railway from Lake Superior to Selkirk, and with a strange infatuation we provide that no other company shall build any line of railway south of south-west, or shall build any line of railway approaching within fifteen miles of the American frontier for twenty years to come. We divest ourselves of the power, as far as it is possible for this Parliament to divest any future Parliaments of such power, to authorize any company, no matter what the circumstances of the country may be, no matter how monstrous we may find this monopoly, bye-and-by to be, to connect with the railway system of the United States for twenty years. And so we surrender absolutely and entirely the whole carrying trade of all that vast region to this Company. It has been argued that other companies, if they choose, can build branches to the north of this line. So they can, if companies can be found foolish enough to invest their money in any works of the kind. It was all very well when the Government owned this road, that some restriction of this kind should be made. It was not absolutely unreasonable, because it was supposed that the Government would use that road for the public benefit, and would also pay due regard to the interests of the people living in the North-West. It would have been perfectly safe if the Government owned the main trunk line, if companies were allowed to build branches running east, north-west or north-east, as they might then be in a position to obtain reasonable terms for any freight that might be brought down over the Government line of railway. But under this scheme the owners of such lines become merely the contributors to this Company, and if they bring their merchandize over this road they must expect to pay just such rates as the Company choose to impose. It is not to be expected that private companies, under these circumstances, would build any line; and it is to be expected that this Company will so lay out their branch lines as virtually to give them for all

time to come the control of the carrying trade of a great part of the North-West. At some time afterwards when they have all their lines laid down, when they have selected the best lands in the North-West, when they have the people who go into that country surrounded in such a way that they can scarcely shake off the yoke, if there still remains any energy in the country, if there remain any probability of opening new avenues of trade, if any capital remains in the country, it may be possible to build other branches which may make remunerative returns. The monopoly is a thorough monopoly; it has no redeeming feature whatever; there seems to be in it no legal or constitutional escape for the people of the North-West. It is a monopoly to which has been practically transferred all the sovereignty and property of the whole of the North-West —a monopoly which will, as has been well said, make them not landlords, in the ordinary sense of the word, but the owners of the country. Every cent that can be extorted from the people, without actually driving them from the country, will be extorted; every cent that can be exacted from the wheat trade, without preventing the growth of wheat, will be exacted by this grinding monopoly. It is folly for any one who knows human nature, or has studied the history of the world, to expect anything else. And we are asked to ratify this monstrous bargain. We are asked to say that it is in the interests of the people of this whole Dominion, that the great North-West to which many were looking forward anxiously as likely to be the centre and the seat of our Canadian Empire, we are asked to believe that it is in the interests of the whole people to hand over these territories absolutely to the control of men, some of whom we know to-day, but none of whom we may know in twelve months hence. We are asked to place things in such a position that those men may have the chance of building only the productive and profitable portion of the railway, and receiving, therefor, a price far in excess of what it would cost the Government to build the whole work within the time specified, and to hold that whole country absolutely for twenty years, but practically, and in point of fact, for all time thereafter. I, for one, am not prepared to assent to any such bargain. My assent may be of very little value; my voice is but the voice of one, and we know that the majority on the side of the Government is strong. We have reason to conclude that the Government know well how to lead and control their majority, and there are few of us who venture to hope that this measure will not pass, and perhaps pass without alteration or amendment. Nevertheless, it is our duty to protest against the bargain. I confess that when I first received the summons to attend this meeting of Parliament to consider this question, I hoped that the Government had somehow or other made a bargain of which I could approve. I read the speeches of the hon. Premier; I read very carefully the utterances of other hon. Ministers, and I looked very closely into those newspapers which are regarded as the organs of the Government, and I tried to form some opinion of this bargain about which there was so much mystery. I never did believe, nor do I believe now, that the dignity of Parliament required that the bargain should be kept secret. If the dignity of Parliament did so require, it would have so required that the secret should have been an absolute one; but the remarkable feature of the whole affair is that those portions of the contract which were, perhaps, regarded as not likely to create much objection somehow or other all leaked out. We all heard that there was to be paid over to the Company $25,000,000 and 25,000,000 acres of land, and we heard that the portions of the road under contract were to be handed over to the Company. It was not inconsistent with the dignity of Parliament that we should be told these particulars, though it was quite inconsistent with the dignity of Parliament that we should be told that the Government had engaged to finish these sections which they are to build, and to build another section of 90 miles, which has never been commenced. I am satisfied that no hon. gentleman on this side of the House ever suspected or dreamed that there was any such stipulation as that. That was carefully kept back from us; the dignity of Parliament was most carefully guarded. But, Sir, we were not told that this monopoly would be so guarded; that all competition would be prevented; that this Syndicate were to obtain absolute control for 20 years of the carrying trade of the North-West. Now, though I do not go so far as some who say that no railways ought to be built or owned by a Government, I think that under a wise and prudent administration it might be possible to adopt a policy whereby the great trunk and central lines of railway that are now becoming so common might, to a great extent, be built and owned by the Government, and I was quite prepared to assent to any proposition for the transfer of this work to a company. In fact, Sir, I was gravely calculating how the Government was to be re-constructed, for I thought the vocation of the Minister of Railways was about to cease, and that there would be nothing more for him to do except, perhaps, to administer the affairs of the Intercolonial Railway. I did not think that a gentleman of his energy would care to preside over a department having no other duties than that; and I was thinking we would have to pass a Bill for the re-distribution of seats in the Cabinet. But I never thought we were to have all the binding and objectionable features of building Government railways continued for fully ten years to come; and I can assure you if I had, I would never have dreamed of supporting the measure introduced by the Government. I also puzzled my brains a good deal to know why a Commission was issued into all matters relating to the construction of the Pacific Railway, and after having read all the evidence given before the Commission, I tried to come to some conclusion on the subject. If its purpose was to convict the late Minister of Public Works of having acted corruptly or improperly, or without a reasonable degree of care and ability in the discharge of his duties, then the Commission was an absolute failure. I saw that great efforts were made by the Commissioners to bring out evidence that would have the effect of reflecting upon the member for Lambton, and I felt quite satisfied that they must fail, as they did fail. If the object was to remove some suspicions that hung about the letting of recent contracts, in that also the Commission was a great failure, and I can hardly expect that any Minister of the Government expected that anything else could be proved. I was forced to the conclusion that the object of this Commission was to disgust the public so thoroughly with the building of railways by the Government that they would be prepared for the ready adoption of this bargain, which, I supposed, was about to be laid on the Table of the House. I think it would have gone far in that direction if the contract had not been a monstrous job, unjustifiable as we find it to be. But the contract renders it more difficult than ever to guess the object of the Royal Commission, for I find that the construction of railways by the Government is to be continued for at least ten years longer. I did hope that the whole of these unconstructed portions of the railway were to be handed over to the Syndicate, and that more provision would be made for the work being done without the Government binding itself to pay for those sections to be finished, or to have anything further to do with them, than to employ an engineer to see that the specifications were fairly carried out. But we have not only to hand over this work to the Syndicate, but we have to give them, besides, $25,000,000 and 25,000,000 acres of land, and these lands, instead of being taken in the same way as under the Sir Hugh Allan contract, are to be chosen at the

option of the Company. If such a proposal, as I first expected, had been made to us, I would certainly have felt it to be my duty to give it my serious and thoughtful consideration, and it is quite possible that as a *dernier resort*, as the only escape from a worse state of things, I might have felt it to be my duty to approve of it. But as matters are, I found it impossible to approve of this bargain, and I cannot help expressing my wonder that hon. gentlemen on the other side of the House—business men, men of experience, men who really and truly, for I believe there are such in the party—have the interests of their country at heart, would allow party feeling or party prejudice, or a desire for a party advantage, to overcloud their better judgment and their patriotic feelings to such an extent as to force them, contrary, I believe, to the convictions of many of them, to vote for such a bargain. I cannot fail to express my surprise upon that point. It has well been said that this is not essentially a party question. It ought not to be a party question. It would be well for the country if all such questions as this were regarded irrespective of party. But I am afraid it will be treated as a party question—afraid, not for the interest of the party to which I belong, but afraid for the interest of the country. If the Opposition were called upon to-night to devise any means or scheme by which public odium could be heaped most lavishly upon the party in power, I cannot conceive any means more effectual than the forcing of a contract like this through Parliament by mere party influence and party force. It is not as a member of my party that I have any cause to regret the passing of these resolutions; it is simply as one who feels so free from all party bias that I would much prefer that the country were saved from such an infliction rather than that the party to which I belong should regain power sooner than it otherwise would. It is only for that reason that I sincerely regret the passage of a measure of this kind. I might have presented many other weighty considerations, at least in my mind, against the adoption of this measure, but I forbear on account of the lateness of the hour, and thank the House for the attention with which it has listened to me.

Mr. CHARLTON moved the adjournment of the Debate.

Motion agreed to.

Committee rose and reported.

House resumed.

NEW MEMBER.

Mr. SPEAKER announced that he had received from the Returning Officer of the North Riding of the County of Oxford, a certificate that James Sutherland, Esquire, had been duly elected to represent that district in this House.

The hon. member was introduced by Mr. BLAKE and Mr. SKINNER.

Sir CHARLES TUPPER moved that in admitting James Sutherland, Esquire, to take his seat upon the certificate of the Returning Officer, this House still recommends a strict adherence to the principle of requiring the production of the usual certificate of the Clerk of the Crown in Chancery, of the return of the writ of election.

Motion agreed to; and (at 12:05 o'clock, a.m.) the House adjourned.

Mr. ANGLIN.

HOUSE OF COMMONS,

WEDNESDAY, 22nd December, 1880.

The SPEAKER took the Chair at Three o'clock.

PRAYERS.

ELECTION RETURN.

Mr. SPEAKER presented the Return of the Clerk of the Crown in Chancery of the election of Mr. Sutherland, for the Electoral District of North Oxford.

EXCHANGE BANK OF CANADA.

Mr. DESJARDINS introduced a Bill (No. 8) to reduce the capital stock of the Exchange Bank of Canada, and otherwise to amend the Act respecting the said bank.

Bill read the first time.

EMIGRATION PAMPHLETS.

Mr. MERNER enquired, Whether those pamphlets which were written in the interest of emigration to the North-West Territories have been translated and printed in the German language, and whether they have been sent to Germany, as was contemplated by the Government last year, and how many copies have been distributed for that purpose?

Mr. POPE (Compton). The pamphlets were translated into German, and 20,000 copies were sent to Germany for distribution.

ENGINEER'S REPORT ON THE CANADIAN PACIFIC RAILWAY.

Mr. BLAKE enquired, When will the Engineer's annual report on the Canadian Pacific Railway be laid before the House? Is it intended this Session to follow the course pursued last Session, and to provide for the use of members during the discussion of the Canadian Pacific Railway contract, advance sheets of the report?

Sir CHARLES TUPPER. I expect to be able to lay the report on the Table of the House, and have it distributed as soon as we meet after the holidays. I shall be happy to give the hon. gentleman advance sheets as soon as they are through the press.

RAILWAY TO LAKE ST. JOHN.

Mr. RINFRET enquired, Whether the Government has come to any, and what decision on the subject, which they had under consideration last Session, of aiding the construction of the railway to Lake St. John?

Sir CHARLES TUPPER. The Government has not yet come to any decision upon the question of aiding the construction of a railway to Lake St. John.

WEIGHTS AND MEASURES ACT.

Mr. ROSS (Middlesex), in moving for a return showing all appointments or dismissals made under the Weights and Measures Act, from the 1st day of July, 1879, to date, and the receipts and expenditures under the said Act, from the 1st day of July, 1880, to the 1st day of December, 1880, said: I am induced to make this motion by statements contained in the report of the Minister of Inland Revenue. We were promised, when the change was made in the Weights and Measures Act, in 1879, that there would be a great reduction in the expenditure under that Act. The report of the Minister of Inland Revenue covers, of course, the last fiscal year, and it does not contain anything to indicate that the promised reduction in expenditure is likely to follow. I am hoping, when I receive a reply to my motion giving the expenditure since last July, that we will have stronger indications of the fulfilment of the promises made a year or two ago than anything contained in the report for the las

fiscal year. I notice that in the first and last two years of the administration of the Weights and Measures Act, under the late Government, each Inspector of Weights and Measures collected an average revenue of $813, but under the inspection as conducted at present, each Inspector has collected an average of $466. I notice, further, that during the last two years of the administration of that Act by the late Government, the expenditure averaged for each Inspector $2,096, whereas, the expenditure under the present Act has averaged $2,275. Instead of an economy promised by the change in the Weights and Measures Act we have something that looks like the opposite. I find, also, that the receipts previous to 1879 averaged 39 per cent. of the expenditure, but the receipts for the last Weights and Measures Act, now being managed, averages only 21 per cent. of the expenditure. It is also remarkable to notice the variety in the amounts collected in the different districts into which Canada is divided under this Act. I find, for instance, that in the district the head quarters of which is Belleville, each inspector collected an average of $3,008; in the Hamilton division each inspector collected an average of $564; in the London division each inspector only collected an average of $170. I find, moreover, that in the London district the amount paid for salaries was $1,534.70, and the entire collection of three officers in that district during the whole year amounted to only $510.45, or one third of the sum paid for salaries. I notice that still greater anomalies prevail elsewhere. Take, for instance, the district, the centre of which is the city of Quebec. There they have eight inspectors, and the collections average $70.56 per inspector; that is to say, the collections for the whole of that district amounted to $564, and the salaries paid to $2,370.70, or a little more than four times the entire receipts. In the Sherbrooke district some circumstances still more remarkable occurred. The entire collections there amounted to $161.06, and the contingencies to $106.94. Again, I find in the district of which Cape Breton is the centre, that there were paid for salaries and contingencies $861.54, and the collections of revenues amounted to $25.37. In the Halifax district there were paid for salaries and contingencies $1,854.91, and there were collected as revenue $440. Yarmouth is even worse, for the entire revenue only amounted to $90.18. In Prince Edward Island the receipts for the whole province for the inspection of weights and measures only amounted to $59.42, and there was paid for management of the office $839.93. In Victoria the receipts amounted to nothing, and the expenses and managing the office, $164.81. Now, I have called attention to these facts in moving my resolution that the Government might, if they have information more gratifying than what is contained in the report of Inland Revenue, bring it down that hon. members may see whether the administration of the Weights and Measures Act now is more satisfactory, either in point of revenue or management, than it was formerly. The complaint generally made heretofore was that this Act was an expensive institution and vexatious in its administration. I admit it was to a certain extent expensive, but in proportion to the expense for the inspection of weights and measures under the old *regime* the collections were proportionately much larger than they are at present. Secondly, I hold that as the Weights and Measures Act was administered heretofore, the result was far more satisfactory. Under the old system the weights and measures were regularly inspected at least once a year: as the law is administered at present, there is practically little or no inspection. I know districts that have not to this day been visited by any officer appointed under the new law. Now, the position I take in regard to this matter is this: that the Administration who made the change in the Weights and Measures Act, who dismissed, I think, 99 officers, who supplanted these with other men, are bound to give the House some explanation why those officers were dismissed, and to show some reason why so complete a change was made in the administration of such an important department of the public service. If it is alleged that these men did not discharge their duties well, I answer that they collected more revenue proportionately than the present officers; if it is said that they did not visit the various districts under their charge, I will be able to show that the greater number of them inspected the different districts under their charge at least once a year, and I will show still further that under the present *regime* there is practically no inspection whatever. Besides, I notice, in the report of the Minister of Inland Revenue, that the contingencies of that department are extraordinarily large, considering the small amount of revenue received. Notwithstanding the fact that the officers are doing little or nothing, the department took pains to advertise the regulations. They paid for advertising in the Dominion Guide $10, in Slack's Almanac $30, in the almanac published by the Montreal *Gazette* $50, in Campeau's Guide to the House of Commons $80, in Burrows' North-Western Canada $50, in a French pamphlet circulated in Manitoba $50, in the Parliamentary Companion $60, and to Belanger & Co., $10, making a total sum of $360 paid in a single year to tell the people of Canada what a great institution this is, as managed by the present Administration. After the officers appointed some years ago were dismissed and better trained men put into their places, it was necessary that they should be instructed; and I see an item of $845 paid to a gentleman for visiting and instructing these new officers, in order that they might collect a paltry revenue of $25 in one case, and $70 in another, and in another case draw $160 for contingencies and collect no revenue at all. I see another item of $246 paid for travelling expenses in connection with the establishment of new offices. Perhaps the Government will be able to give full and satisfactory explanations of these expenses when we come to discuss the Estimates. In the meantime, I will await the reply to my motion in the hope that it will explain to me many things which appear at present to be very unsatisfactory.

Sir JOHN A. MACDONALD. The hon. gentleman, I think, would have done a good deal of service by making this motion, if he had not made his speech. The motion, of course, is for information which the Government are quite ready to give, and which, perhaps, the House will be glad to receive. A man of the hon. gentleman's experience and standing in the party ought to know that in matters of administration like this, really there are no politics concerned. This is not a question affecting the late or the present Administration. No matter what Government is in power, it is interested in having the departments well administered. As regards the legislation, I suppose the present Government, or at least some of the members of the present Government who were in the Government of 1878, are responsible for it. The late Government did not repeal that law, but administered it according to their lights. We all know that the late Government and their predecessors were getting rather into a hornet's nest, as, by the administration of the law, they put to a considerable inconvenience the small retail dealers, shopmen, and the middlemen generally, who deal with the great mass of the people, and furnish them with the supplies which come under the regulations of weights and measures. But the hon. gentleman, judging from his speech, has made his motion rather for the purpose of attacking the Administration since 1878, than with any strong desire to get the information he asks for. He compares the receipts of a couple of years ago with the receipts now. If I read the Reform press aright, I find that the conduct of Mr. Brunel and the Department has been very oppressive. Well, if only half the sum has been collected in the way of fines and fees that was collected before the administration of the present Government, it cannot have been very oppressive. It

is the duty of every Government to see that there are just measures and balances, and the Act introduced, and founded on the experience of other nations, was for that purpose. I believe, on the whole, that under my late colleague, Mr. Baby, the administration of the department was thoroughly successful. I believe that by a great deal of tact, forbearance, and judicious concession, he removed many of the objections and heart-burnings that were raised by the carrying out of the Act in its stringency. Whether that has been the cause of the falling off in the revenue is a small affair, because this is not a matter of revenue, but a matter of a just balance and a just weight and measure; and I believe that by degrees dealers are adopting proper weights and measures. The hon. gentleman speaks, also, of the increase of expense. He knows the Act has been developed, and that the Inland Revenue just now is being collected, while we are merely proceeding on the lines of the Act, and in the same spirit as it was carried out by the late Government, the requirements of the Act, neither in number of officers nor salaries, exceeding the limits sanctioned by Parliament. The information shall be brought down at once. The hon. gentleman is quite right in calling the attention of the House to any undue expenditure or any defect in administration in a matter which affects the daily transactions of the masses and those who deal with them.

Mr. BOWELL. I suggest an amendment to the motion by the addition of the word "conduct" for such dismissals, if any; because I am aware that in some cases the hon. gentleman was justified in his dismissals. I would like also to add the year 1878, and a statement showing the receipts and expenditures under the Weights and Measures Act for the year, from the 30th June, 1877, to the 1st July, 187-. I think, with these amendments, the hon. mover will, perhaps, better accomplish his object by obtaining a comparative statement. So far as the administration of the Act goes, in the district in which I live, it has never been so good before, nor has the business ever been so thoroughly attended to as under the present officers.

Mr. ROSS. I am quite agreeable to accept the amendment suggested by the hon. Minister of Customs. I may say, I am sure the First Minister is a notable illustration of the operation of "putting yourself in his place." When he occupied a seat on this side, and his followers also, happily for the country, we constantly heard charges brought against the Department of Inland Revenue of the excessive burdens imposed by the Weights and Measures Act, and of the unreasonable anxiety of the Inspectors of Weights and Measures to enforce that Act. I think hon. gentlemen opposite made this a political question during the elections of 1878. I know many ridings in which it was made a political question, and that in many instances the late Administration was charged with the introduction of that Act, whereas it is the production of the genius, shall I say, of the present Minister of Railways. The Liberal party were not only charged with the framing of the Act, but with all the effects of its administration; and it was no apology for our conduct to say that a just weight and measure were necessary. However, that is the apology urged by the present Government. I am glad to find the right hon. gentleman believes in a just weight and a just measure, and I trust he will apply them to the political acts and intentions of his opponents in future.

Mr. MILLS. With regard to the Minister of Railways, when this measure was under our consideration, an attempt was made to charge the late Administration with changing the law as to weights and measures and introducing a new system, the hon. gentleman had the fairness to deny the assertion. That was one of the few instances in which this hon. gentleman acted fairly towards his political opponents.

Sir JOHN A. MACDONALD. *Ex uno disce omnes.*

Mr. MILLS. I do not think it is necessary for the Minister of Customs to propose any amendment to the motion of the member for West Middlesex (Mr. Ross). I think it is perfectly clear why the hon. gentleman dismissed the various officers appointed by the late Administration. If you were to put the names of all the people in the constituency in a wheel of fortune, and draw out certain names by lot, and appoint the persons so drawn, it would be impossible to find them all incompetent to discharge the duties of such officers. The late Administration appointed Inspectors of Weights and Measures at various points in the country. When this measure was under our consideration, hon. gentlemen on the Treasury benches will remember that I pointed out it was their intention to do by the Act what they had not the courage to do without it—to dismiss all the Inspectors of Weights and Measures under the law as it stood. The First Minister denied any such imputation, and said he had never acted in a way to justify a charge of this kind. In this particular my prediction appeared to be apt, and my apprehensions well founded. The hon. gentlemen opposite did on this occasion adopt the American system, maintaining that to the victors belong the spoils—not simply as they might legitimately have done, to fill up vacancies where they occurred, but they changed the law and made inspection districts larger, where now inspection is very imperfectly performed. If, as the hon. gentleman says, no complaint is made now against the administration of the Act, it is largely because it is not carried out, that no action is taken under it. The instructions to the officers may have been to give the community as little trouble as possible. We know grocers and dry-goods men do not wish their weights and measures inspected every year; and, although we believe it is necessary in the public interest, the traders themselves, whether their weights and measures are perfect or imperfect, will never ask their inspection. In this matter we see only the revenues derived from this source, and, as an hon. gentleman says, not the benefits to the people from the obtainment of just weights and measures. We learn from the return that there has been a great relaxation of the closeness of the supervision exercised when the districts were small and the work was under the immediate attention of those appointed to perform it. We do not need the words added to the motion by the Minister of Customs. We know right well the cause of the dismissals. There was no complaint against the parties. Will the hon. gentleman say that all the inspectors were complained of as being dishonest or incompetent, that formal charges were preferred against them by the department, that these charges were investigated, found to be well made, and the parties dismissed for cause? We know right well that cannot be done, and that when that has not been done, then the Administration have no right to assign as a cause incompetency which has not been established. When the hon. gentlemen had to fill up the various appointments that had to be made in a new district, they should have confined themselves to choosing for those appointments men who were in office at the time. We might as well undertake to amend the law of Customs, dismiss all the Custom-house officers, and then make new appointments with as much propriety as what has been done in this instance. The Government acted on the principle that to the victors belong the spoils. They dismissed the inspectors appointed by the late Administration and filled their places by their own friends.

Mr. BOURBEAU. Although I did not hear the speeches of the two hon. members who have just spoken, I understand that the subject matter of their discourse was a complaint against the law concerning the inspection of weights and measures. The members of the Liberal party find cause to complain because their friends have been dismissed from their situations in the inspection of weights and measures. Yet

these friends have not always satisfactorily performed their duties, extortionate charges have been exacted from merchants as well as farmers, and these latter have frequently expressed their discontent. I have often had the occasion of noticing that this law, put into force by the previous Government, was far more adverse to the interests of the public than the present one. In the county which I have the honor of representing, the inspector was appointed by the present Government to supersede the former incumbent, who did not give satisfaction to the public in the fulfilment of his duties. The Inspector appointed by the present Government gives satisfaction to Liberals and Conservatives alike. The charges incurred by those who have weights and measures for inspection are far less than formerly. If the Government does not derive as much revenue therefrom under the present law, at any rate the law gives more satisfaction to the public, and has re-established in the county that order that was so needed. As the hon. leader of the Government has so well expressed it, the inspection of weights and measures has not been established to make it a source of income, but rather to preserve order between buyer and seller, so that the public should ever feel secure in the accuracy of the weights and measures employed. It is easy to understand the discontent of those who are obliged to make some disbursement to have their weights and measures regulated, but taking it all in all, the working of this new law gives general satisfaction.

Mr. SPROULE. I was amused at the reasons given why the revenue produced by the Weights and Measures Act, previous to 1879, was greater than it is now. The reason is evident to those who understand the working of the Act. A case has come under my own observation, where scales were inspected by the inspector, appointed by the late Government, at a cost to the owner of $25; while the same scales were inspected by the inspector appointed by the present Government, at a cost of only $11. In another case the cost under the old law was $17, whereas it was only $9 under the new *regime*.

CANADIAN PACIFIC RAILWAY.

Mr. DAWSON, in moving for a return of surveys made in the fall of 1879, and winter of 1879-80, of the southern route or shore line, between Red Rock, Nipigon Bay and the terminus of the Pacific Railway at Thunder Bay, said: This report is a very important one, as by means of it, I understand a very good line has been found, where the country some distance inland from the coast was very rough and impracticable. The report came in so late that I believe it could not be included in the general reports. On looking at this map in the railway office, it appears as if that survey, making as it does a great bend toward the south, had added to the distance, but it is not greater than the distance in the other case, because the country inland between Red Rock and Thunder Bay is exceedingly difficult. This section was examined twenty years ago by efficient engineers who found it so broken that a waggon road could not be made through it. The Pacific Railway engineers have been surveying it for the past ten years and have not yet got a suitable line for a railway. Of course, men and money will carry a railway almost anywhere, as in Section 15, but this shore line to which I refer, between Nipigon Bay and Thunder Bay, is easy of construction, while it would not really add to the distance, considering the deviations that would be required in the rough country by the inland route.

Mr. HAGGART. On this subject I would ask the hon. Minister of Railways, before moving an amendment to the motion, if he can supply the report of the surveys made by Mr. Austin and Mr. Cambie, between Lake Nipissing and this Thunder Bay route during the present season? This report would be of interest during the Pacific Railway debate.

Sir CHARLES TUPPER. There is no objection to bringing down this information. It will show that the survey made from Nipigon to Thunder Bay went to establish the fact that a very favorable line has been obtained in that direction—I believe the shortest line, so far as the construction is concerned, of any line that can be obtained. Of course, if the line were carried out from Nipigon, to strike the main line at a considerable distance out, it would shorten the distance from Nipissing to the Red River and decrease the length of the line to be constructed. There is, however, a very favorable line, much more easy than was previously supposed, found by the survey of last year, which was carried on in the winter from Nipigon to Thunder Bay. With reference to the remarks of the hon. member for Lanark, I may say that it is not necessary to make any amendment, because I am having these reports of Mr. Austin and Mr. Cambie prepared as rapidly as possible, and, I hope, in a few days to be able to lay them on the Table of the House.

Mr. BLAKE. Perhaps the hon. gentleman will give us a brief account of the result of these surveys of which the hon. member for Lanark spoke.

Sir CHARLES TUPPER. I may say that exploratory surveys had been made generally in that country some time ago, but the whole distance had never been chained nor yet connected. There was general information which had extended over a number of years, but I thought it was desirable when we were taking this question up, to deal with it practically for the purpose of securing the construction of the whole line to be able to supply the missing link, as it were, by showing the incomplete connection between the various explorations, and Mr. Austin and Mr. Cambie were detained for that purpose. Mr. Brunel was charged with the examination of the line from the point where it was diverted, going north of Lake Superior, to come to the Sault Ste. Marie. He was charged to survey that line from the Sturgeon River and down to Spanish River, for the purpose of giving the fullest information as to the line to Sault Ste. Marie. Messrs. Austin and Cambie were directed to go on, and, as rapidly as possible, complete the connection with the main line from a point which had not been thoroughly examined. The result is we have now the whole distance chained from Nipissing to Thunder Bay, a distance by the chain of 650 miles. Perhaps in the construction it will be necessary to exceed that distance a few miles. The result of that examination is of a very satisfactory character. It has developed the fact, to which too much importance can hardly be attached, that instead of being a rough, sterile and uninhabitable country, there is for some 200 or 300 miles distance a very good, well timbered country, and that the line will not be very difficult of construction. It shows that a very considerable distance from Nipissing on the main line towards the head of Lake Superior is a very valuable section of country, and one which we may fairly anticipate will furnish a very considerable amount of traffic for that line in providing lumber and materials which will be required for the settlement of the North-West.

Mr. BLAKE. As to the general result of the exploration made?

Sir CHARLES TUPPER. Towards Spanish River, that I am not able to speak of, more particularly, but I believe the section of country is very favorable.

Motion agreed to.

LIFE SAVING STATIONS.

Mr. CHARLTON, in moving for papers and correspondence on the question of establishing life saving stations on the inland waters of the Dominion, said: I believe we have no life saving stations upon the inland

waters of the Dominion. I noticed the other day, in looking over the report of the United States' Life Saving Department for the year ending 30th June, 1880, that the extent of the operations of that department had been very large, and the amount of property and the number of lives saved very great. The United States has 139 such stations on the Atlantic coast, 34 on the great lakes, and six upon the Pacific coast. Last year the total number of vessels lost was 67; the number involved in disasters, 300; the number of persons on board, 1,989, and the number lost only nine. The number of persons brought ashore by means of the life-saving appliances of this department of the public service was 706; the number of vessels assisted off that were stranded or placed in positions of danger was 128. Many vessels were warned off dangerous places by the lighting of signals at night on the beach. Since the organization of this department in 1871 the total number of disasters has been 1,097; the value of the vessels lost, $13,330,000; the value of the cargoes, $7,118,000; the value of the property saved, $12,130,000; the value of property lost, $8,291,000. The number of persons upon the vessels which were lost during that period was 10,381, and the number saved 10,010. The number of lives lost was 371, and of that number 183 were lost in the disasters at which the benefits of the life-saving appliances could not be rendered available. The number of persons sheltered by this branch of the public service, during the same period, was 2,203. These statistics demonstrate clearly the importance of this service to the commercial marine of the United States, and I think it is worthy the consideration of the Government—if they have not already considered the matter—whether it would not be proper to establish such stations, not only upon the coasts, but upon the inland waters of Canada. We have on our great lakes many points which are much exposed, and where many disasters occur—such for example as Long Point, on Lake Erie. I cannot give any definite information as to the expense of these life-saving stations. I believe that the number of persons employed at each station is usually six. Houses are built at some convenient point on the beach, and runways are provided for launching the life-boats into the surf. There are appliances for resuscitating distressed mariners—medicines, blankets, flannels, and other articles of that kind. There are, of course, life-boats, mortars for throwing lines, and all other necessary appliances. The crew of six men are detailed as patrolmen, and they patrol the beach at night. If vessels are noticed in dangerous positions signals are made to them by means of lights, and information is conveyed to the stations so that the life-boat and other appurtenances may be transported to the scene of the disaster. I do not think that the expenses of these stations can be very great; and my object in making the motion is to direct the attention of the Government to the matter. Though our revenues may not justify a very heavy expenditure for such a purpose, I beg to commend to the Government the propriety of establishing a few of these stations at some of the more exposed points upon our inland waters.

Motion agreed to.

IMMIGRATION.

Mr. GLEN moved for a statement showing the number of emigrants into Canada for each month in each year, from 1875 to 1880 inclusive; and also, for a statement shewing the number of emigrants from foreign parts and the number from each Province of Canada, into Manitoba and the North-West Territories, in each month of each of the said years. He said: I ask for this information for the purpose of showing that the greater number of emigrants arrived in this country during the season of navigation, and also that those who go to Manitoba, go there during the season of navigation. If we had the Sault Ste. Marie Railway constructed, which might be completed early in the spring of 1883, we could transport the great bulk of the emigrants to Manitoba *via* Sault Ste. Marie and Thunder Bay through our own territory, thereby preventing them from going into American territory, and be more likely to keep them in our own country.

Mr. POPE (Compton). I do not think it is possible for us to give this information. No doubt the hon. gentleman is quite right in saying that emigration takes place during the summer season, but he does not need a return to show that.

Mr. BLAKE. If the records of immigration into Canada from foreign parts are correct, they ought to give us the number of immigrants arriving and when they arrived, and the number by each ship, so that I cannot see that there should be any difficulty in obtaining a monthly statement of foreign immigration. If the department is not managed on that principle, I should like to know how it is that we can find the number of those who come to the country at all?

Mr. POPE. I am sure that I cannot give anything like a correct monthly statement, but I can give a statement for the whole time. Those moving from this country to Manitoba do not come under the cognizance of the department.

Mr. BLAKE. I am a little alarmed at the statement that the hon. gentleman has no means of telling how many people have gone into Manitoba from this country. We have, then, no means of knowing what the extent of immigration to Manitoba has been.

Mr. POPE. I mean that I have no means of knowing exactly the monthly immigration into Manitoba.

Sir JOHN A. MACDONALD. The better plan would be to allow the motion to carry, with the understanding that as full information as the department can furnish will be brought down.

Motion agreed to.

RAILWAY LANDS.

Mr. GLEN moved for the statistics and other information on which were based the plans and prices adopted in 1879 for the sales of railway lands and pre-emptions, and now in force.

Sir JOHN A. MACDONALD. I have no objection to the motion; but perhaps I may state that the reason why different belts and different prices were established was, that the Government naturally supposed that the land next the railway would be of more value than that further off.

Mr. BLAKE. I am delighted to hear an authoritative statement from the leader of the Government, so extremely opposed to the doctrine his followers have been propounding for the last few days, namely, that the outer belts were as valuable as the inner belts, and that 50,000,000 acres of land near the railway would be worth quite as little as fifty million acres further away. I quite agree with the hon. gentleman, but he does not agree with his followers in this particular.

Sir JOHN A. MACDONALD. I am glad the hon. gentleman and I agree on something. It is quite obvious that the land near the railway is worth more than that more distant, and I think it will be found that hon. gentlemen who act with me, take, as I and the Government take, the average of the land both near and distant.

Mr. MILLS. It is not a fact, then, that distance lends enchantment to the view.

Sir JOHN A. MACDONALD. It may add to the enchantment; it does not add to the value.

Motion agreed to.

VANKLEEK HILL POST OFFICE.

Mr. ROUTHIER moved for: 1st, copies of all correspondence and documents in relation to the dismissal of Duncan McDonell, late Postmaster of Vankleek Hill, in the County of Prescott; 2nd, copies of all correspondence between the Postmaster General and one McLaurin, the present Postmaster of Vankleek Hill, respecting his appointment to the said office, the salary allowed him, and the management of the said post office generally; 3rd, copies of all instruction given to the said McLaurin, in relation to the holding of the said post office of Vankleek Hill.

Motion agreed to.

CANADIAN PACIFIC RAILWAY.

Mr. BLAKE in moving for copies of all rders in Council, correspondence, reports, and papers touching the contracts for the two sections of 100 miles each of the Canadian Pacific Railway, west of Red River, and touching the cancellation of either of the said contracts, the execution of the work thereon, and the cost thereof, said: It is stated that the contracts for the two sections of 100 miles each, west of Red River, or one of these contracts, at any rate, has been cancelled, and that one or both are being carried out at the cost of the Government, by some arrangement by which the contractors have become overseers for the Government. I think it is well that we should have all the papers on the subject.

Motion agreed to.

Mr. BLAKE, in moving for a map showing the proposed railway grants, under the Canadian Pacific Railway contract on the Table, in so far as with the present information the same can be laid down, said: It will be remembered that, under the former system, the hon. leader of the Government brought down a map showing the alternate sections of the railway lands, and I suppose a similar map is being prepared in the department to indicate, approximately at any rate, where the railway lands will be taken from; at any rate, as far as they can be taken from the twenty-four mile belt. I think that would be a reasonable precaution, and it ought to be done now, if it has not been done.

Sir JOHN A. MACDONALD. As the hon. gentleman understands, the plan is this: There are six ranges of townships on each side; every alternate section in these townships is to be given to the Canadian Pacific Railway Syndicate to make up the 25,000,000 acres, inclusive of the Hudson's Bay sections and the school sections—there are four sections excluded from every township. It will probably be found that there are people who have settled upon some of these lands in advance of the surveys, and their rights must be protected. The hon. gentleman can make the calculation for himself of the quantity of land to be given in each township along the line of railway, less the unknown quantity of land that may be occupied by squatters. But I may state that, roughly calculated, the land along the direct route from the western boundary of Manitoba to Jasper House, at the foot of the Rocky Mountains, will amount to about 11,000,000 acres.

Mr. BLAKE. Is that after allowing for any waste lands or lakes?

Sir JOHN A. MACDONALD. I think not, but I am not quite sure about that. I asked the Surveyor-General to state roughly the amount, and he stated about 11,000,000 acres. As regards the balance, the hon. gentleman will see by the contract that, in order to encourage the Pacific Railway Company to build as many branches as possible, we give them the alternate sections along the line of any branch railway they may build in order to make up the 25,000,000 acres. But if they do not build any branch lines the deficiency is to be made up with lands selected by agreement between the Company and the Government.

Mr. BLAKE. Of course I was aware of the mode in which any deficiency was to be made up, but it appeared to me that a map might be made showing where such railway lands lay as are to be found within the twenty-four mile belt. I was not aware that it was intended to exclude the lands in Manitoba from the operation of the railway grant; but, perhaps the hon. gentleman assumes that the amount within that Province will be so little that it is hardly worth mentioning.

Sir JOHN A. MACDONALD. Yes.

Mr. BLAKE. And, therefore, we may assume that the twenty-four mile belt will be substantially from the western boundary of Manitoba to the Jasper House Pass?

Sir JOHN A. MACDONALD. The information furnished was in answer to an enquiry I made in my department; but I would not like to be bound by it. The return will bring down more particulars which the hon. gentleman wants.

Mr. MILLS. Will the return show the lots actually occupied between the western boundary of Manitoba and Fort Ellice. There must be a large portion of land in that region taken up?

Sir JOHN A. MACDONALD. I suppose there is no very accurate information as to squatters, who are entering our country from all points of the boundary. They do not all come in at Emerson. It is impossible to say where they all are. Of course, the return will show honestly all the lands appropriated and sold, or under contract of sale, homesteaded, or otherwise disposed of.

Motions agreed to.

PACIFIC RAILWAY MODIFICATIONS.

Mr. BLAKE moved for an Order of the House for:—

(1.) A statement showing, in detail, the particulars of the various modifications and alterations made in location, design and otherwise, whereby the estimated cost of the section of the Pacific Railway between Kamloops and Yale was reduced in April, 1880, from the estimate in 1878, and a statement of the amount of such estimate of 1878; also a statement showing, in detail, the particulars of the further various modifications and alterations whereby the reduced estimates of April, 1880, was further reduced in April, 1880; also a memorandum of the quantities and prices allowed in respect of the several modifications and alterations referred to in each such statement, and particulars of the character of the projected line as it was designed to be constructed under each of the said three estimates, including information as to the grades and alignment in the forms given in the report of Mr. Cambie for 1878, and including a description of the character of the bridges, culverts, and other structures, and other works under each estimate, and all other particulars necessary in order to show what the line was to be like according to each of the three estimates.

(2.) Similar statements as to the section between Yale and Port Moody.

(3.) Similar statements as to the section between Thunder Bay and Selkirk.

(4.) Similar statements as to the section between Selkirk and Jasper.

(5.) Similar statements as to the section between Jasper and Kamloops.

(6.) Profiles of the said several sections according to each of the said proposed systems of construction.

He said: It is very well known, with reference to the Canadian Pacific Railway, that various estimates have been made at different times by the Chief Engineer and other officers, of the cost of that work, and of the various sections of that work. These estimates varied naturally, irrespective of any question of a change in the character of the work, as further information was obtained by the engineers, and it became possible, more accurately, to set down a price for the cost of the work. But they have varied also in later years for another and quite intelligible reason—alterations in the character of the work projected. Some persons, of course not in this House, where we are all well informed, intelligent, all fair and candid men—but, some ignorant, uninstructed, uncandid and unfair persons, outside the House have compared the estimates made of those different kinds of work with one another, as if there was really no difference at all in the character of the work. It

is convenient that we should ascertain specifically what the varying estimates of the engineers have been, and what the differences have been in the character of the work in respect of which they have estimated. Now, up to a comparatively recent period, with one exception, to which I shall allude in a moment, the work which we understood we were preparing to construct, was a high-class railway. As to the character of its structures, it was to be the same as the Intercolonial. As to its grades and alignment it was to be very superior to the average of all the railways on this continent throughout; and, as to that portion which extended from Lake Superior to Jasper House, it was to be very, very far in advance—with reference to east-bound traffic—of, I suppose, any road of the same length on the continent; I am satisfied I am right in saying very far in advance of any railway on the continent of that length, say 1,500 miles. That is the general style of the road. As to the character of the structures, the standard of the Intercolonial was adopted, and as to grades, alignment and curvature we were promised, even through the mountainous and wooded sections, the very highest class of railway, as also through the prairie region, and through that section, where the work must be done at more expense, from Red River to Lake Superior, where you reach our interior sea-board. Now, I purpose, in giving the reasons for this motion, to show to the House, partly by a reference to authentic documents, that I am justified in my course on this occasion. The most convenient mode of dealing with the earlier estimates and standards used in treating this subject is, perhaps, to take the report of the Chief Engineer for 1877, which summarizes the previous results, and then applies itself to the work of the year. I propose, first of all, to deal with what is called the British Columbia section which, in this report, begins at the Yellow Head Pass, and continues down to Fort Moody. The first practicable route found, as appears from the Chief Engineer's report, so long ago as 1871, was that which has been ultimately adopted; and it is a remarkable proof of the great difficulties present to the minds of the engineers, and of the successive Governments which dealt with this matter that, having so early as 1871, found the most practicable route, which has been ultimately adopted, we should have been, almost ever since, trying to find some other route which would afford an access from the Rocky Mountains to the Pacific coast easier than that to which we have, at last, been obliged to resort. I am not, in the least degree, now proposing to question the wisdom of that choice, which may have been a good one; I am merely saying that we found the first practicable route in 1871, and that we have been trying to escape from it ever since, on account of difficulties of construction, but that we have ultimately been compelled to adopt it. Speaking of the operations of 1871, the Chief Engineer, Mr. Sandford Fleming, thus reported:

"It was further found that it was possible to reach the coast from Kamloops by the course and outlet of the Rivers Thompson and Fraser, the line terminating at an excellent harbor on Burrard Inlet. Thus, it was ascertained that a line was available for the railway, through the entire Rocky Mountain region, although portions would be enormously expensive. The report which I had the honor to submit, dated 10th April, 1872, pointed out generally the advantages of this line as compared with the railway extending eastward from San Francisco to New York. Those engineering features, which govern the cost of operating a railway and transporting goods, gave promise of being much more favorable on the Canadian route. The United States Pacific Railway attains an altitude above the sea, at four different points, fully double the height of the great continental summit on the Canadian line, and for 1,300 consecutive miles there is no altitude so low on the railway between San Francisco and New York, as the highest summit of the line through the Yellow Head Pass With respect to distances it was estimated that, from Burrard Inlet to Montreal would be 633 miles less than from San Francisco to New York. It was, at the same time, estimated that the Canadian route would bring New York, Boston and Portland, from 300 to 500 miles nearer to the Pacific Coast at Burrard Inlet than these cities now are, with San Francisco as the terminal point of their line through the United States. The distance from England to China would be more than 1,000 miles less by the Canadian line than by the line passing through New York and San Francisco.

"The remarkable advantages of which the first year's survey (1872) gave promise, are not attainable without encountering obstacles which call for formidable works of construction. A line, in itself practicable, had indeed been discovered, but the information gained by the rapid and necessarily imperfect exploration also indicated that to carry a railway through some of the gorges of the Rivers Thompson and Fraser would require an enormous outlay. The difficulties, in fact, appeared so great that a recommendation to adopt the route discovered, could not be justified until every effort had been exhausted to obtain a line sufficiently favorable at less cost. Accordingly, in 1872, the engineering staff was reorganized, and the work of survey and exploration was extended to embrace a wider area of operations."

The engineer then proceeds to detail the other operations that went on in that and subsequent years, with a view to find some easier route. Then I turn to the work of 1874, in which instrumental surveys were made of the section from the Fort Hope to Burrard Inlet. The report thus states on the subject:

"The instrumental survey made this year from Fort Hope to Burrard Inlet was so far satisfactory as to establish the fact that the line was perfectly feasible and the gradients favorable, although the bridging of the wide and deep river channels would be expensive. Three tunnels appear to be necessary, having a total length of 3,400 feet, but only at a few other points would the work of excavation be heavy. It was considered important to obtain exact data in order to form a reliable estimate of the difficulties to be encountered along the canyons of the lower rivers Fraser and Thompson. The engineering force available was insufficient to make a minute survey of all the very serious difficulties encountered, extending as they do successively, for seventy miles. It was deemed advisable, under the circumstances, to select an average section of the canyons for examination; accordingly, a trial location survey was made for a distance of fourteen miles up the Fraser from Yale. On this fourteen mile section the survey showed that tunnels of an aggregate length of 6,385 feet, together with formidable rock cuttings, would be required. Favorable undulating gradients could, however, be obtained."

So that with the view at the time to establish the average character of the work, an average canyon was taken, and it alone was explored. That I need hardly say was a very rough, although, perhaps, the best available mode of obtaining an estimate of what the real difficulties of the work were. But things got better by 1877, when a more detailed report was made. The engineer gives us then ten different possible lines, speaking of the probable cost of which, he says:

"It would be undoubtedly desirable for the purpose of comparison to have reasonably correct estimates of the probable cost of each route, but this result is unattainable without regular location surveys."

He then proceeds to state the difficulties which exist:

"It is an exceedingly difficult matter, even with data sufficient to deduce the actual quantities of work, to form an estimate of cost at all reliable, owing in part to the uncertainty of the price of labor. It is impossible to say what wages it may be necessary to pay. The price of labor on the Pacific coast has, of late years, been much higher than on the Atlantic coast; and it is not possible to foretell what its range may be in future years. The value of labor enters so largely into the cost of a railway that any estimates of probable expense are conjectural, unless the price of that labor be established. It is, nevertheless, possible to form a comparative estimate by taking, as a standard, the prices which have obtained on other public works recently completed. The Intercolonial Railway will, in this respect, be taken as the standard, and the estimates will be based on the cost of labor during the construction of that work. A percentage may be added, as individual judgment may dictate, equivalent to any supposed advance of price which may affect the western section of the Pacific line."

The engineer goes on to say that basing his estimate on these figures, that is to say on the assumption that the cost of labor, etc., would be the same as on the Intercolonial, which, of course, taking that as a common measure, would afford a remarkably unsatisfactory mode of getting at the comparative cost, he estimates the route we were then adopting at $35,000,000. But he proceeds to say:

"These estimates are founded on the theory that the works are to be constructed equal in character to those on the Intercolonial Railway. The amount of expenditure, however, may, in the first place, be reduced by the introduction of timber trestle-work in the place of solid earth or rock embankments, and by the use of temporary structures in place of permanent and more costly ones. Various expedients could be resorted to to limit the first expenditure, generally, by the adoption of perishable works, to be replaced as they require restoration by more permanent works. By this means the first cost could be reduced, but with the prospect of ultimate increased expense. It is found difficult to determine

the extent, in such case, to which temporary structures may be admitted, and it would be impossible to make a fair comparison of the several lines unless the estimates were based on precisely the same standard. Accordingly, it is considered advisable, as has already been stated, to take the standard of the Intercolonial Railway, where solid and permanent works generally prevail. The characteristics of a railway have much to do with its capacity for business, and the cost of maintaining and operating it. The route which will in the highest degree admit of low gradients, easy alignment, and permanently firm road bed, at the least annual outlay, is the one most capable of transporting cheaply. In this respect, there can scarcely be a doubt as to Route No. 2, terminating at Burrard Inlet, being the best."

That was the state of things in 1877. We had an average piece of canyon taken and a location survey made of it, and the cost of that fourteen miles was taken as the average cost of the seventy miles of that class of work of which it formed a part; but we had not materials, as the engineer says, of forming anything like an accurate judgment of the character of the work itself, nor had we any materials to ascertain what the cost would be, so far as it depended on the price of labor. With this imperfect information and taking the cost of labor on the Intercolonial as the standard, he estimates $35,000,000 as the cost from Yellow Head Pass to Burrard Inlet. But a very great step in advance was taken during the next year, when the report of Mr. Smith, acting Chief Engineer, shows what had been done to ascertain more particularly what the cost would be, as far as that could be ascertained, from the class of the work irrespective of the price of labor. The engineer, in stating on what his estimates of the cost of the British Columbia section, according to the various routes, were based, states:

"The estimates, as stated in the report, 'includes everything deemed necessary to complete the grading of the railway, with solid embankments, iron bridges, and, generally, with durable structures equal in point of character to those on the Intercolonial line.

"'Also the cost of ballasting, permanent way, rolling stock, stations, shops, snow sheds and fences, indeed all the supplemental expenses indispensable to the construction and completion of a line similarly equipped and equal in efficiency and permanency to the Intercolonial Railway, and basing the calculations of cost on precisely the same data, the same value of material, and the same average value of skilled and unskilled labor, as obtained on that work.'

"There is great probability that these estimates will prove to be too low for the class of work referred to, as the price of labor of all kinds rules much higher on the Pacific slope than on the route of the Intercolonial Railway. The cost, however, can be kept down by using stone and iron only for the larger structures, and culverts under high embankments. There is plenty of timber to be had alongside the line for constructing and renewing the lighter structures when necessary. But, as the increase of cost, if any, would be proportionate on each route, these estimates were believed to present as fair a comparison of the several routes as could be arrived at with the data then obtained.

"These data, however, being imperfect, owing to the loss of plans and profiles of a portion of the route No. 5, in the fire of 1874, which destroyed the Engineers' Offices at Ottawa, it was deemed advisable to have a re-survey made, and during the past season seven parties have been engaged in that work. A very close location survey has been made, and every effort has been employed in the endeavor to reduce the cost of construction to a minimum. By the introduction of a large number of exceptionally sharp curves a considerable quantity of tunnelling and rock excavation has been avoided; further, the line has been carried at points so close to the rivers as to require protection works against floods, while the inclination of the slopes, instead of being 1½ to 1, as on the other routes, has been frequently increased to 1 to 1, in order to reduce the amount of excavation."

With this information, with this too low estimate of the cost of labor, the work was estimated by the Chief Engineer to cost, through the Yellow Head Pass by way of the Fraser and Thompson Rivers to Fort Moody, $36,500,000, if carried to English Bay it would be $37,100,000. This is Mr. Smith's estimate, made upon a survey location of the whole line. I gave the data upon which Mr. Fleming based his estimate, and they were obviously very imperfect, but now we have a close location survey, and pretty full information of the details upon which Mr. Smith bases his estimates. Upon page forty-nine of the report of the acting Chief Engineer, he says:

"The gradients on all the three routes may be considered favorable for a mountainous country, the maximum being 1 per 100 or 52.80 feet per mile, with the exception of a portion of the Bute and Dean Inlet routes, in passing through the Cascade Mountains, where the gradients vary from 60 to 110 feet per mile, &c."

But I need not refer at greater length to this portion of the report as those routes are not now in question. The appendix to which I referred contains the report of Mr. Cambie the Engineer in charge of the surveys in British Columbia. He points out that in the case of this particular route, which is designated No. 2, it will be necessary to add the cost of continuing the line to Coal Harbor in Burrard Inlet, a distance of twelve miles, say $600,000, or to English Bay, fifteen miles, at a cost of $900,000. The reasons given are that Fort Moody, though a good harbor for its size, is very small, and wholly inadequate for the trans-continental traffic, and, therefore, for the purposes of a through line to carry across the continent the commerce of the east, we must add according as we take the twelve miles or the fifteen miles additional, the sum of $600,000 or $900,000 to the cost. The present plan, however, only contemplates the construction of the line to Fort Moody, as a terminal point. So that we may adhere to the estimate of $36,500,000, which I have already given. Then, Sir, as to the grades which were resorted to in order to get the estimate down to $36,500,000. There were on the route which we have now in question, a considerable number of low class grades, to which I will not refer at length; but I may say that upon the grades rising east from ·70 to ·80 there are 33·20 miles, or 6·74 per cent. of the whole; between ·80 and 1·00 there are 66·06 miles, or 13·42 per cent., which is the highest grade upon the route. Rising west there are between ·60 and ·70, 11 miles; between ·70 and ·80, 8·55 miles; between ·80 and 1·00, 27·74 miles. The lengths of the curvatures were found very considerable, the total percentage of curvature being 42·10 upon the whole distance of 493 miles, but that is not all or the chief part. Taking 4° curves as a minimum, we find that of curves over 4° and under 5° there were 36 75 miles, over 5° and under 6° 3·11 miles; over 6° and under 7°, 1·25 miles; over 7° and under 8°, ·16 of a mile, giving curves as sharp as 716 feet upon the system of construction proposed so long ago as 1878, producing the estimates as to cost, which I have referred upon a basis as to labor to which I have also referred. Then Sir, we reach the next report—the special report of Mr. Fleming, with reference to the proposed contracts for the central section—the Yale-Kamloops section. In this report which is dated 22nd November 1879, and is based upon the probable cost of the road under the tenders that were submitted to the department and ultimately sanctioned by the House, he says:

"Those who made the surveys and calculations, inform me that the quantities are very full, and that in actual execution they can be largely reduced."

That is a perfectly legitimate subject of reduction without altering the character of the work. He goes on:

"I am convinced, moreover, that by making an extremely careful study of final location, by sharpening the curvature in some places, by generally adjusting the alignment to the sinuosities, and sudden and great inequality of the ground, by substituting the cheaper classes of work for the more costly, whenever it can be done, and by doing no work whatever that is not absolutely necessary, a very marked reduction can be made."

I read this because it gives us, as I say, two modes upon which a further saving beyond that which the engineer contemplated: first, "that the quantities are very full," and, secondly, by a modification of design which, altering so seriously the character of the work, would alter very seriously the cost to the country of the work. This is to be done by "sharpening the curvature," "by using great judgment in adjusting the alignment to the sinuosities and sudden and great inequalities of ground," "by substituting the cheaper classes of work for the more costly" and by "doing no work whatever that is not absolutely necessary." On the 22nd of November, 1879, these were the suggestions of the Chief Engineer to the hon. Minister, accompanying his report, recommending the letting of those contracts. That is the last stage of the year 1879, and now

we come to the first stage of the year 1880. I will next take up the Engineer's General Report of April 1880. After stating his views as to cheap transportation and the importance of low grades and good curves, he says:

"Low gradients are not considered of equal importance on other sections of the line. It is not proposed to adhere to the principles in British Columbia. The grades and curves will be then determined by the physical obstructions which present themselves. The limitation observed will take a much wider range, in order to avoid expenditure, and it is proposed, as far as practicable, to lighten the work by accommodating the alignment and gradients, as far as this can be done, to the features of the ground."

He is invited by the Minister on the 15th of April to give estimates for the construction of the Pacific Railway. The letter of the hon. Minister states:

"The Pacific Railway debate will begin this afternoon, and I must ask you to furnish me with an estimate of cost. In doing this, take the following data: the four contracts recently let in British Columbia, making full allowances for the reductions to be made and referred to in your report on those contracts."

So that the Chief Engineer was called upon to take the four contracts let and also to make allowances for the reductions referred to in the report on the contracts of the 22nd November, which I have read. The reductions were to be made first of all by calculating upon an excess of quantities, and, secondly, by further degrading the character of the work in the various particulars mentioned in that report. Then the Minister goes on to say:

"With regard to the location and the character of the railway, I am aware that your own preference has been for a line with light, easy gradients. The Government recognizes the advantage of this feature between Lake Superior and Manitoba, but west of Red River we attach less importance to it than the rapid settlement of the country, and the immediate accommodation of settlers. The policy of the Government is to construct a cheap railway, following, or rather, in advance of settlement, with any workable gradients that can be had, incurring no expenditure beyond that absolutely necessary to effect the rapid colonization of the country."

The Chief Engineer answers this, so far as British Columbia is concerned:

"I understand the policy of the Government, with respect to the railway to be: to proceed with the construction of 125 miles in British Columbia, under the 60th, 61st, 62nd, and 63rd contracts. The expenditure on the 125 miles to be limited in accordance with the provisions of the contract, and the views set forth in my report of the 22nd of November last."

The engineer refers to this report in a foot note, to the effect that further reductions could be made by further reducing the character of the work. The engineer proceeds in his letter to estimate that, from Jasper to Port Moody, the road would cost with light equipment $29,000,000, to which he added one million, making altogether $30,000,000. Then he is asked to make a further estimate, particularly directed to the Nipissing line, and also to estimate the whole cost, and he writes a further letter on the 16th of April, in which he says:

"I have in previous reports laid before Parliament advocated a location for the railway with generally light gradients and other favorable engineering features. The policy of the Government, as stated in your letter, likewise the change of line by the abandonment of the old location west of Red River, render it necessary on my part to modify the views I had previously held."

He proceeds to state what his total estimate would be. Now we had reached, then, for the whole line from Jasper House to Port Moody, in April, 1880, a reduced estimate of $30,000,000 upon the altered policy of the Government—a policy to make the railway as cheap as it could be made the road to be adjusted as nearly as its being workable at all would allow, to the sinuosities of the ground, the grades to be as steep, the curvatures to be as sharp, and the works to be as cheap as they could be, and making these possible reductions, according to the view of the Chief Engineer in April, 1880, the whole line between those points could be made for a sum of $30,000,000. The estimates which have been brought down as of December, 1880, a few short months later, was a very large further reduction on two portions of that part of the line to which my remarks have been addressed. From Kamloops to Yale, there is a further reduction—I do not put in the reduction on rolling stock at all—but a reduction by modification of design made in the location from Kamloops to Yale of $1,663,200. The Chief Engineer's estimate was $10,000,000, and if you apply to-day to that section a proportion of the $1,000,000 which is given moreover to British Columbia, you get somewhere about one-third of a million more, say ten and one-third million that the Chief Engineer had estimated on the lowest scale. But there is yet a lower deep, and the hon. Minister found it in December when he took off from the lowest possible estimate of April, that is ten and one-third million, no less than one and two-thirds million. Then from Yale to Port Moody, which had been estimated in all at about $3,620,000 that estimate is reduced by $133,700 by modification of design and improvement of location. I leave out, as I said, the reduction in respect to rolling stock. I have endeavored to ascertain what the general effect upon the section estimated for in 1877 and 1878, by Mr. Fleming and Mr. Smith, respectively, that is to say, from the Yellow Head Pass to Port Moody, would be, applying to these sections upon which they do not give us special information the reductions which are given on the sections about which we are informed. The distance from Yellow Head to Port Moody is 493 miles. The engineer's report for April, 1880, estimates, at the reduced rates from Jasper to Kamloops, $15,500,000; add the proportion of the million dollars, $540,000, which gives you a total cost, by that estimate, from Jasper to Kamloops, of $16,040,000. The distance from Jasper to Yellow Head Pass is 57 miles. Allowing the same proportionate cost for that mileage as for the mileage from Jasper to Kamloops you get $2,736,000, leaving the estimate of April, 1880, from Yellow Head to Kamloops at $13,260,000. You get, then, from the report of April, 1880, the following:—Estimated cost from Kamloops to Yale, $10,340,000; estimated cost from Yale to Port Moody, $3,620,000; making together $13,960,000, to which add the estimated cost from Yellow Head to Kamloops, $13,260,000, and you get a total cost, from Yellow Head to Moody, by the estimate of April 1880, of $27,220,000, while the estimate of 1878 for the same distance from Yellow Head to Moody was $36,500,000, showing a difference of no less than $9,280,000, or a saving of 25½ per cent. And it is to be remembered that the estimate of 1878 was based upon the Intercolonial prices of labor, admittedly too low, while the estimate of 1880 is based upon what the engineer believed would be the cost of labor in British Columbia itself, conducting the work slowly, so as not to raise the price of the labor by increasing the demand beyond any reasonable supply. Assuming that the saving was proportionate over the whole line from Yellow Head to Moody, the cost, by the estimate of April, 1880, of the Government section from Kamloops to Moody, would be $\frac{4}{8}\frac{1}{0}$ths of the whole. $\frac{4}{8}\frac{1}{0}$ths of the estimate of 1878 would be $18,700,000, which was reduced in April, 1880, to $13,960,000, or a reduction of $4,740,000. That reduced amount was further reduced in December, 1880, to $12,160,000, a further reduction of $1,800,000, making a total reduction between 1878 and December, 1880, in the Government part of the work, of not less than $6,540,000 on the total estimate of $18,700,000, or thirty-five per cent., making no allowance in either case for rolling stock. And even if you look at the last estimate alone, you will see a handsome reduction of within a fraction of fourteen per cent. The Syndicate's part, which is from the Yellow Head Pass to Kamloops, would be $\frac{3}{8}\frac{3}{0}$ths of the whole cost from Yellow Head to Moody. That would give you, according to the estimate of 1878, $17,810,000; the estimate of 1880 is $13,280,000, a reduction of $4,530,000. Assuming a further proportionate saving by the estimate of December, 1880, you will get $1,590,000 more saved, making the cost only $11,690,000, or a total reduction in the Syndicate's section of $6,120,000. Then the totals from Yellow Head Pass to

Moody would show thus: Estimate of 1878, $36,500,000; estimate of April, 1880, $27,220,000; saving of $9,280,000; estimate of December, 1880, $23,850,000; total saving between 1878 and December, 1880, $12,660,000, on the estimated cost of $36,500,000 or thirty-five per cent. Or, if you choose to look backwards and compare the present with the past, instead of the past with the present, you find that the cost, as now proposed, would be increased by 54 per cent., or more than half as much again by reverting to the former estimates. Now, I am not at all objecting to any one of these estimates. I am simply pointing out the differences between them, in order that we may ascertain what are the main causes of these differences. As I have another part of the subject to deal with, and it is now six o'clock, we had better let it stand over.

It being Six o'clock the Speaker left the Chair.

AFTER RECESS.

PRIVATE BILLS.

Mr. GAULT moved the second reading of Bill (No. 7) entitled "An Act to incorporate the Wrecking and Salvage Company of Canada."

Bill read the second time.

WRECKING AND TOWING IN INLAND WATERS.

The House resumed the adjourned debate on the proposed motion of Mr. Bunting, for an Address for correspondence between Sir Edward Thornton, British Ambassador at Washington, and the Secretary of State for the United States, relative to Wrecking and Towing in Inland Waters.

Mr. PATTERSON (Essex). Public attention has for some time been directed to this question respecting wrecking and towing in the inland waters of the Dominion, in consequence of diplomatic correspondence between the Secretary of State of the United States and the British Ambassador at Washington, which has been published in the American and Canadian newspapers. Mr. Secretary Evarts, of the United States, in a rather offensive letter, casts reflections upon the conduct of certain Canadian officials and the owners of Canadian wrecking tugs, basing his letter on information furnished him from time to time by the United States Consuls, stationed at Sarnia and other points on our inland waters. I find in the report of the Consuls of the United States, a communication from the Consul stationed at Sarnia, in which he reflects very severely on the capacity of the Canadian tugs engaged on our inland waters, including Lakes Erie and Huron, and also on the regulations of the Customs Department, in this connection. This Consul, Mr. Pace, thus writes:

"Some changes have been made in Canadian wrecking regulations within the past year, and these changes modify, to some extent, the more rigorous rules of former years, but the reformation is by no means complete. Under former regulations an American tug was not permitted, under any circumstances, to engage in the rescue of any wrecked vessel or property in Canadian waters. This rule has been so modified that now an American steamer may obtain permission to render assistance to a vessel wrecked in Canadian waters, provided it may appear to the Canadian customs officer that the wrecked vessel in question is in immediate danger of total destruction, and provided further that there is no Canadian steam-tug conveniently at hand to render the desired services. But while the Canadian officer is investigating the condition of the wrecked vessel in order to determine whether the vessel is in danger of becoming a total wreck, the elements, regardless of his opinion, carry on the work of demolition.

"Having the right to navigate the waters of Canada in the ordinary pursuit of commerce, our seamen cannot understand why they should be restricted from asking and obtaining aid from any source when disaster overtakes them. Much feeling is sometimes manifested by our captains who are denied the privilege of obtaining the services of American wrecking tugs in times of trouble, and who are obliged to accept instead old and inferior vessels known as Canadian wreckers.

"My advice is frequently sought by American vessel masters as to the proper course to pursue under circumstances of the nature here described, and in some instances I have found it difficult to restrain the more impetuous from forcibly resisting these unfriendly regulations relating to wrecks and wrecked property in Canadian waters. In a former communication to the department upon this subject I called attention to the inferior and comparatively unseaworthy condition of Canadian wrecking tugs as compared with our own wreckers, and I now assert (not entirely as a novice, for I have had practical experience as a sailor) that, with but barely one exception, there is not upon the whole chain of lakes a wrecking tug of Canadian register worthy of the name. I am familiar with all the boats which figure on paper as the Canadian wrecking fleet, and the tug *McArthur* is the only vessel belonging to that fleet which may justly claim exemption from the charge of being herself a wreck. Should this wrecking fleet be arraigned in order for review, the practical eye of the American sailor would detect something fully as ridiculous as that shown in the play where Falstaff musters his recruits.

"It may be proper to state that the entire wrecking fleet of Canada is owned or controlled by a company known as the "Canadian Wrecking Company;" this company has, therefore, a monopoly of the wrecking business in these waters. In the interests of justice I sincerely hope to see a further modification of wrecking regulations which enrich a company at the expense of our lake marine."

I had read the letter of Mr. Evarts to Sir Edward Thornton before my attention was drawn to this report, and while I then thought it most offensive on his part, my opinion has been modified on reading that report. We must shift the blame from the shoulders of the United States Secretary of State to the shoulders of his subordinates. It appears this Consul at Sarnia has stolen a moment from his arduous duties, in enumerating the 99,000 Canadian emigrants who cross annually at that point to the Republic, to compose that offensive report. I will briefly allude here to some points in his statement, in order to refute them from my personal knowledge. Living as I do at the Detroit River, and personally acquainted with the nature of those tugs, and with their efficiency, I think this is a subject on which I can speak with confidence as to the facts in dispute. Mr. Pace says:

"Under former regulations an American tug was not permitted, under any circumstances, to engage in the rescue of any wrecked vessel or property in Canadian waters."

There never was a period in the history of Canada of which that statement holds good. There never was a time when American vessels were not permitted to assist their own or Canadian vessels when wrecked. "The rule has been modified now," he goes on to say, so that a United States steamer may assist a United States wreck. The rule that obtained for some years was the Order in Council, passed by the Mackenzie Administration, when the member for St. John county (Mr. Burpee) was Minister of Customs. That Order in Council was entirely satisfactory to the Canadian wrecking interest, to the rules of the wrecking clubs and the Canadian Inland Revenue, and if it has been seriously modified I considered a blow has been struck, not only at the wrecking interest, but at our whole merchant marine. When we had not a wrecking fleet of our own, the prices charged by American wrecking tugs were so enormous that it was almost better for a vessel owner to give the vessel to the wrecking tug altogether. By their numerous fleet, the Americans are trying to drive the Canadian vessels out of the field altogether, and should they succeed in this design they will recruit themselves by a recurrence to former high charges. Every facility is at present afforded to American tugs to assist Canadian vessels in distress when no Canadian tugs are at hand. I have frequently applied for favors and concessions to American tug owners during the last two years, when our own tugs were not available, and have always met with a hearty response from the Minister of Customs. From whatever source the statements may come, it is literally untrue that any obstructions have been cast in the way of employing American tugs when Canadian tugs, equally well fitted for the work, were not available. It is, of course, only natural, that our American cousins should manifest a good deal of feeling at being denied the privilege of using their own tugs in our waters to rescue their own vessels, but it is also only natural that our tug

owners should desire the protection of the Government with regard to their interest; and I do trust, when these papers are brought down, it will be found that the present Administration will carry out the policy which the Mackenzie Administration adopted, and which was so entirely satisfactory, being, as it was, just and humane to both nationalities, and fairly protective to this important Canadian industry. This gentleman, Mr. Pace, stated that there is not a boat in the whole chain of lakes, belonging to the Canadian service, worthy of the name. I would ask that particular enquiry be made and information obtained as to whether that statement is true. We ought not to allow statements of that kind to go unchallenged. We ought to have information from the officials as to the condition of the wrecking tugs used on our inland waters, which have come under the sweeping censure of Mr. Pace. I am informed there are wrecking tugs at Collingwood fully equal to all requirements; also that the wrecking fleet at Port Colborne is quite equal to the lake fleet at Buffalo, and to my personal knowledge the wrecking fleet which is employed mainly on the Detroit River, between Lakes Huron and Erie, are very efficient vessels. Among others we have the *McArthur*, the *Erie Belle*, the *Minnehaha*, the *Paul Hackett*, and many others, plying on the Detroit River and neighboring lakes. We have also the infamous wrecking company which has especially called down the wrath of Mr. Pace, whose boats are of first-class capacity, containing all the modern appliances, and are always kept with their fires ready, so that they can have steam up in one hour, and be on Lake St. Claire, or at Amherstburg, or at the mouth of the river within two hours of the receipt of a telegram from Windsor. They are kept there the whole season, and, considering the enormous expense which a fleet of this kind costs, in the way of appliances, steam pumps, &c., it would be most outrageous to allow American vessels to compete with Canadian tugs in Canadian waters, unless some measure of reciprocity were granted. There are instances to my knowledge, I regret to say, in which collectors of customs have granted facilities to American tugs where Canadian tugs were available. I do not think the late Minister of Custom contemplated, when he issued those instructions to collectors of customs, that such advantage would be taken of them, and I am sure the present Minister does not approve of this being done. It is within my knowledge that some American vessels, which were stranded near Amherstburg, waited two days to receive the assistance of an American tug which was owned by the agents of the vessel, when Canadian tugs were lying at Amherstburg ready to undertake the work. What real grounds of complaint the Americans have I do not know. All the concessions and favors have been granted to American tug owners, while I am not aware of any instance in which a concession of any kind has been granted to a Canadian vessel or tug. I know of instances of Canadians having been fined for aiding Canadian vessels in American waters. If any grievance exists upon this question, I think it was on the side of the Canadians rather than the Americans, who are in the habit of indulging in some bluster and misrepresentation upon this subject, as upon some others, for the purpose of getting some advantages which they might not otherwise obtain. When they talk about reciprocity in wreckage, they talk about something which is unreasonable and absurd. The character of the coasts of our inland waters is such that accidents to vessels mostly happen upon Canadian waters, and the Americans wish to have a reciprocity which would give them all and give us nothing in return. If there is to be a reciprocity at all let it be a real reciprocity not only in wrecking, but in towing in American or Canadian waters; let us have also a reciprocity with regard to Customs regulations, so that the heavy tonnage dues which they now charge upon vessels engaged on the inland marine should be more fairly balanced. At the

Present time the American Customs authorities charge Canadian vessels more than double the dues for entrances and clearances than they charge vessels sailing under their own flag. When they are ready to meet us half way in regard to these matters, I am quite sure that our inland marine will be happy to consent to a reciprocity in wrecking regulations also. But it would be wrong for our Government to agree to a reciprocity which would drive out of the wrecking industry a number of tugs, which have been constructed at great expense and fitted up with every suitable appliance for the efficient conduct of the business in which they are engaged. The Secretary of State for the United States has, I regret to say, been grossly deceived by his subordinates with regard to this matter. I know of my own knowledge that the report which Mr. Pace has made with regard to that section of our inland marine of which he writes is absolutely and literally untrue. I should think it would be advisable that the Minister of Customs should cause an authoritative enquiry to be made, and if it be found that the Americans have any real ground of complaint, the matter might be laid before the United States Government, and the way thereby paved to the establishment of a real reciprocity between the two countries, with regard to the matters to which I have adverted. My attention has been called to an article in the Hamilton *Spectator* of recent date, in which it is stated that a new wrecking company is to be formed, with a capital of $500,000, to carry on operations, not only in the upper lakes and rivers, but in Lake Ontario and the St. Lawrence. Whether this is the company for which my hon. friend from Montreal West (Mr. Gault) is seeking incorporation I cannot say. I wish again to assure the Government and the House that the report of Mr. Pace is a gross caricature, more worthy of Mark Twain, in his graver moments, than of a United States Consul sending to his Government a grave official document. Our fleet is thoroughly efficient, and quite capable of discharging its duties, as anybody who has read the shipping news during the late disasters, can amply testify. The company which seems to fall especially under the disapproval of Mr. Pace, is only a small part of our wrecking fleet in those waters; but though only a small part its vessels are very efficient; the boats I mentioned, and especially the *Prince Alfred*, are the best wrecking tugs on our lakes, either Canadian or American; they are kept up at an enormous expense; they are always ready in fair or foul weather, on an hour's notice to start to any point on the Canadian lakes or rivers at which their services may be required. The business has been very satisfactorily conducted for the past few years, and the desire on the part of the American tug ring to get hold of the business, may have induced them to make representations to Mr. Pace which have led him to make such a report as he has made to his Government. Mr. Evarts refers to the Act which was passed by the American Congress in 1878. It is an Act to aid vessels wrecked or disabled in the waters coterminous to the United States and the Dominion of Canada, and the preamble reads as follows:—

"Be it enacted by the Senate and House of Representatives of the United States of America, in Congress assembled, that Canadian vessels of all descriptions may render aid or assistance to Canadian or other vessels wrecked or disabled in the waters of the United States, contiguous to the Dominion of Canada: provided that this Act shall not take affect until proclamation by the President, declaring that the privilege of aiding American or other vessels wrecked or disabled in Canadian waters contiguous to the United States, has been extended by the Government of the Dominion of Canada and declaring this Act to be in force. And provided, further, that this Act shall cease to be in force from and after the date of proclamation by the President, to the effect that said reciprocal privilege has been withdrawn or revoked by the said Government of the Dominion of Canada."

Mr. Evarts goes on to refer to the efforts which, as he says, have been made by the United States to obtain reciprocity in this matter. I trust that the hon. the Minister of Customs

will cause the enquiry to be made which I have asked for. This is a matter, perhaps, which does not affect many members in this House, but it affects materially many of my constituents, and it is a matter which deserves the consideration of the Government. If the Government have been led away by misrepresentations in granting the concessions which the Mackenzie Administration declined to grant, I hope those concessions will be withdrawn. As matters stood under the late Minister of Customs, everything that could be desired for the protection of life and property was granted, and it would be very unsatisfactory to those interested and to the Canadian marine to have any further concessions or indulgences granted to United States' wrecking vessels in Canadian waters, without something being granted to our vessel owners beyond the mere privilege of being allowed to rescue wrecks in our own waters.

Mr. PLUMB. The question that has been brought forward by the hon. member for Essex (Mr. Patterson) is entitled to the serious consideration of the House. My hon. friend has truly stated that the question does not interest directly a large portion of the members of this House, but he has also stated truly that it interests directly the whole Canadian commerce. It is a very great question, in which the respective rights of the Provinces and of the United States are directly interested, and it is one, of course, which we can approach without prejudice to the question which may arise between the two Governments, and we can state the position in which we are, and ask for the judgment of the House and the opinion of the Government on the subject. It is well known that, whether by the authority of the American Government or not, the most extraordinary regulations have been made to protect the American wrecking vessels on the one side, and to exclude our wrecking vessels on the other. I know a case where a vessel in extreme peril was rescued by a Canadian tug, and that tug was seized, I think, in the Detroit River and subjected to a heavy fine for doing what was an act of mercy, and for which she should have been rewarded, rather than mulcted. It is, of course, obvious that it is impossible for any wrecking arrangements to be made, which shall have vessels at all points where wrecks may possibly happen, that can rescue property, and the only possible service which these people can perform, is the salvage of property, not the saving of life. It is well known that during the great stress of weather, under which wrecks occur, it is almost impossible to bring any vessel, no matter how well manned, to the immediate succor of the vessel in distress. An efficient company, with good appliances, on this side of the border, should have every possible encouragement, and I believe it is intended that, before this Session is concluded, a Bill shall be introduced to charter companies of that kind. I have no doubt that the service can be made perfectly efficient, provided the incorporators have the protection of the Government, which, I think, they have a right to expect, for I think they have a preferential right within the jurisdiction of Canada to perform their services upon the lakes over which Canada has control. This last season has been especially prolific in accidents, showing that an efficient service of that kind is required. I do not think in the history of the commerce of the lakes there has been such extensive disasters accompanied by such a loss of life and property, as have occurred within the last two or three months upon Lakes Erie and Ontario. All these disasters warn us that there should be a system adopted which would encourage Canadians with the necessary capital to combine for carrying on a very meritorious and important service connected with their inland commerce. I think the House is under the greatest obligation to the hon. member for Essex for bringing this matter before us. I trust a discussion on this subject will take place, and that those gentlemen who are practically acquainted with the subject, those whose residence on the great inland waters have led them to investigate the subject, will follow up this discussion, so that we may be enabled to know the difficulties which have heretofore attended the formation of a Canadian company, and be able to judge of the pressing importance of the case which has been presented by the hon. member for Essex. Residing, as I do, upon the borders of one of the great lakes; knowing, as I do, the constant necessity for a wrecking organization; knowing, as I do, that as long as we are hampered in the way we are, and as long as it is claimed that the necessity in regard to matters of this kind is like that jug-handled reciprocity of which we used to hear in days gone by—all on one side—just so long we shall be prevented from doing what we ought to do in the way of organizing companies to perform this kind of service. The interference of wreckers from the other side is altogether accidental; they are not bound to come; they come when it is their interest to come, and they stay away when they can employ themselves better otherwise. I trust that these associations—there are one or two very good ones, I believe, on Lake Erie—will be encouraged to continue their work, to enlarge their capital, and to do the kind of service efficiently for which they were created; and I commend to the careful attention of the House the remarks which were made by my hon. friend from Essex (Mr. Patterson), and I think that as this discussion proceeds, it will be found that he had the strongest grounds for presenting this motion to the House, and that it will meet with that careful attention, which any practical subject is sure to receive from the practical representatives of the people assembled here to-night.

Mr. McCALLUM. This is not a new subject in this House. Since the late Government issued instructions to guide the Customs'-house officers on the inland waters of this Dominion, the American newspapers have published articles in the attempt, by bluster, to induce the Government to give way on this question. They tell us that the Canadian vessels are not fit to do the work; but they do not particularize. If they cannot mention any case in which life or property has been lost in the inland waters of this Dominion, through the inability of Canadian tug owners to perform the work they undertake to do, I think it is high time they should stop this cry. They also raised the cry that men were saving life in American waters. I know of no law, Canadian or otherwise, that punishes a man for saving life or for saving a vessel, in distress. But there is a law, and they have enforced it in the United States, prohibiting foreign or Canadian vessels from saving wrecked vessels on American shores; and for years the Americans had the whole inland waters of this country as a preserve for themselves. The Canadian Government allowed them to do the work for years, while Americans would not allow Canadians to do the same in their waters. To say that to allow Canadians to go into their waters is an equivalent, is absurd, because ninety out of every hundred wrecks occur in Canadian waters. If they are in earnest, let them throw open the coasting trade of the United States, but if not, let them give our tugs the privilege to tow from one port to another. If they do that, the Canadians are able to take care of themselves; and if they will not, I ask the Government to protect the Canadians. The Customs officers of this country are too lenient in this matter, and it is high time they should be looked after. Why, Mr. Evarts in Congress said, that the highest official of the Canadian Government was controlled by a Canadian wrecking ring. Very complimentary to the high officials of the Canadian Government! It is said the American Government passed an Act of Congress on this question. I would ask hon. gentlemen to scan that Act closely. If my memory serves me, there were two Acts passed in Congress at the same time: one offered reciprocity to the Canadians, the other prohibited towing in the waters of the United States; so that, taking the two together, they

had this effect: that if an American vessel was wrecked in United States waters, a Canadian tug had not the privilege to tow it to an American port. This looked like a little sharp practice. I know this question is giving the Customs Department a good deal of trouble and annoyance. But the Americans ask for privileges from this Government on a misrepresentation of the facts. The difficulties are owing to the action, not of the Minister of Customs, but of some of his officials, and I ask him now to look into the matter. I ask him to see that the law relating to wrecking is carried out the same as any other law. Reference has been made to the desirability of having a life-saving service in connection with this service. In justice to the Americans I would say that the life-saving service of the United States is of great benefit both to Canadians and Americans, and if this Government could bear the expense of a life-saving station I should be glad to see it established. Something has been said about the boats. I assert that the *Prince Alfred* is the only boat in the fresh waters of this country kept for wrecking alone. While I have a vote in this House I shall protest against giving the Americans any concessions until they give us a *quid pro quo*. On a former occasion, the hon. member for Hamilton (Mr. Robertson) brought up a complaint in reference to a case where one of the boats went out to save life and property; but when the return came down it appeared that the Canadians had saved life at the risk of their own lives, while the Americans came in and made money. I trust our Government will consider this matter, and see that their officers carry out the law in this respect, and the instructions of the department, so that there may be no more extension of privileges to American tugs to enable them to do the work that should be done by Canadians, so long as life and property are not in danger. Of course, if there is any danger of life, or danger of the immediate destruction of property, by all means let the Canadian Government give the Americans every privilege to save it. But where there is no such danger, and our vessels are ashore, as wrecks, by all means give the employment in this connection to Canadians and Canadian tug owners. Money which should reach this country should not be allowed to pass into the hands of Americans, as in years gone by.

Mr. DAWSON. Without entering into the merits of this question, I may say that a great deal of life and property on the lakes might be saved by a system of proper inspection of vessels, to ascertain if they were seaworthy. If report be true, some vessels lost in Lake Ontario this season, with all the lives on board, went down on account of their unseaworthiness. Along the lakes there are many unseaworthy vessels that have been left lying a long time in the harbors, but whose owners will use them as long as they can be kept afloat; and in storms they go down. So from this cause we may expect an increased loss of life from year to year. We have had very few wrecks on the north coasts of Lakes Huron and Superior; because we have not only got good vessels, but the coasts are particularly well sheltered on the Canada side. But we had two vessels lost on those waters last year, the *Zealand* in Lake Ontario, and the *Simcoe* in the middle of Lake Huron. In one case there was a great loss of life. Whether the vessels were seaworthy or not, I cannot say; but it is reported that at this moment there are a great many unseaworthy vessels on our inland waters, and it is highly desirable there should be some system of inspection adopted. Believing that the object of this motion is very good, I shall have great pleasure in supporting it.

Mr. McCUAIG. The subject of the preservation of life and property in the case of wrecks is of great importance. I agree with my hon. friend from Algoma (Mr. Dawson) as to the value of a system of inspection. In November last, I noticed in the newspapers of the country the statement that a very large amount of property had been lost on the lakes, in consequence of there being no tugs to render assistance to vessels on account of the operation of the Canadian law. I then took occasion to address the Buffalo Board of Trade on the subject. I believe those bodies in most of the western American cities are composed of respectable men, many of them interested in preserving shipping property. I think all that we require is for our Government to communicate with the American Government, when I have no doubt some reciprocal arrangement could be made, beneficial to both countries. In reply to my application to the Board of Trade, the Secretary wrote on the 7th December, as follows:—

"BUFFALO BOARD OF TRADE,
"BUFFALO, N.Y., December 7th, 1880.

"*J. S. McCuaig, Esq., M.P.,*
"*Picton, Ont., Canada.*

"DEAR SIR,—Your letter of November 22nd received and contents noted. Upon inquiry of the Insurance agents and parties interested in the schooner *Kingfisher* I find that there was no foundation for the paragraph that appeared in the Buffalo *Courier*, as far as "the wrecking law" was brought into question. No tugs of any kind could have rescued the vessel and the insurance agents so stated.

"As far as I can learn, the complaints of Americans are, that vessel owners state that the Canada Towing and Wrecking Company have not sufficient help—they own one tug called the *Prince Alfred* drawing 11 feet water with one steam-pump on board, and one tug *Jessie* drawing 8 or 9 feet water; these boats are generally located at Windsor, Ont., opposite Detroit, Mich.; this company has also one extra steam-pump kept ashore at some point for use when called upon.

"There is a tug called the *McArthur* which belongs to other Canadian parties, with a pump on board I think, and the location of said tug I know not.

"These are all the Canadian appliances for wrecking purposes from the foot of Lake Erie to the head of Lake Superior, near Duluth. Nearly 1000 miles of coast, four lakes and the rivers.

"You can readily see that these tugs are totally insufficient for the purposes required. If a vessel goes on shore at a *convenient spot* well, if not, what is to become of it?

"On the American side of the lakes, &c., are large harbors with many tugs and appliances at each port, enough to establish a patrol system, with the most powerful contrivances for succoring vessels, &c. Take Buffalo for instance, look at her fleet of tugs of immense power, all of which could be used for wrecking purposes.

"On the Canada side at Port Colborne there are three or four small tugs which could be used for wrecking if called upon at this end of Lake Erie. but they are generally engaged in towing vessels to and from the Welland Canal.

"Perhaps these few notes may assist you in making up a case in favor of some changes in the law of wrecking, of insisting that the Canadian Towing and Wrecking Company should have extended facilities. Shall be pleased to hear from you and give any assistance in my power.

"WILLIAM THURSTONE,
"Secretary."

If the statements of this letter be true, and I have no reason to doubt them, it must be evident to every hon. member that we have not sufficient tugs or proper arrangements for the preservation of life and property for a coast line extending over so many miles. I have, myself, at Lake Ontario, witnessed the loss of several lives in its waters while 150 to 200 men stood on the shore. Why? Because we had no proper assistance. I contend that no laws of two countries lying side by side should in any way interfere with the enterprise of men prepared to jeopardise their own lives for the preservation of others, or with the demands of humanity. Judging from this letter from the Buffalo Board of Trade, I am satisfied that with the American and Canadian tugs united, they would be insufficient to save the life and property lost on the lakes in those severe storms. I hope whatever legislation may take place, that it will be in that direction. By proper arrangement, a great deal of property, and a great many lives might be saved at a cheaper rate than at present. I have had considerable experience with Canadian tug-boat companies, and have yet to learn they are very much more moderate in their charges than our American friends. With the exception of Mr. Donnelly, of Kingston, who has rendered very great assistance at moderate charges, who is a man of wonderful skill in this respect, I have yet to learn that Canadian tug-boat owners are, in cases of disaster, more moderate in their charges than Americans.

Mr. McCALLUM. They do not charge for saving life as you say.

Mr. McCUAIG. I am only saying that so far as liberality goes, these things are governed entirely by the spirit of trade. If a vessel is in great distress, and there is only one tug on hand to assist her, it often occurs that the captain of the tug having one object, the interest of the owners in view, loses sight of that which should guide him, the great spirit of humanity. I believe the American Board of Trade is willing to co-operate with the Dominion Government in a liberal spirit, to make these laws as perfect as possible. I clip the following from a leading Ontario paper :—

"There is one point in Secretary Evart's letter on the wrecking question which has some truth in it. He complains that our wrecking service is inefficient."

I endorse every word in that letter. I say, as one largely interested in the trade of the country, it is inefficient; and with the exception of Mr. Donnelly, of Kingston, the tug-owners charge exorbitant rates.

Mr. McCALLUM. My hon. friend tells the House that if we had American competition we could save life at cheaper cost than now. I ask hon. members if they ever knew a case where men charged money for saving life under such circumstances. Is there anything in the laws of this country or the laws of nature to prevent a man saving a life in danger? This humanity cry is merely used as a lever to cheat Canadians of their just rights. My hon. friend read a letter from the Buffalo Board of Trade containing statements which were utterly untrue. The statement that the *Kingfisher*, which was abandoned, would have been brought safe into Buffalo harbor a week ago were it not for the Canadian laws, is one which the facts do not bear out. The article of which the member for Prince Edward (Mr. McCuaig) spoke, and which he ascribed to the Canadian press, was from the Buffalo *Courier*, and no doubt emanated from some member of the Board of Trade. I should like to know what appliances they have in Buffalo to assist wrecks. There are only two pumps at Buffalo and neither is fit to pump grain out of a vessel, because they are nine and ten inch Wellington pumps, which are perfectly useless, as far as getting the vessel off is concerned. All the hon. gentleman has to do, is to go down to the office of the hon. the Minister of Marine, and he will see the number of tugs that are at Port Colborne. If he will look at the Steamboat Inspection Act, and the fees of collectors from steamboats, he will see the number of tugs that we have, and not be so ready to take the authority of the Buffalo Board of Trade as to the resources of the country. Will the hon. member believe the statements of that Board of Trade, as opposed to those of the hon. member for Essex? I would like to ask the hon. gentleman, if he knows what pumps the Americans have got. How many have they got on Lake Superior? They have not got one. The Canadian Wrecking Company keep at Windsor, all the time, one boat and three pumps. As true Canadians we must protect our own interests. What is the American rule? Secretary Evarts said they had this rule for thirty years: that Canadian vessels were welcome to assist vessels in distress, no matter what their nationality was, as long as they were in Canadian waters, and under the jurisdiction of the Canadian Government. This is very kind of Secretary Evarts to tell us that poor Canadians are permitted to work in their own waters. You would fancy, from the remarks of my hon. friend, that the Canadian tug-boats should be continually sailing up and down our waters to prevent vessels from running ashore. I can tell my hon. friend that tugs are like doctors. You never send for them except when you want them. As far as I know the stock is a poorly paying one. Our people are struggling hard to keep the wrecking business in Canadian waters for Canadians, and I trust that the Government will give them all the proper assistance they require to accomplish this object. I am quite willing to have reciprocity, but it must be a reciprocity of fair play. Let the Americans give us an equivalent for what we give them. If they have a grievance, if we are acting against good neighborhood and the interests of humanity, let them throw open their coasting trade, so that Canadian tugs may have the privilege of towing from one American port to another; and I am quite sure that if they concede these privileges, Canadians will not fear the competition.

Mr. McCUAIG. I would like to ask the hon. gentleman if he is acquainted with the tug *Prince Alfred?*

Mr. McCALLUM. Yes, I am.

Mr. McCUAIG. Are you aware that she draws eleven feet of water. If she does, I maintain that she is unfit for the service.

Mr. McCALLUM. It depends altogether upon the amount of fuel that may be upon the tug whether she will draw 9 feet of water or 11 feet. If she has only a small quantity of coal, she will not draw 11 feet; if she has a large quantity she may draw 11 feet. If my hon. friend knows anything at all about wrecking, he must know that if it is necessary for a tug to approach a vessel, that is lying in shoal water, she should have only a light load and a light draught in order to get alongside. My hon. friend, if he is desirous of getting all the facts in the matter, should go to the Library and get them, instead of accepting the *dictum* of a member of the Buffalo Board of Trade. Another hon. member, I remember, on a former occasion, accepted the statements of gentlemen connected with the Buffalo Board of Trade, and I think I can trace the same hand in the present instance.

Mr. McCUAIG. I only wish to say that I do not believe that the Secretary of the Board of Trade at Buffalo—a respectable body—would make a misstatement over his own signature.

Mr. ROBERTSON (Hamilton). Since my hon. friend from Monck (Mr. McCallum) has had the kindness to allude to me, I think it is incumbent upon me to rise and explain. Two years ago I had an interview with a gentleman from Buffalo, I do not know whether he belonged to the Board of Trade or not, but he succeeded in gaining my sympathy very much on this question, and I thought it my duty to bring before the House the subject which is now under discussion. I was induced to believe that there was a very great want of reciprocity between the Government of the United States and the Government of Canada; and I was made to believe that a want of humanity did prevail on the part of the Canadian Government; that while the Americans were willing to reciprocate in every way possible, Canadians themselves turned a deaf ear to all their entreaties and solicitations in that direction. I was told that the Government of that day were the cause of all that unfortunate and unneighborly conduct on behalf of Canada, and I was told that an order had been issued by the then Minister of Customs making it imperative upon all tugs or vessels which went to the assistance of vessels in danger to go to the port nearest the disaster and get permission before they could render aid or succor. When I perused the document which I am about to read, I certainly thought there was a good deal of truth in what was stated to me by the gentleman who made the complaint. This document is as follows :—

"No. 3, CUSTOMS DEPARTMENT,
"OTTAWA, March 8th, 1878.

"SIR,—I am now instructed by the Minister of Customs to call your attention to the bearing of the Customs Law upon the treatment of wrecked vessels, or property, in Canadian waters, which provides, in effect, that no vessel, foreign or Canadian, has a legal right to interfere with wrecked vessels or materials in Canadian waters, unless permitted

by the Collector of Customs at the nearest port, after reporting to him; and no foreign vessel should receive such permission, as it is contrary to the Customs Law, and should be placed under detention in case of violation.

"I have the honor, &c.,
(Signed) "J. JOHNSON."

"To Collector of Customs."

This was dated 8th March, 1878, and it was regarded by me as a most inhumane document. I made some enquiry about the matter, and I put a notice on the paper to enable me to move for a return of correspondence. I investigated the matter after the papers were brought down. I came to the conclusion that the Canadian Government was not so much to blame after all. I am free to admit that this circular letter is not exactly couched in such language as would lead one to believe that tugs could go to the assistance of vessels in distress without getting permission from the collector at the nearest port. It is contended now, by the hon. member for Monck, that it is not intended to prevent any vessel from going to the rescue of property or for the purpose of saving life. It is quite possible that that may be the fact, but I think it would have been far better if the Commissioner of Customs of that day had made that fact quite clear and explicit. The result was, however, that a good deal of ill-feeling sprung up on both sides of the boundary line. I am perfectly satisfied that it is not altogether in the interests of humanity that the correspondence has taken place which is referred to in the motion now before the House. I am satisfied that the Secretary of State at Washington has been induced to commence this correspondence and to make those complaints by the wrecking ring of the American Union. I feel quite certain that the correspondence has not taken place with a view of bringing about reciprocity; but whether or not it be true that they are able to outstrip Canadian enterprise in wrecking, whether or not it be true that there is not a sufficient force on the Canadian side in the wrecking service to give assistance in all cases, I am quite satisfied that the correspondence which has taken place has certainly done some good, for we find that in the present Session application has has been made for the incorporation of a company for salvage and wrecking purposes. To-day I presented a petition from some influential gentlemen, praying to be incorporated as another company for the same purpose under the name of the St. Lawrence Wrecking and Salvage Company. If these companies are incorporated—as I take it this will be—and as we have men of ability and means in this country who understand the business and are desirous of investing their means in such enterprises, there is every reason why the Government of the day should be cautious about bringing about a reciprocity in this particular matter. I suppose it is not difficult to imagine what the result of reciprocal arrangements between the American Government and the Canadian Government might be. We can well imagine that the Americans would completely outstrip our Canadian tug and wrecking service, as it is now constituted; and therefore, when the Government see that there are gentlemen who are willing to invest their means and who are asking for bills of incorporation, they should be allowed to go into the enterprise. I see by one Bill before the House that the capital stock is $300,000, with the right to increase it to $1,000,000. The Bill I shall have the honor to introduce will ask that the capital stock may be declared to be $500,000, with power to increase it to $1,000,000. So that we have the enterprise, the energy, and the ability, and the means to establish a first-rate wrecking service in this country. Therefore, I think the Government should be careful before they bring about that reciprocity which the Americans desire. We know perfectly well that this last year there has been an immense loss of life and property on the inland lakes, and it may be that there has not been sufficient aid and assistance given to this service. I think that before another stormy season comes about we will find the Canadian wrecking service to be quite ample and sufficient to protect, not only all Canadian vessels which may be wrecked, disabled or endangered in Canadian waters, but American vessels as well. I think there are good reasons why the Government should know what the feeling of this House is before they grant the reciprocity which is asked for by the American authorities.

Mr. ROBERTSON (Hamilton).

Mr. BOULTBEE. This question has occupied my attention for many years, and I think many hon. gentlemen will agree with me that the interests of our lake and river navigation are not sufficiently attended to. We have become so essentially a railroad people, we are so absorbed in railway enterprises, that we have more or less neglected this great branch of industry. It seems to me, provided as we are by nature with such magnificent water communication, that we are untrue to ourselves in every respect, if we neglect to foster the great interests which are connected with those waters. It has been a matter of painful interest to many of us, it was to myself, at any rate, that during the recent season there was such an enormous number of disasters in our lake navigation, a number of disasters that might not have occurred if proper care had been given to prevent them. As the hon. member for Algoma (Mr. Dawson) suggested, I think there has been too much carelessness as to the system of inspection whereby vessels navigating those waters should be carefully looked after, so that property should not be wasted and that life should be preserved. A strong feeling exists amongst men who understand the subject much better than I do, that there is a gross carelessness existing as to the means that should be used for inspecting vessels. Not only during the past season, but for years past, there has been a loss of human life, with its accompanying misery, that is utterly appalling to contemplate. Now, I do not understand the subject sufficiently to indicate the action that should be taken by the Government as to this system of wrecking service. I can understand that, in a national point of view, we should desire to nurse our own marine and to foster our own Canadian industries, and it would be inopportune and improper to allow American companies to engross this service altogether. Nor is it necessary that such a state of things should be allowed to ensue, because we have not proper means for preserving life and rescuing vessels, since wrecks, as I understand, take place to a much larger extent on the Canadian shore than on the south shores. I think the interests involved are sufficiently large to warrant the Government in taking some further action and assisting in developing a system whereby vessels, either wrecked or in danger of being wrecked on the coast, may have prompt assistance. Both the interest of our national industry and the interest of humanity demand it. I understand there are certain Bills before this House contemplating the encouragement of some means for more carefully and more usefully prosecuting this business, and I trust they may be sanctioned. I know that amongst men connected with this matter in Toronto and elsewhere, there is a feeling prevailing, with respect to the navigation of our lakes and rivers, that there has been a culpable neglect, not only on the part of the late Government but of this Government also, in attending to this important interest. I do not desire to shelter one Government at the expense of another, and if the Government I support has been neglectful of this matter, I must censure it as I would those to whom I am opposed. It may be said for the present Government that they have not only to do their own duties but to pick up the business neglected by their predecessors, to put our financial position into shape, and to develop our National Policy. But while they do this, they must still not neglect the interests of which we are now speaking. It is of great importance to

the prosperity of our lake navigation that there should be some proper system for securing the safety of life and property engaged in it. For this purpose it is not necessary that we should shut out the Americans from joining us if they are disposed, but I think it is the duty of the Government to see that we in Canada are not left to the mercy of the Americans in a duty which we should be prepared to do ourselves.

Mr, BOWELL. If I caught the remark made by my hon. friend who has just sat down, it was that, not only the late Government, but the present, had neglected their duty with regard to these wrecking laws. If he had informed the House in what respect, I should have been better able to reply to him as far as the present Government are concerned. I do not think the Government have reason to regret that this question had come before the House, as we have thereby obtained the views of the representatives of the people upon it. It has been the desire of the Government in the past to carry out the law, and to enforce as far as possible the regulations issued, both before and after their accession to office, with the view of protecting the interest of the wrecking and towing companies in this country; not, I can assure the House at the expense of life or property. In order that this question may be fairly understood, I will read to the House the different orders that have been issued—two by my predecessors, and one since I have had the honor of administering the affairs of the Customs Department, and after they have been read I think it will be seen that the conclusions which have been drawn by my hon. friend from the County of Prince Edward (Mr. McCuaig), or my hon. friend from Hamilton (Mr. Robertson) are not borne out by the fact. I do not propose, at present, to enter into the question of reciprocity, or to refer to the contents of the papers which have been moved for, and which will soon be laid before the House; but I may say that the Government, in its correspondence with the authorities at Washington, has always expressed a willingness to enter into any arrangement of equitable reciprocity which they might propose, or which they would accept at our hands. On all occasions, however, they resisted any proposition made to them except on one condition, viz: that the American wrecking companies and American tug owners should have the right to come into Canadian waters to save the property not only of their own vessels, but of Canadian vessels whenever the opportunity presented itself. Well, the position taken by the Government was this: that this was a one-sided reciprocity from the simple fact that the larger number of vessels plying on the upper lakes, and on that particular part of the north coast where wrecks mostly take place, are American bottoms, and such an arrangement would be giving almost a monopoly to the American tug owners. I can easily understand that the letter read by the hon. member for Prince Edward should have been written by the secretary of the Board of Trade. We are constantly receiving complaints from that section of the country, and I think I can safely say that 19 out of 20 of these complaints have emanated from parties interested in the wrecking companies, that in fact the underwriters and the tug owners are the men who have the most to gain by doing that kind of work in our waters. The case to which my hon. friend from Hamilton referred was that of a vessel which had been stranded on our shores, and from the coldness of the weather some of the passengers and crew had been frozen to death. It was represented to the American Government, by those interested in the case, that on account of the order which had been issued by the late Government, the wrecking tugs of the United States were prevented from going to the rescue of these unfortunate people. What is the fact? The papers laid before the House proved that this vessel was wrecked, and that these lives were lost months before my predecessor issued the Order. Besides, the people and property saved from that vessel were saved by my hon. friend from Monck (Mr. McCallum), and those who owned the tugs which he at that time controlled. I do not hesitate to say that the great majority of the charges brought against the Government of this country were just as baseless as that. My hon. friend from Prince Edward, from his large experience, must know that vessels might be wrecked along the south shore of the county in which he lives, and that it would be utterly impossible to save life, particularly where there are no tugs nor other vessels to go to the rescue: and it is in cases of that kind that complaints have been made against the Government. The first order that was issued by the Customs Department in reference to this matter was on the 1st December, 1877, and was as follows:

"Pending instructions expected by this department from the Minister of Justice, you *are reminded* that, no *vessel*, foreign or Canadian, has legal right to interfere with wrecked vessels, on the *Canadian shore*, unless permitted by the Collector of Customs at the nearest port, after reporting to him, and no foreign vessel should receive such permission, as it is contrary to Customs law, and should be placed under detention in case of violation.

(Signed), "J. JOHNSON."

Now, it seems to me that both the newspapers and a good many members who have discussed this question, do not draw a distinction between a wrecked vessel and a vessel that had gone ashore, and may be wrecked unless assistance comes to her. The interpretation of the Customs laws, and all laws relating to wrecked vessels, is simply this: A foreign vessel may be wrecked on your shore, she may contain thousands of dollars worth of property subject to customs duty; and unless that is looked after by the customs officers, at any moment it may be scattered all over the country, and the revenue is defrauded. That is the only object, really, that that first order had in view. Now, on the 8th March, 1878, a second order was issued, as follows:—

"CUSTOMS DEPARTMENT,
"OTTAWA, 8th March, 1878.

"SIR,—I am instructed by the Minister of Customs to call your attention to the bearing of the Customs law upon the treatment of wrecked vessels or property in Canadian waters, which provides in effect that, no vessel, foreign or Canadian, has legal right to interfere with wrecked vessels or material in Canadian waters, unless permitted by the Collector of Customs at the nearest port, after reporting to him. And as foreign vessels should not receive such permission, as it is contrary to Customs law, they should be placed under detention in case of violation.

"I have the honor to be, Sir,
The Collector of Customs, Port of } "Your obedient servant,
(Signed) "J. JOHNSON."

This is the Order which gave a good deal of offence to our American neighbours, and which, I think, induced the writing of the letter which was read by the hon. member for Prince Edward (Mr. McCuaig.) A misapprehension having arisen on that point from the misrepresentations which had been and are constantly being sent to Washington, induced Mr. Secretary Evarts to enter into correspondence with the Canadian Government on the subject. In almost every case brought under the notice of the Government, we have proved, after a thorough investigation, that the charges have been as groundless as those to which I first referred. Explanations have been repeatedly made by myself in this correspondence, on behalf of the Canadian Government, to the United States authorities, that there was no intention nor should such an interpretation be given to the order issued in 1878—of preventing in any case, or under any circumstances, a vessel going to the relief of any other vessel, no matter what her nationality, if there was the slightest danger of her being wrecked, or of the loss of property; and on that principle we have acted ever since the present Government was formed. I have no reason to doubt that that was the intention of the late Government also, when they issued that Order. But for fear difficulties should arise, and any of our collectors misunderstand the true intent and meaning of that Order, and the intentions of the Canadian Government, I instructed an explanatory Order to be issued on the 19th September, 1879.

Mr. McCUAIG. If a vessel should be stranded in a gale of wind, and there happens to be no Canadian tug at hand, will you permit an American tug to rescue her?

Mr. BOWELL. On every occasion, and under all circumstances, when application has been made to the department for the use of American tugs or pumps, when there has been no Canadian within reach, that permission has been given.

Mr. McCUAIG. I appreciate your liberality; but while such correspondence was corresponding with the department the ship property might be lost.

Mr. BOWELL. That might happen; but I have heard of no such case. But in case of any misapprehension, or danger of property being lost, the collectors have discretionary power to order any vessel within reach, or any tug, no matter where she may hail from, to render every assistance to save the vessel and property.

Mr. McCUAIG. Have collectors discretionary power?

Mr. BOWELL. On every occasion when life or property is in danger, and no Canadian tug is within reach, the collectors may allow other vessels to go to the aid of those in danger. We tell them, at the same time, however, that this privilege is not to be granted in any way to interfere with the rights, under the law, that the Canadian wrecking companies should exercise, and should possess the profits of.

Mr. McCUAIG. The collectors, though very good men, may be wholly unacquainted with maritime law, or may possess peculiar ideas as to how they should act in the case of endangered vessels; and while telegraphing to and awaiting instructions from Ottawa the vessel and property may be lost. I would like a solution of this difficulty.

Mr. BOWELL. If my hon. friend had waited till I read the circular of the 19th September, 1879, he would have found that any collector of ordinary intelligence could understand distinctly that, under such circumstances, the Government desire—that while they must insist on the enforcement of the wrecking, towing, and coasting laws of this country—nothing should be done to interfere with the saving of life and property. The circular thus reads:

"CUSTOMS DEPARTMENT,
"OTTAWA, 19th Sept., 1879.

"SIR,—Referring to Departmental Circular No. 210-3, of 5th March, 1878, on the subject of wrecking by foreign vessels in Canadian waters, I am desired by the Minister of Customs to inform you that the Circular is *not* to be *understood* as having any application to cases wherein life may be in danger, or where property may be jeopardized by delay, such, for instance, as the grounding of a vessel in circumstances in which immediate assistance would prevent a wreck; nor is there any possible case in which vessels of any nationality should be prevented from going to the rescue of persons in peril of their lives, or of vessels in danger of being lost.

"You will understand the terms 'wrecked vessels or property in Canadian waters' as referring to vessels and cargoes cast upon the Canadian shores and stranded or wrecked, requiring apparatus for their removal, or the discharge of cargo into other vessels; and to goods which may have been discharged or floated off therefrom, and cast upon the coast; and in either case coming within the provision of the revenue laws.

"I am, Sir,
"Your obedient servant,
"J. JOHNSON."

Mr. McCUAIG. May I ask the date of that circular?

Mr. BOWELL. It is dated 19th September, 1879.

Mr. McCUAIG. That circular does credit to your heart and to your department.

Mr. BOWELL. That is a plain interpretation of the Order issued, and which, I think, the late Government intended should be the construction put upon those Orders. My only reason for making that explanation was to prevent any of the Custom-house officers along the frontier putting a construction on the former circulars which had been issued similar to that which has been given by my hon. friend from Prince Edward and many of the Americans who are interested in this work. Our tug-owners and others interested in the trade complain that our Customs collectors put too broad an interpretation upon that Order. The case to which my hon. friends from Essex and Monck referred. I have under my hand. The complaint came to the office that the collector at Amherstburg had overstepped his duty in permitting American tugs to go to the assistance of an American schooner, on the ground that there was no Canadian tug present, when Canadian tugs could have been procured. After reading the papers I ordered a letter to be written to him approving of his conduct. The letter stated that while approving of his conduct, I had given, and would continue to give, the greatest attention possible to the interest of the wrecking companies of Canada, but could not disapprove of reasonable concessions to United States tugs when necessary to the rescue of human life or the saving of vessels from total wreck. In this case the vessel, according to these documents, which are the only data I had on which to form an opinion, had been thrown on some rocks. The collector informed the department that he was fearful, that the wind blowing from the west would lower the water in the River Detroit to such an extent as to break the vessel in two, unless she was taken off the rocks, and that there was only one small Canadian tug there, not sufficiently strong to rescue this vessel from probable destruction; he therefore allowed an American tug to come to the rescue. That is a case in which I think the collector exercised a wise discretion, a discretion which the department, with those facts before them, fully justified. It is stated now by the hon. members for Monck and Essex that there was a Canadian vessel, the *Prince Alfred*, lying at Windsor, that could have been obtained within an hour and a half at the outside. The collector informed the department that the accident occurred on a Sunday, that the telegraph offices were shut, and he was unable to telegraph to Windsor for assistance, or he would have done so.

Mr. PATTERSON. (Essex). How did he manage to communicate with Detroit on Sunday if he could not communicate with Windsor?

Mr. BOWELL. I understand from the papers before me that the American tug was lying ready to assist the vessel on the rocks, and only awaited permission to do so. In such a case the collector did quite right. If it be a fact, as stated by one of the hon. gentlemen who have just spoken, that some of the collectors in the west are in collusion with the American wrecking companies, and if the hon. gentleman will bring that under the notice of the department, I assure him that the complaint will be attended to at once, and if true we will endeavor to find other collectors who will attend to their own duties and not enter into understandings with American tug owners. I have never heard, except from the American tug-owners who were interested in their own vessels, complaint of the want of power or the insufficiency of Canadian tugs. I may say, for the information of the hon. member for Prince Edward, that while he complains that one of these vessels draws too much water and cannot be used for the purpose for which she is equipped, a complaint has come to me from shipowners on the upper lakes that they do not draw sufficient water and have not the power when at full steam to draw a vessel off. My hon. friend must know that there are other vessels belonging to the wrecking and tugging companies in this country that do not draw so much water as that. There are tugs in the west that draw from six to eleven feet of water, hence the smaller ones can be used for the shallow water. It is absolutely necessary that we should have strong tugs of heavy draught to be used in assisting stranded vessels. I am very glad this question has come up, as it has given the Government an opportunity of hearing the opinions of hon. members representing the

frontier or lake shore constituencies. It is from them we may expect to obtain information which will justify the Government in the course it has pursued of improving the law and in endeavoring to make the policy still more liberal.

Mr. GAULT. This is a subject in which I am deeply interested as an underwriter, and I hope the discussion will be of great advantage to the country. I had, yesterday, a memorial sent to me from the underwriters of Montreal, complaining that the ship *Boyne*, wrecked at Cape Charles, with $52,000 worth of wheat on board, should have been kept there with the waves breaking over her at every high tide. I went to the Government to see if they would allow this large quantity of wheat to be sold, and that they should get *pro rata* the amount at which it would sell. This wheat was likely to sell at 8 or 9 cents a bushel, and the duty on it was 15 cents, but the Government told me distinctly that they could not alter the law, and that this wheat must either be exported or allowed to rot in the ship. I think that was one of the hardest things that I have ever known, and it seems to me that the Government might have made some order to remedy it. I should be quite willing that the Government should take the wheat themselves, sell it by auction, and put the money into the Treasury, rather than let the wheat go to waste. I think it a very great sin to let this $52,000 worth of grain be wasted. I have used all my influence, but it amounts to nothing, and I feel very sorry about it. There are great complaints in Montreal, and the parties have just cause in this matter, and I hope the Government will bring in a Bill immediately to set this matter right.

Mr. PATTERSON. I have listened to the explanation of the Minister of Customs with great satisfaction. I may say that I have no personal interest in the matter, either for or against the tug-men. I am so situated, however, that I have a personal opportunity of knowing that the statements made in the Evart's letter, and the reports of the United States Consul at Sarnia, are untrue; and I felt it my duty to bring the matter before this House. It was never desired by the men engaged in the wrecking business in my section of the country, that Americans should be prevented from coming in in cases where property or life was at stake. The matter is therefore understood by the collectors at Detroit and along the St. Clair River, and they are fairly alive to their duty. The only fault I have to find with these gentlemen is that they are apt to be too lenient. They certainly do not err in the direction of severity towards American tug-owners. The Minister of Customs knows that I have frequently asked concessions in the direction of allowing Americans to bring in tension irons and other appliances, when Canadian apparatus for the purpose was not available. I wish, however, to assure the Minister of Customs that when I found fault with certain collectors in the west for a too lenient interpretation of the circulars sent to them, I did not dream of accusing these gentlemen of acting in collusion with American tug-owners. I believe them to be conscientious in discharging their duties as they understand them. I think my hon. friend from Prince Edward has wandered from the question under discussion, and that, besides, if he was desirous of playing into the hands of the American tug-owners, he has succeeded admirably in doing so by raising the cry of inhumanity. That cry has no right to be brought up in this debate. It is not contended by any one that when life or property is at stake, any rules should be too rigidly enforced, and I know that collectors are in the habit of allowing American tugs to proceed to the assistance of vessels in distress in American waters, when life and property are at stake. I trust the Government will speedily bring down the papers.

Mr. WHITE (Cardwell). I do not intend to discuss the general question, but desire to join with my hon. friend the member for Montreal West, in pointing out the great hardships which seems to be caused by the operation of the present law, as to the salvage of property in wrecked vessels. The case he refers to is one of very great hardship, indeed, but it is only one of a number of cases which are constantly occurring. When last year we had, near to the city of Montreal, the misfortune to have a serious accident in the canal, the same difficulty arose, and the subject became a matter of very considerable local discussion. It seems to me to be a most extraordinary thing—and whilst I believe the law is on that side, yet, I am bound to say that I think the Government ought to be strong enough, where the law is evidently, I was going to use a strong expression, but I will say, wrong on the face of it—to say that they will take the responsibility of dealing fairly in cases of that kind, and then to bring down legislation to amend the law. The idea of the property in this vessel, the *Boyne*, lying at this moment, in the St. Lawrence, being destroyed absolutely, because it will not realise enough to pay the duty of 15 cents. per bushel, is a proposition that I am quite certain no one could, for one moment, assent to. I believe that is the law, but, I hope, sincerely hope, that the Government will take it upon themselves to issue an order that that property may be sold, even if they take the whole of the proceeds as the duty, but do not let the property itself be destroyed. As to the question that has been discussed, it is rather an old familiar subject, for the simple reason that for three or four years we had consecutively in the city of Ottawa, when in the month of January the Dominion Board of Trade held its meetings, Captain Dorrs, of Buffalo, as the representative of the upper lakes, soliciting their influence with the Government to have our law changed. It occurred to me that this was simply a branch of the general question of reciprocity between the two countries and their reciprocal relations. If they are anxious to have these special privileges, in the meantime, at any rate, whilst their means and appliances are very much greater than ours, let them give us something in return. The statements made by the Minister of Customs, to-night, show clearly, as far as the Government is concerned, that ample measures have been taken, and can be taken for the protection of life and property, and that life and property shall not be permitted to be destroyed on the Upper Lakes out of any mere matter of national sentiment or feeling. Under these circumstances, if the Americans are anxious to have full opportunity of wrecking on the Upper Lakes, let them give us the coasting trade, let them give us free opportunities for reciprocal relations between the two countries, and I have no doubt that everyone in Canada will gladly consent to their proposition. I remember, and I dare say that my hon. friend remembers, a very remarkable speech made by the late Hon. Joseph Hamlin, at a Detroit convention, in 1866, when he referred to the Reciprocity Treaty as being reciprocity in slices. The suggestion arose out of a remark by Mr. Hamlin, who was at that time, or had been just before, the Vice-President of the United States, that this was simply reciprocity by slices, and that the object of our friends on the other side was to get the people in this country to make one after another, every possible concession that can be made to every possible interest in which they are concerned, and to leave us without any concession in return. If, therefore, the American Government are anxious to have these privileges, let them come to us with fair and reasonable offers for a Reciprocity Treaty between the two countries, and I have no doubt that the Government of Canada and the Canadian people of all parties will be very glad to meet them.

Mr. GAULT. I have just had a communication from the Minister of Customs, telling me that the wheat in the *Boyne* has been sold to-day for 15½ cents a bushel, giving the Government 15 cents, and ½ cent for the underwriters, and

the corn at 8 cents, giving the Government seven, and the underwriters one.

Sir LEONARD TILLEY. I may say that difficulties arose last year in different parts of the Dominion of the character of those mentioned by my hon. friend from Montreal West—namely, difficulties connected with the damage to grain, subject to a specific duty. There is no provision under the Act by which the Minister of Customs can receive less than the specific duty in such cases. For instance, a vessel was lost in the Bay of Quinte and another in the neighborhood of Kingston, with grain on board, and the grain was permitted to be exported and, therefore, relieved from duty, and they got what it was worth on the other side for feeding purposes. Under the Tariff Act goods are subject to the *ad valorem* duty which have been depreciated or damaged, but these cases having arisen, for instance, the case referred to by the hon. member for Montreal, it has been found impracticable to export the grain, and it has been sold subject to duty. Under the circumstances the Government will take the matter into consideration and see whether relief can be found. The difficulty was not so apparent in the case of the loss which occurred in the neighborhood of Kingston, because the grain was exported and sold. But in cases where it cannot be exported, a hardship may arise, and the Government will give their serious consideration to it.

Mr. KIRKPATRICK. The hon. the Minister of Finance has said that he would take this matter into consideration because cases have occurred at Montreal where large quantities of grain had been damaged, but which could not be exported and upon which they could not collect enough to pay the duty. I am sorry to hear that the hon. gentleman could be induced to act by the loss at Montreal but not by the smaller losses at Kingston. Now, when you have an aggregate of smaller grievances they come to make a large one, and so it is in this case. There have been innumerable instances of the kind at Kingston. Hardly a ship arrives there but has 50 or 100 bushels of damaged grain, sometimes 1,000, sometimes 10,000. I have known cases where this grain was not exported but was sent out into the harbor and thrown over-board into the lake, although that grain was worth, perhaps, ten cents a bushel, which for 10,000 bushels would come to $1,000. If the Government says: We will not put that $1,000 into the Treasury but we will throw it into the lake, I think that is monstrous. If it is the law, the sooner it is changed the better. When the grain is damaged it ought to be sold for what it is worth, and if it does not bring what the Government wants, take all it will bring, but do not throw it into the harbor. What is the consequence of this law as it stands and as it has been enforced? We are in this country expending millions of dollars in enlarging the canals and in trying to get the trade of the west to come down by the St. Lawrence. There are many little things which tend to make it a desirable trade, and which, together, would attract it down the St. Lawrence. But if you dissatisfy the mariners and captains of vessels they will grumble at your regulations enforced by the Customs Department, and you will find that they will sooner take half a cent or a cent less a bushel for their grain and go to a foreign port instead of a Canadian port. The consequence is, that if these irksome regulations of the Customs Department are put in force, it will cause the trade to go to Oswego or Buffalo instead of coming down the St. Lawrence. I believe it would be of the utmost benefit to this country if the Government, this Session, took up this matter and introduced a Bill by which a certain specific duty shall be levied upon damaged grain, or at all events, that grain so damaged shall be sold for what it will bring.

Mr. MILLS. This discussion has been of considerable interest and instruction to hon gentlemen on this (Opposition) side of the House. We find the hon. member for Cardwell (Mr. White) speaking on both sides of the question; and, not content with that, he says he is in favor of reciprocity. We know that for the last three years the hon. gentleman has been arguing for protection, and trying to show this House that if we were to throw open our markets to the Americans our industries would be destroyed. Now, the hon. gentleman seems to think they are quite strong enough to compete with the older and more wealthy industrial institutions on the other side.

Mr. WHITE. I am in favor of reciprocity in the natural productions of the two countries and none other.

Mr. MILLS. The hon. gentleman is like Mr. Bigelow: his mind is too fair to lose its balance, and that is the reason the hon. gentleman has taken the opportunity to speak on both sides of this question. The hon. member for Montreal West complains that a large cargo of wheat has been lost, or was so much damaged that it was sold for little more than pays the duty. But that hon. gentleman has voted for the past five years that the purchaser does not pay the duty, that the duty is paid by the American producer. If that is so, why should the Government here, when the American producer of this grain has paid you bya reduction in the price equivalent to the duty, remit the duty to the purchaser? Can there be a more monstrous proposition? Can any proposition be more monstrous than that suggested by the hon. Minister of Finance and the hon. member for Frontenac (Mr. Kirkpatrick)? Those hon. gentlemen have been telling the farmers throughout the country that the duty is paid by the Americans upon grain coming into Canada, and not by the consumer in Canada. The First Minister went through the country telling the farmers that in consequence of the duty upon American barley, they were being mulcted to the extent of 15 cents a bushel upon every bushel sold to the American market. Now, hon. gentlemen are assuming the very reverse of that position.

Mr. ROCHESTER. Is that the time they had 68 cents a bushel?

Mr. MILLS. The same difference exists to-day between prices in the Canadian and American markets that existed before this National Policy was adopted, and now the hon. Minister of Finance, after he has argued and acted upon the assumption that the duty is paid by the producer and not by the consumer comes down to the House and says he has under consideration a proposition to hand this duty, not over to the parties who paid it into the Treasury, those foreign producers, but to those who are speculating and trading in this particular article of foreign produce.

Mr. ROCHESTER. It is very well to go on and get all the complaints in to-night before the holidays come on. This question, it appears, affects a great many members in this House. I do not know any part of the country that has been more affected by the coasting law between the United States and Canada than this section of the country. The coasting laws between the United States and Canada have, I may say, robbed this part of the country of a large number of vessels and a large amount of trade. It was supposed by the public generally, that the Treaty of Washington guaranteed certain rights, both to Canada and the United States, with regard to coasting on the inland waters of each nation. But this treaty, in that respect, was not carried out by the United States. I will read a letter written by the Collector of Customs at Plattsburgh, in reply to one sent to him by one of the forwarders:

"I have the honor to acknowledge the receipt of your letter of the 1st inst., wherein you ask for the following information, viz: Whether Canadian barges will be allowed to pass *en route* from Rouse's Point to New York with foreign merchandise in bond? In reply, I beg to inform you that the United States laws, as construed (I think misconstrued would have been a better word), by the Treasury Department, prohibit the trade in question, so far as British vessels are concerned. See 2,771,

Revised Statutes of the United States, which read as follows :—Vessels which are not of the United States shall not be admitted to unload at ports of entry established by by-law, and no such vessel shall be admitted to make entry in any other district than in that one in which she shall be admitted to unload."

Once a vessel going from Canada to the United States passes the line, she can go on to the extent of the first collectoral district, but if she goes further she is liable to be seized. On the other hand, American barges, which are now carrying all the lumber from Canada to the United States, can enter any Canadian port they like. A Canadian vessel can only go a certain distance, and she must unload there, while an American barge can go from port to port in Canada to gather her load, and then go back to the United States again; this is a gross injustice to the trade of this country. I think about 400 barges and between thirty and forty tugs have been allowed to lie idle at the docks. Some years ago, to test the law on this question, a tow of ten barges was loaded at Ottawa and sent to New York. It went to New York and returned as far as Rondout to load up with coal. While the tow was there, this same Collector of Customs at Plattsburg, after receiving instructions from Washington, telegraphed to the officer at Rouse's Point to seize these barges because they had passed beyond the first collectoral district. Fortunately for the barges, before the telegraph arrived, they had just got across the line and were safe, but the experiment has never been repeated. Not satisfied with the letter he received from the Collector of Customs at Plattsburg, the forwarder wrote to Washington, and received the following reply:—

"TREASURY DEPARTMENT,
"WASHINGTON, D. C., 18th June, 1875.

"I have received your letter of the 4th instant, transmitting a letter from the Secretary of the Ottawa and Rideau Forwarding Company, stating that he had forwarded a number of his British barges from Ottawa to New York, *via* Lake Champlain, Champlain Canal and the Hudson River, and that he intended continuing that trade if it be not illegal.

"I will thank you to inform the gentlemen that the laws, as construed by this Department, prohibit the trade in question, so far as British vessels are concerned. The fact that the vessels mentioned as having gone to New York were British, was overlooked at that port, and they were treated as American. Section 5,771 of the Revised Statutes requires that the vessels in question shall unload at your ports.

"Very respectfully,
(Signed) "B. H. BRISTOW,
"*Secretary.*"

I think it is a great hardship that our shippers are denied equal rights with American shippers. The Federal Government have on previous occasions tried to throw the blame on the State Governments; but I can produce documents from the State Governments to show that they have no objection to reciprocity with Canada with regard to the passage of boats through their canals, for they say that the more boats that pass through their canals, the more money they can make. I hope the Government will endeavor to obtain justice for our own people in this matter.

Mr. BOWELL. I wish to make one or two remarks in reference to the charge made by my hon. friend from Frontenac (Mr. Kirkpatrick). It does not come well from my hon. friend, because there happens to be a vessel at Kingston with some damaged grain on board, to urge that the whole specific duty should be set aside. If the specific duty means anything, it means that it should not be set aside, even for damaged wheat.

Mr. KIRKPATRICK. It does not mean a specific duty on damaged wheat, but on sound wheat.

Mr. BOWELL. The hon. gentleman (Mr. Kirkpatrick), being a lawyer, which I am not, may be better able than I am to give an interpretation to the law upon what it should contain, rather than what it does contain. I will not discuss the principles upon which specific duties are based; they may be best for the revenue or any other purpose—a point I will not now discuss. But, supposing a bushel of wheat in Chicago cost $2.00, the duty in Canada would be 15 cents, and if it cost 50 cents, does he mean to tell us he would only levy the duty in proportion to the value of the wheat? If wheat becomes damaged it is none the less wheat, and if it be entered for consumption in Canada, any lawyer or anybody else must say it is subject to the duty of 15 cents, and that duty no person administering the Customs Department has any right to change. The hon. gentleman says that irksome regulations were issued by the Customs Department in this matter. There have been none at all. The law is on the Statute-book, and it provides for 15 cents duty as a protection to our farmers. He voted for that, and for the seven cents per bushel on corn for protection, and now, because the Minister of Customs will not violate the law and allow that wheat to be entered at a lower than the legal rate, in order that his constituents or others may obtain this grain for feed, although it competes with the coarse grains of our farmers, for whose benefit he voted for protective duties, he seems dissatisfied. That may be good law, but if so, I do not understand the law. If I understand specific duties, they must be levied on the article no matter what its price in the foreign market, the moment it goes into consumption, the duty has to be collected. But an *ad valorem* duty is quite a different thing, being in proportion to the value of the article; and the law provides that should the article be damaged, the *ad valorem* duty must be lowered in proportion. But I know of no principle upon which, with a specific duty, you can adopt the principle laid down by my hon. friend. Apart from protection altogether, if he can suggest a mode by which the Government can set aside any law in order to meet these particular cases, I shall be very glad to carry it out, and I am sure the Government will be equally glad. In all those cases of damaged grain the duty must be collected until the law is changed. The Government has no option in the matter. There have been no regulations issued in reference to this matter, irksome or otherwise.

Motion agreed to.

DEATH OF MR. THOMPSON, OF CARIBOO.

Mr. BUNSTER. It is my painful duty to announce to the House the melancholy intelligence which has just reached me, of the death of one of our members. I know the House will sympathize with me in expressing the severe loss we experience in the death of Mr. Thompson, of Cariboo—a gentleman who occupied a prominent position in this House ever since Confederation, and who always commanded its respect, as well as the respect of his constituents and the country. I will, therefore, out of respect for his memory, ask the House now to adjourn as a small tribute to his worth. He was remarkable for his adhesion to his party and to his leader, whom I would have been glad to see here to-night to do justice to our departed friend, for he could better perform that duty than myself. He was always earnest and sound in the great work of Confederation, and in the effort to make Canada a nation. I think the hon. member for Niagara, who was a very particular friend of Mr. Thompson's, will endorse my sentiments by seconding the motion.

Mr. PLUMB. I am certain that the announcement which has been made by my hon. friend, the member for Vancouver, in such feeling language, will meet with a response from every hon. member in this House. The untimely death of our fellow-member, Mr. Thompson, will be felt by every one on both sides of the House who was acquainted with him during the time he sat in Parliament. That gentleman's courteous manner, his intelligent handling of such questions as came under his observation and purview, his uniform gentlemanly and courteous demeanor, won him friends on both sides of the House. I venture to say that he never had an

enemy in it. I knew him from the time he entered the House. He had preceded me three years, having entered the House on the admission of British Columbia into the Union. He was always, no matter upon what subject he addressed the House, clear and forcible. He never descended to personalities; he never was known to say an offensive word to any hon. member of the House. I believe he has left a record here which all of us must respect, and which all of us may envy. It is with the greatest regret that we see, as must be inevitable with those who sit in this House year after year, chair after chair vacated, filled as they have been by those, no matter of what party, no matter what our relations might have been with them, in whom we must always feel a peculiar interest, sitting as we do together, counselling as we do together, endeavoring as I hope we ought to do, to carry forward in some small degree as best may in us lie, the interests of this great country. Sir, Mr. Thompson was a representative of the farthest corner of this great Dominion; but he was nevertheless one of us, knit together by the common bond of fellowship, which brings us here, each to endeavor to carry on so far as he may the little part in the great work which is entrusted to us by the people. We shall no longer hear his voice among us; but I trust, I believe, in fact I know that there are few men who would leave behind them a more cherished memory than that of the hon. member whose demise has been announced by my hon. friend. Therefore, I think, that it is entirely fit that an adjournment of the House should be moved. I have been very ready at the request of my hon. friend to second his motion, and I trust the House will not hesitate to adopt it.

Sir LEONARD TILLEY. I am quite certain that there will be a general concurrence in the proposition made by my hon. friend to adjourn until to-morrow, as an expression —a very slight expression—of the regret that every hon. member of this House will feel in the announcement which has just been made. Some three or four week since, when Parliament was summoned, we understood that Mr. Thompson was in ill health, and it was doubtful if he would be able to reach Ottawa this Session; but, in his great anxiety to be present and take part in the important questions that were to be brought under our notice, some of them affecting very materially the section of the country that he represented, he left his home and reached Victoria, and this morning we heard of his death. I cannot speak of him, perhaps, as my hon. friend behind me has spoken of him, because I was not so intimately acquainted with him; but all of those who have been present in Parliament, who have heard his speeches, and been brought in contact with him in various ways, will join with me in the expression of opinion that he was a man of very considerable ability and most genial and kindly in his sentiments and sympathies. I think, under these circumstances, it is unnecesssary for me to say more than to express in union with my hon. friends our sincere regret, and to hope that the proposition made may be generally concurred in by the House as a testimony of the appreciation in which that hon. gentleman was held by his colleagues in this branch of the Parliament of Canada.

Mr. ANGLIN. I share fully the regret for the loss of Mr. Thompson, expressed by the hon. gentlemen who have spoken on the other side. Still there is a duty to this House which, I think, I should not now fail to discharge. Many years ago it was resolved by this House that the old custom of adjourning on the death of a member should be discontinued, and from that time to the present I believe there is no case in which the House has adjourned for any purpose of this kind. It has frequently happened that members of the House died in Ottawa while the House was in Session, and the House did not adjourn. I think it was the late Mr. Sandfield Macdonald who first pointed out that in a House so large as this it would be more convenient to follow the example of the Imperial Parliament where this mode of paying respect to the memory of deceased members was discontinued many years ago. My own impression is it would be injudicious to go back to the old system. I think the expression of regret pronounced by the hon. gentlemen opposite, and repeated by myself in my own weak way, an expression in which, perhaps, other hon. gentlemen may choose to join, will suffice to show how much we regret the loss of the gentleman whom we all knew and all liked. I am reminded by an hon. friend behind me, that last year there was a special case in which we adjourned in order to enable members to attend the funeral of the late Mr. Holton. That was the only instance of the kind I can remember.

Sir CHARLES TUPPER. I quite concur in the statement of the hon. member for Gloucester that the House arrived at the decision that the practice of adjourning on the death of a member should be discontinued: but I am certain that hon. members on both sides, after the allusion to the melancholy event which has deprived us of one of the most respected members of this House, will not feel any desire to continue the sitting to-night. That is all we propose.

Mr. BLAKE. Of course we all recollect that the late Mr. Sandfield Macdonald proposed that the practice of adjourning on the death of a member should be discontinued, and in deference to what we knew were his opinions the House did not adjourn on the occasion of his death, although he had filled the most distinguished positions in the gift of the Crown here. I believe that the same conclusion was arrived at on the death of Sir George Cartier, another gentleman who occupied the highest position in the gift of the people of the old Province of Canada, and whose death also took place during the sitting of Parliament. It having been proposed even at this late hour to adjourn out of respect for the late hon. member, I should have felt that it was an innovation which might become the subject of observation, but that the hon. member for Vancouver has simply made a motion for adjournment. He has stated the reason verbally, but upon our journals it will not appear that the adjournment is made for this particular reason. Having regard to this fact, as well as to the lateness of the hour, I do not think that any reasonable objection can be made to the adjournment. As to the reason for which the adjournment is asked I join very heartily in the expressions of regret which have fallen from other hon. members on both sides of the House at the melancholy event which has deprived us of the society of a colleague whom we have known since British Columbia entered the Union. We must all feel solemnized at the visits of death to an assembly, not so very large, which have been so numerous during the last few months; and there will be a disinclination on the part of hon. members to engage in the business of the House after the sad announcement which has just been made.

Motion agreed to; and (at 11:10 o'clock, p.m.,) the House adjourned.

HOUSE OF COMMONS.

THURSDAY, 23rd December, 1880.

The SPEAKER took the Chair at Three o'clock.

PRAYERS.

INDEPENDENCE OF PARLIAMENT.

Sir RICHARD J. CARTWRIGHT introduced a Bill (No. 9) for the better securing the independence of Parliament and preventing corrupt practices. He said: I may briefly state the object of this Bill. We are about to create a railway corporation with extraordinary powers, and the object of the Bill is to cause to be inserted in the law such additional stringent provisions as may make it difficult for such a corporation to interfere improperly with the election of members of this House, by the practice of any of those corrupt acts which we know, by the experience of the United States and other places, have in former times been practiced by such corporations. Perhaps it would not be admissible, according to the practice of the House, to enter into a discussion of the details of the Bill until such times as it shall have been printed and placed in the hands of hon. members.

Sir JOHN A. MACDONALD. I think the usual practice upon the introduction of a general, not a private, Bill—I believe it is the almost universal practice in England, though we have not adhered so closely to it here—is that the explanations of the Bill should be made upon the first reading; and not upon the second.

Sir RICHARD J. CARTWRIGHT. I have no objections to explaining it now. Corporations, as we all know, are very difficult to deal with, or, according to the well known dictum of a well known and eminent English lawyer, we can neither punish the body or the soul of a corporation. I propose that if a corporation be convicted of improper practices, its charter shall be forfeited. I propose, also, that the members, officials or directors of such a corporation may be subjected to more severe punishment than the law provides,—should they be found guilty of aiding, abetting, or conniving at,—for the grave offence of corrupting members of the Legislature of this Dominion. Those are the chief points which I propose to aim at, and those are the modes by which I propose to reach my object. I believe such offences should be held to be misdemeanors, which they are not at present. I think this is a sufficient explanation of the Bill—more than is usual at this stage of a Bill of this character.

Bill read the first time.

PERSONAL EXPLANATION.

Mr. FERGUSON. Before the Orders are called, I desire to make a personal explanation in the matter which came before the House the other day. I refer to a statement made on page 96 of the Auditor General's report, wherein he states:

"I observe that I failed to remark in my letter of the 13th instant, on three cases of payment of indemnity to members of the Commons, which do no appear to be covered by the Act, to which reference was made in that letter. The three cases are Mr. C. J. Coursol, Mr. J. B. Mongenais, and Mr. C. E. Ferguson. The above named parties were paid full indemnity, though absent from the House for a portion of the Session."

I was so astonished at the statement, at first, that I was unable to offer any explanation. The first intimation I had of my name being in the report was the remarks of the hon. member for Montreal East (Mr. Coursol). I did not think so much about my name being mentioned as I did of the charge of having resorted to the disreputable practice of signing a declaration which was not true. I called at the office of the Auditor General, and stated my grievances. He kindly consented to investigate the matter, and subsequently sent me the following letter:

"OTTAWA, December 20th, 1880.

"DEAR DOCTOR,—On examination it appears that your name was mentioned instead of Mr. M. P. Ryan, where it was intended to point out those members who, last Session, received indemnity under a Resolution of the Commons, for the time during which, they were absent from Ottawa. The examiner who made the error, was new to the work of audit and under instructions to point out payments which were made without authority or an apparent authority, when greater authority had otherwise determined.

"I noted payment to you, which was perfectly regular, as you were ill while in Ottawa. I send him with this, to make a personal explanation on the subject. It never occurred to me that the persons, whose names were given, would feel directly affected, by notice being taken of the matter. It having been, so far as I can recollect, the custom for the last ten years, to pay, on a Resolution of the House, those members who were, through illness, absent from the Seat of Government during any portion of the Session.

"I presume that the result of attention being drawn to the subject, would either be an amendment of the Indemnity Act, or a discontinuance of the Resolution, and my sole object was to bring about that result.

"Yours very truly,

"J. L. McDOUGALL,

"Auditor General.

"To C. F. FERGUSON, Esq., M. P.,
"House of Commons,
"Ottawa."

Of course, to myself, that letter personally is satisfactory, but it is not satisfactory to have my name paraded in that connection in a public document under the authority of an officer of the House.

CANADIAN PACIFIC RAILWAY.

The House resumed the further consideration of the proposed motion of Mr. Blake, for an order of the House for statement shewing in detail the particulars of the various modifications and alterations made in location, design and otherwise, whereby the estimated cost of the section of the Canadian Pacific Railway, between Kamloops and Yale, was reduced in April, 1880, from the estimate of 1878, &c.

Mr. BLAKE. When six o'clock arrived yesterday I was about to address myself to the other portion of the Pacific Railway, excluding the portion in British Columbia. But before quite leaving that portion I may just mention that there appears to be some discrepancies in the estimate of April, 1880, of the Chief Engineer, with reference to the section from Jasper to Kamloops. If the hon. Minister would look at the mileage and the cost per mile, he will find that they do not sum out the aggregate of $15,500,000, which is stated as the cost. I am not sure that that error is altogether in the estimation, because this year we find instead of an addition of 15 miles to the mileage, which addition would go a considerable way to make the gross sum of $15,500,000, which would still, however, leave $200,000 or $300,000 short, to the extent of which the proposition of work done by the Syndicate would be lightened. Then a word with reference to the section from Lake Superior to Red River. We know that the estimate for 1879 was $18,000,000, that the estimate for April, 1880, $17,000,000, a difference achieved to a very considerable extent, as I understand it, by a saving in one particular part of between three or four miles of the road, and also something in rolling stock. But the estimate of April, 1880, has been modified still further. The reduction of $18,000,000 to $17, 000,000 has been modified still further by improvements in location and modification of design, to the amount of $1,385,000, a very considerable additional reduction. Upon that a paper which the hon. gentleman brought down yesterday or the day before, throws some light, and a portion of that reduction obviously is, by that paper, explained to be a further prosecution of the work of economy in improving the service and adapting the railway

more accurately to the natural features of the ground without impairing its character or standing. But I observe that a considerable portion of that saving, as I judge, is stated thus: The hon. gentleman read an extract from Mr. Fleming's report, suggesting that in certain portions of the road, where it was practicable, resort might be had to trestle-work and piles. The hon. gentleman continued: That, I need hardly say, is a very material modification in design, and it would be well to know to what extent that is to be applied, what is the extreme length of the piles to be used, what is the saving to be accomplished by this particular modification of design? The general result, leaving out the question of rolling stock, leaving out the question of the reduction in building, has been that 1879 says $18,000,000; April, 1880, says $17,000,000; and December, 1880, says $15,615,000. Of course, these various alterations in cost must have been accomplished largely by modification of design, and it is natural that we should see particularly what these modifications are. Now, turning to the prairie section, I will refer to the Report of the Engineer for 1877, showing what the work of 1876 was on that part. He says:

"The gradients and alignment will nowhere be less favorable than on the railway now in operation in the old Provinces. The maximum gradient between the Yellow Head Pass and Selkirk will be 58·80 feet per mile. Up to a point 468 miles west of Red River no gradient ascending eastward in the probable direction of heavy traffic need exceed 26·50 feet per mile."

Speaking of the result as to a good line there, the engineer, in the report the same year, goes on to say:

"It has been held from the first, that the successful occupation of the prairie region, and the extent to which it may become thickly populated, will, in a great measure, be governed by the capacity of the line to Lake Superior to carry cheaply the products of the soil. The success of the railway itself must be determined by the number of inhabitants which can be established in the country; and the degree of prosperity of the population will be influenced in no narrow limit by the character of the outlet for the products of their industry. The more, therefore, that the eastern section of the railway can be rendered available for cheap transportation, the more rapidly will the prairie region become populated, and the more speedily will the land become self-sustaining. I have felt it my duty to regard these views as of paramount importance in the location of the line between the prairie region and Lake Superior. Accordingly, every effort has been made to discover the shortest line with the lightest possible gradients and easiest curvature, especially in the direction which heavy traffic will take—towards the Atlantic sea board."

After giving the results achieved from Selkirk to the east he goes on to remark:

"Thus, there will be no impediment to the Pacific Railway carrying products from the heart of the continent to Lake Superior at a lower rate per mile than those now obtaining on the leading railways already in operation."

Then, proceeding to discuss the subject of the line further west, he says:

"I have described the efforts that have been made to obtain a line with the easiest possible gradients from the prairie region to the navigable waters of the St. Lawrence, and the paramount importance of this feature. Reference to a table in the appendix, which gives a summary of gradients for each hundred-mile section of the railway, between the Lake Superior terminus and Tête Jaune Cache, shews that there is no gradient ascending in either direction exceeding 1 per 100 or 52·8 feet per mile, and with one single exception, viz.: at the crossing of the South Saskatchewan, the heaviest gradient ascending outwards from a point near Battleford to Fort William is only 0·5 per hundred or 26·4 feet per mile. I feel satisfied that a revision of the location at the one exceptional point will, with but trifling cost, result in obtaining the desired gradient there also.

"Assuming the gradient at the South Saskatchewan to be amended, I am enabled to report a location on which, for fully a thousand miles west of Lake Superior, the easterly ascending gradients can be kept down to half the maximum gradients on the Grand Trunk and other railways in operation in the older Provinces. Cheapness of transportation in thus, to a certain extent, assured—an important element in facilitating the prosperous settlement of the fertile territory in the interior.

"The following will show the remarkably favorable gradients secured on each 500 mile section of the line, west of Lake Superior; and the accompanying diagrams (Sheets, Nos. 6 and 7) will clearly illustrate this feature of the line.

Sections of 500 miles each West of Lake Superior.	Ascending East. Under 16 ft. per mile.	Ascending East. Above 16 ft. and under 26½ ft. per mile.	Ascending East. Above 26½ ft. and under 53 ft. per mile.	Ascending East. Total.	Level.	Ascending West. Under 16 ft. per mile.	Ascending West. Above 16 ft. and under 16½ ft. per mile.	Ascending West. Above 26½ ft. and under 53ft. per mile.	Ascending West. Total.	
First 500	74·97	130·31	.....	205·28	143·00	61·24	27·71	62·77	151·72	522·50
Second 500	68·24	79·84	.....	148·08	170·50	94·77	43·01	43·84	181·42	
Third 500	38·78	46·55	93·76	179·09	131·55	38·17	43·12	108·07	189·36	
Total miles, 1,500.	181·99	256·70	93·76	532·45	445·05	194·18	113·84	214·48	522·50	

"Thus on that portion of the line located and established for a distance of 1,500 miles, there will be close on 1,200 miles level, or with gradients under 26½ ft. per mile, and no portion of the balance will rise more than 53ft. per mile."

That was to be the character of the line, according to the report of 1877, for the whole distance of 1,500 miles from Lake Superior; but it was, of course, modified by the circumstances to which I have alluded as having occurred in April, 1880. The Report of the Engineer for the year 1880 proceeds as follows:—

"The importance of securing cheap transportation between the Prairie region and the eastern markets has been kept prominently in view in establishing the railway between Selkirk and Lake Superior. I have in previous reports described the efforts made from the beginning of the survey to attain this object.

"In my report of last year (p. 18), I referred at some length to the subject, and drew attention to the fact that the Government had placed under contract the whole distance east of Red River on a location definitely established with gradients so light and favorable that cheap transportation is assured for all time to come.

"This important condition is not attained without difficulty. At some points it has involved heavier works than would have been rendered necessary had steeper gradients been employed; but these points are remarkably few, and the increased expenditure, compared with that of the whole line, is small. The advantage gained will amply compensate for the extra expenditure incurred; and the results to be attained can be easily understood by reference to the Report on Rolling Stock appended. It can there be seen that the same engine which would transport 19 cars with a paying load of 190 tons, over a line with the ordinary gradients, would take 37 cars with 370 tons load over the Pacific Railway with the gradients obtained. Moreover, it is calculated that the 'consolidation' class of locomotives proposed to be brought into use ultimately, will be capable of hauling, from Manitoba towards Lake Superior, on the gradients established, as much as 765 tons of paying load."

But these results, although obtained, and we hope yet to be obtained—as far as the capacity of the line to transport

freight cheaply is concerned—from Selkirk to Lake Superior, are not considered of equal consequence farther west. I need hardly say that it is of great consequence to the dweller in the prairie, no matter how remote from Lake Superior, who expects that his grain will reach the sea-board *via* the line from Selkirk to Thunder Bay, that that line should be capable of carrying freight as low as possible; always provided that security shall be given that the amount charged for transportation shall bear some proportion to the cost of transportation. But, although this is important to all the dwellers on the prairie, in Manitoba, as well as farther west, it is of the last consequence to the dweller more remote, disadvantaged as he is by his being farther west, to have a line with good grades and curves, and capable of transporting produce cheaply to Selkirk. Such a line, it is obvious, you will measurably have under any circumstances, because the character of the country is most favorable for the construction of a good railway. Very nearly one-third of the 1,500 miles from Lake Superior westward is reported as absolutely level, and a great portion of the rest is reported as being approximately level. But it is equally obvious, as appears from the general tenor of these reports, that there are, as is natural in such a stretch of country, great gullies, enormous water courses, and mountainous regions, in which the question of grade becomes a serious one, and in which a heavy expense will be necessary to bring the grade down to the proper point. These heavy grades must involve a heavy charge for transportation, to which the letter of the Minister of the 15th April, with reference to the location and character of the railway west of Selkirk, alludes, as follows:—

"With regard to the location and character of the railway, I am aware that your own preference has been for a line with light, easy gradients. The Government recognizes the advantage of this feature between Lake Superior and Manitoba, but west of Red River we attach less importance to it than the rapid settlement of the country and the immediate accommodation of settlers.

"The policy of the Government is to construct a cheap railway, following, or rather, in advance of settlement, with any workable gradients that can be had, incurring no expenditure beyond that absolutely necessary to effect the rapid colonization of the country.

"In accordance with this policy, Mr. Marcus Smith has found a line on the second hundred-mile section where, two years ago, he reported it impracticable under the old system of gradients, and he has stated to me that there will be no heavier hundred-mile section than this one between Manitoba and the Rocky Mountains. I am, therefore, perfectly justified in calling upon you to take the accepted tender for the second hundred miles section as the basis for estimating cost up to the mountains."

I pause to remark that this avowed policy of the Minister does in plain terms alter the whole character of the railway in grades, and I presume also in alignment and curvature. The policy was, instead of getting a line of the character agreed upon as proper, to get,—I suppose only temporarily,—as cheap a line as possible, to largely increase the grades, though with that to accept a location which had been found absolutely impracticable under the old system of gradients, but which, with superior grades, was reported by Mr. Marcus Smith to be practicable. The engineer, answering the Minister's letter, says:

"I understand the policy of the Government, with respect to the railway, to be * * * the roadway and works to be of the character defined by the 46th contract of the tenders for the 66th contract;"

And he describes what has been done in these words:

"West of Red River, 100 miles have been placed under contract, and tenders have been received for a second hundred-mile section. These two sections are designed to be constructed and equipped in the most economical manner, dispensing with all outlay except that necessary to render the railway immediately useful in the settlement of the country. It is intended that the line be partly ballasted, to render it available for colonization purposes, full ballasting being deferred until the traffic demands high speed."

We are here met with this embarrassment, that as far as I know, there was no very close calculation before the calculation made by the Chief Engineer in April, 1880, as to the cost of the prairie section; that, in making an estimate of the cost of that section, one was obliged to rely upon the description that the engineers gave of the character of the works required in different sections, as they described them. You find that they described the work as "heavy," "moderately heavy," "light, etc."; and the nearest one could come to a true estimate was—always assuming, of course, that the standard, the curvature, the gradients, the alignment were to remain as before—that works described as heavy or light in one section would cost about the same in the prairie section. Of course, such estimates would be open to the same reduction which the British Columbia estimates were open to, on the two grounds—first, that the more accurate location of the line showed that it was possible to diminish the cost, and also, and I venture to say chiefly, that the change in the character of the line also diminished very largely the cost. I think it important that we should know, in full detail, what were the particulars of the modification in design which enabled the estimate, so obviously and very much reduced, of April, 1880, to be made. We have not an estimate of December, 1880, as to this portion of the line, because the Government does not propose to construct it. It is left for the Syndicate to construct, and the hon. Minister does not seem to have thought it necessary to obtain a further estimate of what its cost is likely to be. I am not now discussing the question of policy. I am merely pointing out that the changes made are important and serious, and one wants to know what were the grades and the character of the alignment which it was proposed to have in April, 1880, west of Selkirk and to the Rocky Mountains. Then, I turn to the section north of Lake Superior, which remains, so far as information is concerned, in the least satisfactory position of any section of the line, because, as I said on a former occasion, it was not regarded as of present consequence for any Government to push on the location survey of that section, as it was generally understood that its construction was to be postponed for a considerable time. Now, all that you can find, so far as I can judge from the facts before us, is the pretence that the works would be very heavy for a good line of the same character as the Canadian Pacific Railroad was intended to be—alignments, grades, and curvature of the character I already described, giving us excellent grades for the traffic east-bound, and fair, good grades for the west-bound traffic, the standard of the works, equipment, and so forth, equivalent to that of the Intercolonial. The estimates made upon that basis, of course, wholly differ from any estimates which are to be made upon the basis of the policy of April, 1880. The engineer does not in the general report, so far as I remember, deal with that particular branch, but it is dealt with in the letters. The second letter would appear to have been written to the engineer, and is replied to by him, on the 16th April, and in that letter he shows the new basis of calculation:

"SIR,—In compliance with your directions, I have the honor to consider the cost of the eastern section of the Pacific Railway extending from Thunder Bay, Lake Superior, to the eastern terminus, Lake Nipissing. In my report recently laid before Parliament, I have referred to the projected line between South-East Bay, Lake Nipissing, and Sault Ste. Marie. The explorations of this district have established that a location can be had north of Lake Nipissing, which would be common for 60 or 70 miles to the St. Mary's branch, and the main trunk line to the North-West. As the St. Mary's branch will, in all probability, be constructed before the through line is undertaken, the length of the latter will be reduced by the length of the location, common to the two lines. The eastern terminus will consequently be advanced some 60 or 70 miles to the west, beyond the theoretical starting-point at Lake Nipissing. The length of the eastern section, therefore, may be assumed not to exceed 600 miles."

That is the first element in this calculation. He assumes that the Sault Ste Marie Branch will be built before we commence the construction of the eastern link; that 60 or 70 miles of the eastern link, by which the construction is brought to the Sault Ste. Marie line must be built, and that he may take as a starting point sixty or seventy miles to the west of Nipissing. Assuming that he takes the length of

the eastern section, so referred to, at 600 miles, then he says:

"It is impossible to say what labor and materials may cost some years hence, when the period arrives for the eastern section to be undertaken. Taking the basis of present prices and present contracts, and adhering to the economic principles of construction set forth in the letters of yesterday, I feel warranted in stating that $20,000,000 may be considered a fair estimate of the cost of opening the line from Fort William to the Eastern Terminus."

Now, it is to be observed, that the estimate of $20,000,000 is based upon the economical principle of construction contained in the letter to the Minister, of the 15th April, and the reply of his officer of the same date, which involves the abandonment of the old system of high class works, easy grades and good curves, and the adoption of low class works, steep grades and sharp curves. The engineer adds:

"In order that the estimates of the cost of the line from Fort William to the Pacific, and from Fort William to the Eastern Terminus near Lake Nipissing, be clearly understood, I deem it proper to submit the following explanations:—

"I have, in previous reports laid before Parliament, advocated a location for the railway with generally light gradients and other favorable engineering features. The policy of the Government, as stated in your letter, likewise the change of line by the abandonment of the old location west of Red River, render it necessary on my part to modify the views I have previously held."

It is shown, therefore, repeatedly, that in making his estimate on the basis of a road, from 50 or 60 miles to the westward of Nipissing to Thunder Bay, he has abandoned the old system and adopted a cheaper railway. What we want, therefore, are such details as will enable us to judge what are the grades, curves and general class of structures, and the character of the general line that we propose, upon which $20,000,000 are to be spent which, for 600 miles, would give $33,333 per mile, so, with this information, we shall be able to know the general character of the line from Nipissing to the Pacific which we proposed in 1880, is as contrasted with the character of that line, which had been up to that time proposed. We shall thus be able to judge of the description of road we shall construct and hand over to the Syndicate, and, presumably, the line which the Syndicate itself is to construct, so far, at any rate, as its obligations to the contract go. I do not mean to say they may not better those obligations. They will do what seems to them good, but so far as the obligations of their contract go. It is not with any view to express or imply any opinion on this change of policy, nor to discuss the expediency of any change that I make these remarks, but simply with a view to pointing out that there was, in 1880, a material change of policy as to the character of the road, involving an enormous change as to the cost of its construction. It is important to us, in view of the policy for ten years maintained, that we should have a road with light gradients and every favorable engineering feature to know in how far this change of policy involves a departure, not merely as to price, but also as to the attainment of results, and it is for this reason that I have put in your hands this motion for further information.

Sir CHARLES TUPPER. There is every desire on the part of the Government to furnish the hon. gentleman with all the information he and the House can desire, in order to an intelligent discussion of the very important question we have under consideration. But to comply, specifically, with the terms of his motion would require some months; I think, however, it will be possible to give all the information asked for necessary to the intelligent discussion of the question.

Mr. BLAKE. I had intended to suggest that, if there were any particulars for which a great deal of time would be required, it would be convenient that such as could be immediately supplied should be given now, the supplementary portions to be supplied as soon as possible.

Sir CHARLES TUPPER. It would be impossible to give detailed information without full communication with

British Columbia, and that would not answer the object of the hon. gentleman (Mr. Blake). I have supplied, already, as clearly as I could, all the data necessary to a proper, appreciation of the question before us. I will gladly furnish any information I possess in order to satisfy the hon. gentleman. But I may say that my case is a somewhat singular one. Almost the only ground on which I have had to defend myself, as a Minister, from the criticisms of hon. gentlemen opposite, is, that I continually come back to Parliament asking for less public money to accomplish the same object. Generally speaking, a Minister is obliged to come back to Parliament with apologies for having exceeded his estimates, and asking more money to accomplish the work in hand. I think that was found to be the general experience of Ministers of Railways or Public Works here and elsewhere; but my fortune, however, has been somewhat different. The charge to which I exposed myself was that I had asked too much; that my estimates had exceeded the amount required. I will endeavor to justify myself as far as I can by placing in the hands of the hon. gentleman information that ought to satisfy him that all these estimates were frankly and fairly stated to the House as far as the information in my possession enabled me to do so. The hon. gentleman has gone through very elaborate statements to show that the same engineers estimated some of the works at a higher cost to the country at one time than they did at another time. I do not think it is at all surprising, that, with increased information, the estimates, expectations and opinions as to the cost of certain works should vary sometimes in one direction, sometimes in another.

Mr. BLAKE. Hear, hear.

Sir CHARLES TUPPER. I hope we are getting wiser every day, that those who devote their time and attention to a great work, whether engineers or ministers, become better informed and able to produce fuller and more reliable statements, year by year, than they previously could. So far as I am concerned, I have always taken the House into my confidence in the fullest and frankest possible manner. All the information I could obtain I submitted to the House. When the very great reduction was made in the estimate submitted last Session, it was stated at once to the House that the Government being compelled reluctantly to go on with the construction of the road as a public work, directly carried on by the Government, and chargeable to the Treasury of the country, felt bound to reduce the expenditure as far as possible; and while it was stated to the House that so far as the line of the railway, that was then in a somewhat advanced condition between Thunder Bay and Red River, was concerned, we considered it true economy to preserve the very favorable gradients that had been established on that line, even although considerable addition in the expenditure should be made, although we considered it necessary to carry out the design of making it a first-class work, even although it should involve considerable additional cost, because it was the outlet to Lake Superior of the traffic of the North-West; still we felt that so far as the works in British Colnmbia were concerned, it was desirable to proceed in such a way as to secure, across the prairie, a colonization line of railway, reducing the expenditure in every way, and, at the same time, reduce the cost of construction in British Columbia, as far as was practicable. These opinions were fully stated to the House, and I am glad to say that the information obtained from the progress of the work, during the time that has elapsed since these estimates were submitted to the House, has enabled me to state that so far as the work between Thunder Bay and Red River is concerned, instead of being obliged, and I confess that we had under estimated the difficulties and the cost, I was placed in the position of being able to show to the House that we had effected a very large reduction in the

expenditure that would be required to give us a first-class line from Thunder Bay to Red River. I think this ought to be satisfactory to the hon. gentleman. The character of the road was in no way made to suffer by any change of design. The grades were preserved and its substantial character. At the same time, the improvement in the alignment, the careful examination, from day to day, of the location, enabling us to relocate it at several important points, shortening the distance, and reducing the amount of work, placed it in my power to submit the estimate now before the House. So also, in my estimate for the work under contract in British Columbia, I told the House that, in my judgment, there was every reason to suppose we could revise that estimate and place the amount that would be chargeable to the country at a very much lower figure. This was done. Hon. gentlemen know it was stated not only that the estimates on those contracts let were outside estimates, but a large amount was thrown on as contingencies intended to cover any reasonable contingency in the specification; and the belief was expressed that when we came to the construction of that line, we would be enabled very largely to reduce that estimate. The engineers had their attention directed to the great importance of it, the same time securing a workable road with fair grades, and without excessive curvature and reducing the cost of work as far as possible. The estimate now submitted, with reference to the line under consideration between Thunder Bay and Red River, and the four contracts on the 127 miles under contract at British Columbia, are in the light as I said before of the practical experience that the year has afforded. There will be no objection, so far as the line between these points is concerned, to bringing down all possible information with reference to the works between Thunder Bay and Red River and those in British Columbia. The more accurate the information the more will the hon. gentleman be satisfied that I am quite safe in stating that the estimate of $28,000,000 which I made, will not be increased, but will be largely reduced. I give the House the best evidence of the soundness of my judgment in that relation, by pointing to the fact that again and again I have come to Parliament and shown that, so far as both these sections are concerned, instead of the estimates having been increased there has been a steady reduction. There is another very large element in the consideration, which the hon. gentleman has not failed to appreciate, and that is that in my estimates submitted a year ago, I provided for the full equipment of the line between Thunder Bay and Red River, and the line in British Columbia. I did not, of course, provide for a very heavy equipment in British Columbia, because we have no reason to believe that the volume of traffic would be so great, for some time to come, as to render a heavy equipment necessary; but that burden, under the contract now before the House, will be taken off the shoulders of the Government and placed upon the Company, who undertake to operate the line. The estimate of a year ago for the line from Fort William to Selkirk, was $17,670,000; the estimate now submitted to the House is $14,000,000, a difference of $2,230,000. The mode in which that reduction has been effected has been detailed in the report of the engineer, which I have placed in the hon. gentleman's hands. It consists of the reduction on account of equipment, and the reduction in the cost of works, by the improvement of location and the design of construction. The reduction on the line between Thunder Bay and Red River, by improvement in location and the modification of design, amounts to $1,385,000; the reduction on account of rolling stock, $745,000; the cost of the workshops which would have been necessary if the Government had had to operate the line, would have been $200,000 more. With reference to the Pembina Branch, the only alteration as between the estimate of last year and the estimate of the present year, is upon rolling stock, and that is placed at the moderate sum of $193,100. The Pembina Branch was so far constructed as to give us very closely the amount that would be required, so I have not been obliged to make any reduction in that estimate. From Kamloops to Fort Moody by modification and design, and improvement in location, there will be a reduction of $1,166,200. The hon. gentleman must remember that from the very nature of the country in both these branches it was impossible to make such a location survey in the first instance, until it was placed actually in course of construction as would give us an exact idea of the cost. But when we had the construction staff on the ground, we found that great improvements could be made in the alignment, as well as in other respects and thus save a considerable amount of money. The character of the country is entirely different from the prairie sections, where for a hundred miles there is no bush in sight, and nothing to interfere with the examination of this line. The character of the country between Thunder Bay and Red River and between Kamloops and Fort Moody is such as to enable the engineers from day to day, by careful examination and study, to discover how important savings might be made; and I do not think that anyone, who is familiar with the character of public works, or of the country in these sections, will consider it was at all remarkable that on the 185 miles between Thunder Bay and Red River there should be a saving of $1,385,000, and on the 127 miles between Kamloops and Fort Moody a saving of $1,663,200 on the original estimates. Of the latter sum we had, for reduction in rolling stock, $175,000, and for buildings $250,000. Of course, if the Government had had to operate this portion of the line they would have required to furnish shops and a variety of other things which are not called for when it is being passed over into the hands of the Company. Between Emory's Bar and Fort Moody the reduction will be found not at all greater than the result will demonstrate as safe. We have made a reduction on the 90 miles between Emory's Bar and Fort Moody of $313,700, made up of $133,700 by improvements in location and careful alignments in the road. So far from that being excessive, I do not at all hesitate to say that I expect to reduce those figures very considerably. The amount of rolling stock for that portion that is taken off, is only $16,000, a very light equipment, as the hon. gentleman will see, making a reduction of $54,000. We are considering that these are to be the terminal buildings for the Pacific Railway, and I think the hon. gentleman will see that $54,000 is a very light reduction indeed. I do not at all hesitate to say that I expect to make that reduction on the 90 miles between Fort Moody and Emory's Bar, much more than that. There is another reason why it is obvious that we shall be able greatly to increase the reduction, and that is, that these estimates were based upon the cost of different things in British Columbia. Mr. Fleming's estimate of a year ago was based upon the condition of things in British Columbia at that time, when he placed it at $3,500,000 for 90 miles. At that time labor and everything that went in the construction of a railway were of a very costly character. We have ten years in which to construct that 90 miles; under the contract we are only obliged to build it by the time that the old line is built. Hon. gentlemen will at once see that when the labor is disengaged that is now occupied in the construction of the 127 miles west of Emory's Bar, we may fairly expect to be able to place under contract 690 miles at a very much lower estimate than Mr. Fleming would have been justified in making a year ago. I say, therefore, that in making a reduction of $4,750,000 on the amount of work to be constructed and handed over to the Company by the Government, I believe these figures will be found to be entirely safe, and that, instead of costing us $28,000,000, the amount to be paid by the Government will be considerably below that sum. I think that the

detailed information already laid before the House, will warrant us in arriving at the conclusion that that estimate is not only a safe one, but that it is really the outside estimate of the amount of money to be paid by the Government. I will now advert to the central or prairie section, and then I have no hesitation in saying that, had we been compelled to come before Parliament this Session with an estimate, I would have been obliged, in the light of the year's experience, to say that in all probability I would have to increase that estimate. The hon. gentleman will see that, in the first place, it was supposed by my hon. predecessor that it was next to impossible to obtain the construction of a line in the direction that we are taking to the south of Lake Manitoba, and that the ravines and gulleys to be crossed were of a character to make it next to impossible to go in that direction without a very great cost. I think the hon. gentleman stated, more than once to the House, that by diverting the line to the south of Lake Manitoba we would not only increase the distance some thirty miles, but increase the cost to the country by $1,000,000.

Mr. MACKENZIE. That was the engineer's estimate.

Sir CHARLES TUPPER. I took what I supposed was a better means of forming a judgment than any that the hon. gentleman had, and that was to place 200 miles under contract.

Mr. MACKENZIE. Of the easiest part.

Sir CHARLES TUPPER. I think that, as far as the section of 100 miles is concerned, the report of Mr. Marcus Smith, who had made the location of that section, went to indicate that it was a fair sample of the work to be constructed. The hon. gentleman is, however, correct in saying that, taking the 200 miles together, it would be very much easier than the remainder of the line. We had the assurance of the engineer that we could get a favourable line in that direction, a line, at all events, if not so good in point of grades as that which the hon. gentleman had located by the narrows of Lake Manitoba, still one that would serve as a colonization road. I have already stated to the House that our intention was, finding ourselves compelled to go on with the construction of this road as a Government work, to go out upon the prairie and to open up the country with the cheapest description of road we could obtain. I dare say the House will remember the stringent criticism, and some of it well founded, to which my predecessor subjected that proposal, and he showed the House that there was a large amount of work to be done on the section of 100 miles, and he practically stated to the House that he did not believe it was possible for that work to be accomplished for anything like the figures for which the road was contracted for. This has proved to be correct, and the Government felt bound to offer this by competition, requiring that parties should, in the first place, deposit a cheque of $25,000, I think, as the evidence of their *bona fides*, and, in the second place, five per cent. upon the amount of the contract. When these stipulations were completed, the Government were obliged, of course, to place the work under contract; the result has been to satisfy me that it was utterly impossible for them to accomplish the construction of the work at anything like the figures they had undertaken. They were unable to carry the work forward, and the contract, as the hon. gentleman knows, has been cancelled. If I had come back to Parliament this year in the position in which I stood last year, asking for public money to construct this as a Government work, it would have been my duty to revise my estimate for the central section. I have no hesitation in saying that while we should have been able, with the new light we have obtained, to reduce largely the cost of the construction of the line between Thunder Bay and Red River, on the other hand, I should have been obliged frankly to state to the House that, low as was the character of the central section of the road—a simple colonization road, as I have admitted again and again to the House—it was necessary for me to ask for a very considerable increased estimate on that portion of road. It was not necessary, however, that I should deal with that branch of the question, because, under the contract which has been laid on the Table of the House, all the risk, all the responsibility, and all the cost connected with the construction of that portion devolve upon the Company with whom the contract was made. The fullest possible information that I have been able to supply from the data within my possession, has been given to the House; but whatever yet remains will be supplied. I make these explanations in reply to the very lengthened address of the hon. gentleman, and I must express my regret that he has not been more easily satisfied than he has with the information I have submitted. I will endeavor, however, to supplement that with such further information as the department can supply, and as may be made available for the present discussion. But if this resolution is allowed to pass in its present form, it must be with the proviso the hon. gentleman has himself made; that we shall furnish all the data we can without causing any further delay.

Mr. McLENNAN. I have listened with great pleasure to the statements made by the hon. leader of the Opposition. Any new light we can obtain on this question is highly acceptable. I am not disposed to harp at any conditions that are attached to an enquiry of this kind, but, perhaps, the House will agree with me, that the skill and ingenuity of the hon. leader of the Opposition was very clearly marked in the final generous proposition which he threw across the floor at my hon. friend the Minister of Railways. It was to the effect that these enquiries were not made with the view of discussing any change of policy, but of pointing out the importance of ascertaining—what? The means by which a charge might possibly be formulated. I have listened with still greater pleasure to the explanations of the hon. Minister of Railways, and I think it must be very gratifying to this House that at every stage of this discussion, in every new statement, every new estimate made, we find that we can build the road more cheaply than we had thought before, and without any deterioration in the character of the road. So that magnificent rule of three which has been formulated so ingeniously nearly produces nothing. We continue to be assured that we shall have a first-class railway upon the basis of any or all of the estimates which are put before us. I am glad to hear from the hon. Minister, that he is in hopes of coming before us at a later stage with still further reduced estimates, and I think the House and the country will forgive him for any length he chooses to go in that direction, within the condition that he will give us a good road.

Mr. BLAKE. It is extraordinary with what different ears we hear on the two sides of this House. I certainly did not hear the hon. Minister declaring, except with reference to the line between Red River and Thunder Bay, that he was about to give us a line not inferior in character to that which has been formerly projected. If the hon. member does intend to say that the other sections to be constructed are to be equal in character to those which, in earlier days had been projected, and had been the standard of construction up to that time, I shall be very glad to know it. But that would be in contradiction of everything the Minister of Railways has written and stated on that subject to this moment. The member for Glengarry (Mr. McLennan) believes that he heard him say that this reduction in the cost was to be effected without alteration in the character of the road. Both the Minister's own statement last Session, his letters to the engineer, and the estimate of the engineer, all point to alterations, impairing the character of the road. I except the portion from Thunder Bay to Selkirk, upon which the Minister says he will be able to keep up the

character of the road as to grades and curves, though the character of the structures is, to some extent, inferior. I did not say or imply that I wanted this information for the purpose of making any charge against the Government.

Sir CHARLES TUPPER. I did not understand you to do so.

Mr. BLAKE. I said expressly I did not mean to make or imply any charge of impropriety in regard to altering the character of the road; but I said I thought that the country was interested in knowing what the real change was in the efficiency of the structure we were to get at the reduced price—which I still think a very reasonable demand, although every person in the House does not appear to agree with that view. The Minister of Railways objects to my inquisitiveness, saying that he gave me very important information already. But no information produced at all indicates what the grades and curves are to be in the British Columbia section, or were to be on the 200 miles west of Red River; and we do not know, in these important particulars what the modifications were to be. We knew the grades were to be deeper and the curves sharper—that was told us before the Session; but we did not and do not know what the grades and curves were to be while a close estimate was made on the 2nd April last, by the late engineer and another by the present engineer, since that time Ministers must know what the present standard of grades and curves is, and there should be no great difficulty in telling us the facts. However, it is of great consequence to get early all the information procurable. I think it is important to get all asked in the motion. I hope the hon. gentleman will not find I have asked for too much, for more than his own engineers Mr. Smith and Mr. Cambie gave him, with reference to the British Columbia line, as it was then proposed to be constructed. Why should we not have the information now, as it was given then. I think the motion reasonable, and that we should have expected the information without any demand, for our assistance as an element in the discussion. I am glad to know the hon. gentleman will give us, early, all he can get, and hope we shall obtain the rest at some time or other, not distant, as even then it would be interesting as a relict of the past.

Sir CHARLES TUPPER. The hon. gentleman is quite correct in saying that I confined my statement to the maintenance of a first-class road between Thunder Bay and Red River. At the same time, I am prepared to state that the road in British Columbia, as now going on, and in conformity with the contracts originally made, will, I think, be a very good and sufficient line for all the traffic that will require to be carried.

Mr. BLAKE. I believe that.

Sir CHARLES TUPPER. I will relieve the mind of the hon. gentleman and the House, when I state that there will be no curve on the British Columbia section sharper than any on the Intercolonial, and no grade heavier than on this road.

Mr. BLAKE. Does the hon. gentleman mean to say there is not a very bad grade on the Intercolonial?

Sir CHARLES TUPPER. I do not; but I can say it is a first-class road.

Mr. MACKENZIE. It is not. The hon. gentleman knows there is a grade on the Intercolonial under 700 feet radius.

Sir CHARLES TUPPER. It is, nevertheless, a first-class road.

Mr. MACKENZIE. No; that portion will have to be rebuilt when there is any great traffic.

Sir CHARLES TUPPER. I could name half a dozen first-class roads in the United States with sharper curves and steeper grades than the Intercolonial possesses, and which are not only regarded as first class roads, but accommodate an enormous volume of traffic.

Mr. PLUMB. Yes; the Hudson River road, between Albany and New York, has steeper grades, and it is considered a first-class railway.

Sir CHARLES TUPPER. I will submit information, apparently not covered by the motion, including the additional correspondence, which will embrace all the surveys not yet laid before the House.

Motion agreed to.

STEEL RAILS.

Mr. BLAKE moved for a statement showing the quantity of steel rails and fastenings bought by the Government in 1879, and average price thereof, together with statement of interest on such price from date of payment at the rate at which part thereof are to be conveyed to the Canadian Pacific Railway Company; the quantity already delivered and the dates of such delivery, and dates at which undelivered are due; the quantity already used by the Government, and quantity required for completion of the Government part of the railway; the quantity which will remain for conveyance to the Company and the price thereof according to contract as of its date 21st October, 1880; the market value of such last mentioned quantity on the average prices for each of the months of September and October, 1880, and on the price of 21st October, 1880.

Mr. PLUMB. There are one or two omissions in this motion which, I presume, occurred through inadvertence, and, before the motion is adopted, I beg to supply those omissions by proposing the following amendment:—

That the motion be amended by adding to it the following words:—"And also a statement showing the quantities of rails and fastenings purchased by the Government in 1874, 1875 and 1876, showing the price thereof and the interest on such purchases from the date of each purchase until the said rails and fastenings were used on the Canadian Pacific Railway or elsewhere, and showing also how and where such rails and fastenings were used, what quantity remains unused, and the place or places where such remainder is stored."

I think that in getting the information called for by this resolution, it will be desirable at the same time to have embodied in the report the information which I ask for, and I trust the House will be in accord in the view that this amendment should be adopted. There have been, as this House well knows, several purchases of steel rails in regard to which the public interest has been shown; and it is desirable in matters of this kind to avoid, as far as possible, multiplicity of documents and reports. I have no doubt, therefore, that the hon. gentleman will consent to the amendment, and perhaps it was through inadvertence that he did not insert in his own resolution a request for the information of such importance for the purposes of comparison as I ask for in my amendment. There are purchases of rails, and we like, when we get information of this kind, to have all the information that can be elicited by a resolution of this House.

Sir RICHARD J. CARTWRIGHT. In furtherance of the laudable object which the hon. member for Niagara has in view, I would move that this resolution be further amended by requesting, that to the motion be added:

"And also the several quantities of steel rails bought since the 1st January, 1877, together with the prices thereof."

If it is desirable to have any additions to the returns, let us go back to a reasonable time, ten years back, and then we will have all the information together.

Sir CHARLES TUPPER. As the duty of making these returns will devolve upon myself, I am not very anxious to have the work of preparing them any further extended,

otherwise it might be well to go back to the period when the rails were purchased for the Intercolonial, as I think we can afford to have that period reviewed. However, I do not now intend seriously to make that suggestion. The information will of course be given, but I may tell the hon. gentleman that it will not establish the point which the hon. gentleman has in view—namely, that a great deal of consideration has been shown to the Company by allowing them to purchase a large quantity of steel rails when they could be purchased at a very low price. Of course, it is well known that the Government were fortunate enough to secure 50,000 tons of steel rails at exceptionally low prices—about 11,000 for the Intercolonial, and 39,000 for the Canadian Pacific. The rails were not all delivered, as it was not necessary to have them delivered promptly; they are not on this side of the Atlantic. The Government requiring between 7,000 and 8,000 tons in British Columbia, for the purpose of constructing the line there, directed that the rails remaining in England should be shipped to British Columbia, and there will be but a small quantity of rails, if any, which the Company would have an opportunity of receiving by paying the costs and charges. I may say, also, that there is a considerable amount of property which we shall require them to take over, as the Government would not require it, and we shall not expect to be dealt with too closely in that regard. I do not think that any real loss would have been incurred by the Company being allowed to pay the Government the amount which the rails cost, including interest and all other charges.

Mr. BLAKE. I have no objection to my hon. friend from Centre Huron, and my hon. friend from Niagara, obtaining the information which they desire, but if there is to be great delay in bringing down the return, encumbered by these amendments, if it involves so much labor as the Minister seems to expect, I trust he will, at any rate, expedite the preparation of my part of the return as much as possible. The information which is sought is not desirable merely for the purpose of political controversy, in which the member for Niagara (Mr. Plumb) is so fond of revelling, but it is germane to the question which is now occupying so largely the attention of the House and the country; it bears materially on one of the terms of the bargain we are asked to sanction, and that is the reason why I seek for the information. I trust the return will be brought down as speedily as possible.

Sir CHARLES TUPPER. I do not think it will occupy much time in preparation.

Mr. CAMERON (Victoria). My hon. friend from West Durham asks for information which is not in the possession of the Government, officially. The motion requires information as to the market value of steel rails in England, a matter upon which, I suppose, the Government have not any authentic information. Such information could only be in the form of facts or documents within the official cognizance of the Government; and, perhaps, in order to get it they may have to issue a Royal Commission or take some other official steps to make certain what is now uncertain.

Sir CHARLES TUPPER. I think we shall have to ask some gentleman to go to England to get accurate information.

Mr. BLAKE. I have no doubt the hon. member would go himself, if he thought for a moment what the market value of rails was in September or October.

Mr. CAMERON, (Victoria). But that would not be information within the power of the Government.

Mr. BLAKE. I know the hon. gentleman is more powerful than the Government, but I am surprised that the Government have not discovered the fact.

Sir CHARLES TUPPER.

Mr. PLUMB. I trust the information sought by the motion will be brought down as soon as possible. My hon. friend the member for West Durham (Mr. Blake) says that I revel in political controversy. My hon. friend might perhaps have taken a share of that remark to himself, and apportioned a great deal of it to the hon. gentleman beside him (Sir Richard J. Cartwright), who proposed the further amendment.

Motion, as amended, agreed to.

THE PACIFIC RAILWAY CONTRACT.

Mr. BLAKE moved for any statement or estimate which was made by or on behalf of the Government prior to the making of the Canadian Pacific Railway Contract, of,—(1). the value to the Company of the cession of the Government rails and fastenings at cost and interest; (2) the value to the Company of the right to admission free of duty of the materials required for the construction or equipment of the Railway and Telegraph Line; (3) the value to the Company of the perpetual exemption of the Railway and all stations, station-grounds, workshops, buildings, yards, and other property, rolling stock, and appurtenances required for the construction and working thereof, and of the Capital Stock of the Company, from taxation by the Dominion, new Provinces or Municipalities therein; (4) the value to the Company of the exemption from taxation of their lands in the North-West Territories until they are either sold or occupied for 20 years after the grant thereof from the Crown.

Motion agreed to.

FOOD SUPPLY OF INDIANS.

Mr. MILLS moved for a statement shewing in what parts of the North-West Territories there has been a total failure of the usual supply of the food on which the Indians subsist; what it is that has so failed; how many Indians in consequence of this total failure have been dependent upon the Indian Department for the means of subsistence; the kind of supplies furnished; from whom purchased; where purchased; whether by private contract or by public tender; the amount paid for each kind; the quantity; the amount paid for freight; to whom paid; from what places and to what places carried; and the amount paid for distribution. He said: My reason for asking for information is the very broad statement that has been put into the mouth of His Excellency, namely, that there has been an entire failure of the usual supply for Indians in the North-West Territory. As there are 30,000 Indians in that district, and as we know what it costs to feed them for a season, and as we have the broad statement that there has been an entire failure of the supply, it becomes a very serious matter. To furnish the means of subsistence for 30,000 people implies an expenditure that would absorb a very considerable portion of the revenue of Canada. I think that we are entitled to the fullest information on that subject. It may be that the expenditure has not been due so much to the failure of the supplies of the Indians over that large territory, as it is to a want of the facilities of transportation, or perhaps it may be to the want of capacity in those who are employed in that particular business. There is nothing, perhaps, connected with the Administration of the Government about which it is more important to have explicit information, for there is nothing that so largely depends upon the fidelity and energy of those who are charged with the administration of Indian affairs. I think myself that the probability is, that that statement was somewhat too general in its character. In many parts of the country the Indians are largely dependent upon fish for means of subsistence, and if that has failed it is rather an extraordinary state of things. In other parts they are dependent upon the chase, and we have been informed that the herds of buffalos have returned, and

consequently that the Indians are better off now than formerly. If this be the case, then the statement put into the mouth of His Excellency is hardly warranted by the facts. However, it is very important that we should have the information sought for at as early a period in the Session as it would be possible for the right hon. gentleman to bring it before the House.

Motion agreed to.

DISMISSAL OF INDIAN AGENTS.

Mr. MILLS moved for the correspondence relating to the dismissal of any Indian Agent or other officers connected with the management of Indian affairs in the North-West Territories.

Motion agreed to.

POST OFFICE AT DOMINION CITY.

Mr. SCHULTZ, in the absence of Mr. ROYAL, moved for a return of copies of all evidence taken before the Deputy Postmaster of Winnipeg, in the course of the present year, with reference to the grave complaints made against the management of the Post Office at Dominion City; also copy of the report of the said officer.

Motion agreed to.

GOVERNMENT RAILWAYS IN MANITOBA.

Mr. SCHULTZ moved for a return of all receipts from Government Railways in operation in the Province of Manitoba and the Territory of Kewaydin during the months of September, October and November.

Motion agreed to.

ADJOURNMENT.

Sir JOHN A. MACDONALD moved the adjournment of the House.

Mr. MILLS asked the hon. leader of the Government if he would bring without a motion all correspondence between this Government and the Government of Manitoba in reference to the enlargement of the boundaries of that Province. He also asked him whether the terms of the Bill which had been introduced into the Manitoba Legislature on the same subject had been agreed to by the Government here.

Sir JOHN A. MACDONALD. I have not read the Bill. I received a draft of a bill from Mr. Norquay, the Premier of Manitoba, which I have not yet been able to read, but I have not had my attention particularly drawn to the Bill now before the Legislature of that Province, though I have seen it mentioned in the newspapers. I fancy the measure to be introduced here will not accord in all respects with that measure.

House adjourned at 5.35 p. m., to Tuesday the 4th day of January next.

HOUSE OF COMMONS,

TUESDAY, 4th January, 1881.

The SPEAKER took the Chair at Three o'clock.

PRAYERS.

NEW MEMBER.

Mr. SCOTT, member-elect for the Electoral District of Selkirk, having previously taken the oath according to law and subscribed the roll containing the same, was introduced by Sir John A. Macdonald and Mr. Langevin, and took his seat.

CANADIAN PACIFIC RAILWAY.

House again resolved itself into Committee for the further consideration of certain proposed resolutions for granting and appropriating twenty-five millions of dollars and twenty-five millions of acres of land in the North-West Territories, according to the contract relating to the Canadian Pacific Railway transmitted to this House by His Excellency the Governor General by his Message dated December 10th.

Mr. CAMERON (Huron). I desire to say a few words upon the important question before the Committee, and I shall endeavor to approach the question with all the earnestness that I can command. I listened to the speeches that were made upon both sides of the House with a good deal of attention, and especially to the speech made by the hon. gentleman who introduced the resolutions. I have also read the speeches which that hon. gentleman has made outside of the House, with an earnest desire to discover as far as possible the line of argument by which the Minister of Railways proposed to justify the contract for which he has invoked the sanction of Parliament. One is naturally curious to know what arguments can be brought forward in support of a contract containing such peculiar and extraordinary provisions, and granting such rights, privileges and franchises as the one now before the House. Before, however, endeavoring to analyze the arguments which have been advanced by hon. gentlemen opposite, I must say that I believe the Minister of Railways has made the best of a very bad case. He made a speech extending over five hours, during three hours of which we were favored with quotations from the speeches of the hon. member for West Durham (Mr. Blake), and the hon. member for Lambton (Mr. Mackenzie), while only about an hour and a half was devoted to the hon. gentleman's own scheme. When we dissect the speech of the Minister of Railways, and sift the wheat from the chaff, when we analyze it fairly and honestly, we find that the hon. gentleman justifies this extraordinary contract on two grounds. He says, first, that the proposition he has submitted to Parliament is the best proposition that was ever submitted to Parliament—a proposition superior to the Allan contract, and to the proposition which was made by the hon. member for Lambton in 1874. Secondly, the hon. gentleman says that this bargain is the very best that the Government could make; and in order to show that the proposition of the Government is superior to the one submitted in 1873, or the one submitted by the hon. member for Lambton in 1874, the hon. gentleman undertakes to compare the present contract with those schemes respectively. But, Sir, it does not appear to me that this is a fair line of argument. What might be considered a fair bargain in 1873 or 1874, a bargain in the interests of the country, might not be so considered in the year 1880; and, at all events, we are not now discussing the terms either of the Allan contract of 1873, or the scheme proposed by the member for Lambton in 1874. Good or bad, the Allan contract failed; the members of the Company failed to carry out its terms, and we are not now called upon to discuss it. We are now called upon to deal with a living contract,—the Tupper contract, the one we are now discussing,—and to say whether that contract is one which Parliament should ratify. Nor are we now called on to determine whether or not the terms proposed by the hon. member for Lambton for the construction of a trans-continental railway were in the interests of the country—that is the proposition made by the hon. member for Lambton (Mr. Mackenzie) and sanctioned by Parliament; and in discussing the terms of this contract we must not only consider that time and circumstances are entirely changed, but that those propositions, whether good or bad, are not now open for discussion. The former propositions were never carried out, and what we have now to deal with is the vital and living question of

whether the propositions made by the hon. the Minister of Railways are such as we ought to approve. Even if it were true, as a matter of fact, that the propositions now before Parliament are better than those embodied in the Allan charter, or better than those submitted by the hon. member for Lambton, that would not justify us in affirming the propositions now before the House. A period of six years has passed since the Mackenzie propositions were submitted to Parliament. The character and position of the country have entirely changed since then, and we are now face to face with a different class of circumstances. But, Sir, I deny that as a matter of fact, the present propositions are at all to be compared to those embraced in the Allan charter, or to those covered by the bill of my hon. friend from Lambton. My hon. friend from Richmond and Wolfe (Mr. Ives) took the same ground as was taken by the Minister of Railways; he undertook to analyze the Allan charter and the hon. member for Lambton's propositions, but he only dealt with what he was pleased to call the minor details of those schemes. I commend the judgment and the discretion of my hon. friend in touching lightly upon what he called the minor details, details which I consider of the first importance in the discussion of this question. I say that a comparison between those two schemes and the present one will show that the terms of this contract are infinitely worse for the country than the terms of the Allan contract or the Mackenzie proposals. Has the hon. the Minister of Railways or the member for Richmond and Wolfe taken the trouble to analyze the terms of the Allan charter? It contained many bad things which, I believe, were not in the interest of the country; but, as compared with this contract it was infinitely superior in every respect. I will trouble the House for a moment or two with a short analysis of the Allan charter and the proposals of 1874 and compare them with the present contract, as I consider it a matter of the first importance that the House and the country should understand the difference between the two, more especially as I observe that not only on the floor of Parliament, where the Minister of Railways' utterances are received with the attention to which they are entitled, but that, in his peregrinations throughout the country, he has taken precisely the same line, and declared that the terms of this contract were far superior to the terms of the Allan charter and the Mackenzie proposals—but on all occasions the hon. gentleman has carefully abstained from pointing out in what respect. The very first point in this contract is also the first one in the Allan charter, and that is the character of the road. What did the Allan contract say of the kind of road we were to get for our money, and then what does this contract say on the same subject? You will find that under clause 9 of the Allan charter, it is provided:

"That the railway shall be constructed and equipped according to specifications to be hereafter agreed upon between the Governor and the Company, and that the materials of, and manner in which the several works forming part thereof shall be constructed, and the mode of working the railway, or any part thereof, including the description and capacity of the locomotive engines and other rolling stock for working it shall be such as may be hereafter agreed upon between the Government and the Company."

Is there any clause of that kind in the contract we are asked to ratify? In bald words we are told that the road is to be built after the standard of the Union Pacific Railway, as it was when first constructed. There is not a word in the contract about the work being constructed upon specification to be provided by the Government, and there is not a word in it about the work, materials, mode of construction, and the locomotives being of such a class and character as shall be agreed upon between the Governor in Council and the Company. Everything under the contract we are now asked to ratify depends upon the condition of the Union Pacific Railway when it was first constructed. Upon that point there is a difference of opinion that I shall discuss hereafter. In the one case the work is under the direct control of the Governor in Council, or in other words, of Parliament, in the other case everything is in the hands of the Company itself, without any supervision or control by the Government, Parliament or the people, taking the Union Pacific when first constructed as the standard. Yet the member for Richmond and Wolfe and the Minister of Railways declare that in every respect this contract is equal to, if not superior, to the Allan contract. There is another very important point in which the Allan contract, in my judgment, is far superior to this one. The same clause of the Allan contract provides:

"That in order to establish an approximate standard, the Union Pacific Railway is selected as the standard, but in a general way only, and not with respect to any minor details in its construction or working which may be found objectionable. Nor with respect to alignment and grades, which shall be as favorable as the nature of the country will admit of without undue expenditure."

Under the Allan contract not only were the minor details in the hands of the Government, but the grades, alignment and curves were to be, not after the standard of the Union Pacific Railway, but such as would receive the sanction of the Governor in Council. Under the present contract everything is left in the hands of the Syndicate, with the simple stipulation that the Canadian Pacific Railway shall be constructed after the standard of the Union Pacific Railway as it was when first constructed, which, I contend, was upon the 10th of May 1869, and I shall endeavor to show this fact and what its condition was then. The hon. Minister of Railways tells us that this contract is superior to the Allan contract, and that it is the best that was ever submitted to Parliament. Let us examine still further and see if the hon. gentleman is correct. The Allan contract provided ample security for the completion and equipment of the work. Hon. gentlemen opposite tell us that in the present case that point is of no consequence, that these men will go on and complete the work. The hon. member for Richmond and Wolfe discussed this point at length. He told us they will build the eastern section because they will make a profit out of it. They will build the western section because they will make a profit out of it; but the hon. gentleman forgot to point out the immense profit they would make out of the central section, and that it rested entirely in their own hands as to whether they should pocket the millions they could make out of the central section and abandon the eastern and western sections altogether, and that the only security the country had for the completion of the eastern and western sections was the sum of $1,000,000. Under the Allan contract ample security was provided that the whole road should be completed and equipped. Clause three of that contract provided that the shareholders could not transfer their shares, and thus escape liability, until six years from the date of the charter. Is there anything of the kind here? On the contrary, under the Act of Parliament appended to this contract there is express provision that the moment this Company becomes incorporated, the personal responsibility of the shareholders ceases, and this fact the hon. Minister of Railways forgot to mention, both in his speeches in Parliament and to the country on this subject. This provision of the Allan contract was some guarantee that this road would be completed and equipped to the satisfaction of the Government and the country. Here there is no such guarantee. The Allan contract further provided that the capital of the Company should be $10,000,000, that only ten per cent. of that sum should be paid, and that the personal obligation of the stockholders for the other $9,000,000 should remain as a security for the final completion and equipment of the road. This contract does not offer any such security. It leaves it optional with the Company to abandon the eastern and western sections altogether; no sufficient guarantee is provided against that contingency; and yet the hon. Minister of Railways and the hon. member for Richmond and Wolfe (Mr. Ives) tell us that this is the best contract ever submitted to Parliament. There are other discrepancies between these two con-

tracts to which I wish to refer. Clause ten of the Allan contract provided that when each twenty miles of the railway was completed the Company were bound to work the same for the conveyance of freight and passengers. They were bound to work it effectually and in the public interest. I very much doubt if, under clauses seven and eight of this contract, the Company are bound to work the road at all, until the whole of it is completed. Then as to the lands, you will find that the Allan contract made ample provision for the encouragement of settlers in the North-West. Clause fourteen provided that the Company were to get 50,000,000 acres of land in alternate blocks 20 miles in depth on each side of the main line, and not less than 6 nor more than 12 miles in width. If any of the alternate blocks to which the company were entitled, were unfit for settlement, they were still bound to take at least one mile in depth and 12 miles in width on each side of the railway. Under this contract, the Company are the sole judges of the kind of land they are to get, and where they are to get it. They alone have the selection. If they find 20 or 30 acres of alkaline land or muskeg, they may refuse the whole section and select elsewhere at their option in the fertile belt. And yet, the hon. Minister of Railways tells us this is the best contract ever submitted to Parliament, although in this very essential element it falls far short of giving the protection afforded by the Allan contract to the settlers and the country. The Allan contract also provided that the Company were bound to take their 50,000,000 acres, of fair average quality of the land, in the section of the country best adapted for settlement, and were not permitted, as this contract permits the Syndicate, to take the best lands from the belt first, and then select wherever they choose elsewhere for the remainder of their grant. By clause sixteen of the Allan contract it was provided that the price of the land should, from time to time, be decided between the Government and the Company, according to the price that could be obtained for such lands without obstructing the settlement of the country. Surely that was a wise provision; but there is no such provision in this contract. The construction of the railway there was not the only object had in view. What is the use of the railway unless we get settlers there? And if the terms of this contract are such as to retard the settlement of the country, then I say this contract ought not to be affirmed. Under the Allan contract, the surveys were to be paid as part of the subsidy; under this contract the Government pays the cost of the surveys. Under the Allan contract the Company got the right of way over the lands, and the right of way only; under this contract the Company get a great deal more—they get their roadbed, the lands for their station-houses, the lands for their workshops, the lands for their dockyards, and lands for other appurtenances. As if the Government had not given them enough under specific terms, the Government added another clause to give them other appurtenances, and that without limit. There is no limit to the quantity of land they are to get for these purposes; and yet, hon. gentlemen tell us, and it was stated in the country by the hon. Minister of Railways, that this is a better contract, by far, than the Allan contract. Besides all this, there are many things in this contract that were not in the Allan contract at all—things which my hon. friend from Richmond and Wolfe forgot to mention. In the Allan contract there was nothing said about admitting to the country all the supplies required for the road and all the materials used in the road free of duty. In the eyes of my hon. friend this may be a small matter, but in the eyes of the Syndicate it amounts to exactly $5,000,000. In the Allan contract there was no monopoly of the right to construct branch roads south of the Pacific Railway. The monopoly of the carrying trade was not in the Allan contract; here it is, and here in such a way that even the power of Parliament cannot rectify the wrong if this contract receives the sanction of Parliament. Hon. members opposite do not think this of much importance. I think if they sit down and figure it out they will find it of very considerable importance. The lands were not exempt from taxation in the Allan contract, nor were the rolling stock and capital stock; they are all exempt from taxation in this contract. Under the Allan contract the company had not the power to select the land wherever they saw fit; the Government had a voice in the matter. Here the Company select where they see fit; the Government have no voice in the matter; and yet the Minister of Railways says in Parliament, and out of it, that this contract is far superior to the Allan contract—that it is the best that has been laid on the Table of the House or proposed to Parliament, and he appeals to his followers to-day, and his followers heartily respond, and say that it is the best contract ever submitted to the House, when a fair comparison of the two contracts would convince any disinterested man that the terms of the Allan contract, bad as they were, were not as bad as the terms of this contract. But that is not all. The hon. gentleman goes a step further, and says that the terms of this contract are not only superior to the terms of the Allan contract, but to the proposals submitted to Parliament by the hon. member for Lambton, and embodied in the Act of 1874. If that were true, and I submit to the House that it is not true, it would afford no justification for the proposition which the Minister of Railways has submitted to Parliament. Let us for a moment compare this contract with the proposition made by the hon. member for Lambton, and bear in mind that they were only propositions—propositions submitted to Parliament under the Act introduced by the hon. member for Lambton. His Government took to itself the power of constructing this railway in the way pointed out in the Statute, but they were merely propositions after all, not of a binding character as these are. We are told we have to accept these as they stand, good, bad or indifferent; no modification, no changes. Good or bad, we have to accept them. Let us for a moment compare this contract with the terms of that Act, and see if the hon. gentleman's statement is correct, that this is the better of the two. Now, let us take the very first ground presented in all the schemes— the standard of the railway. It may be said this is a matter of small importance, but I say it is a matter of prime importance, because, if you take the standard of the Union Pacific Railway, on the 10th of May, 1869, and give us a road of that character, then you have an inferior road—a fourth-class road. Take it as it was in 1873, and you have a road somewhat better, but still a bad road; take it as it was in 1874, and it is somewhat better still, but by no means a good road; but between the 10th of May, 1869, and the 1st of October, 1874, the Union Pacific Railway Company spent upon their road something in the neighborhood of $10,000,000, to make it anything like a road, that freight and passengers could be carried over with any degree of safety or promptitude. Therefore, it is important that the period when the Union Pacific Railway was first constructed should be already settled, in order that we may understand the kind of road we are getting. It is important, especially in view of the fact that the other portions of the road that are being constructed by the Government are to be first-class roads—that this road, for which the country, in my judgment, is paying an enormous sum of money, should be something more than a fifth-class road, should be better, at all events, than the Union Pacific Railway was on the 15th of May, 1869. Therefore, if I take up sometime in discussing this standard, it is because it is important and I wish to impress its importance upon the House and country. In the Act of 1874, section 6, the following provision is made:—

"The grades of the railway and the manner and the materials of and upon which the several works forming part thereof shall be constructed and the mode of working the railway, including the description and

capacity of the locomotive engines and other rolling stock, shall be such as may be determined by the Governor in Council."

Sir, there the Company have not a word to say, not a syllable. They are not made the sole judges. The Union Pacific Railway is not adopted as the standard; it is left entirely to the Governor in Council, in other words, to Parliament, in other words to the people of the country, to whom Parliament and the Government are responsible, and the mode of construction, the materials to be used, the kind of road to be built, the rolling stock to be used on the road, are all in the hands of the Government in Council. Here there is nothing of the kind. The Government in Council have not a word to say in the matter. Their mouths are closed, their hands are tied, and it is left entirely in the hands of the Company—practically, absolutely and substantially in the hands of the Company—to say the kind of road they are to give us for the enormous concessions we are making to them. And yet, we are told by the Minister of Railways and the member for Richmond and Wolfe, and the Minister of Public Works, that this is the best contract that was ever submitted to Parliament; that it is better than the proposition submitted in the Bill of the member for Lambton, and better than any other proposition presented to Parliament for the building of this great trans-continental railway. Is that all? No. The Minister of Railways tells us it is the best contract Parliament could possibly make. How does he know that? How does the House know it? Did he give the country an opportunity of judging whether it is or not? Did he give contractors an opportunity of tendering for the work, or of coming to the Government and saying, we will undertake its performance? Let us know your propositions—your concessions. Not at all. Secretly, behind the back of Parliament and without the knowledge of the people's representatives, the hon. gentleman signs this contract and affixes his official seal, without the authority or sanction of Parliament. He contents himself by telling us it is the best contract ever submitted to Parliament and the best the Government could do. How do we know that? The Government has refused the people's representatives in Parliament, and the people themselves an opportunity of pronouncing upon the character of the other proposals and schemes. They refused to give us material upon which an opinion could be formed. They simply asked us to take their word that this was the very best bargain that could be made. So far as I am concerned, though in some things I may have faith in the hon. Minister of Railways, on this question I have very little faith in him. I want to have the material before me on which to form an opinion. But the Government refused to give the people, refused to give the representatives of the people, an opportunity of judging whether or not this was the best offer that was made and the best bargain that could be made. The Government refused to submit it to the people. They refused to submit their scheme to public competition. They did not tell the public, as they ought to have told the public: "We want to build this railway; there are our grants; here are our concessions; give us a tender for the contract." No; the hon. gentleman enters into a secret contract with this Company, and then boldly asks Parliament to ratify his action. Not so did the hon. member for Lambton discharge his duty to the public. Under the propositions of the hon. member for Lambton, the case was entirely different. The lands were to be set apart, but without the exemption privileges and advantages given under this contract to the Company; and above all, the public were to have an opportunity of judging in regard to the work, because he provided in clause eight, sub-section one, that every contract should be submitted to tender. If that had been done here, we should not have the same ground of complaint. It does not rest with the hon. Minister of Railways to say this is the best that could be done when he did not give the public an

opportunity of tendering for this work on the basis of the subsidies, grants, advantages, privileges, immunities and franchises given under this contract. Under the proposition made by the hon. member for Lambton, it was provided that the lands should be in alternate sections of twenty square miles on the line of railway, or at a convenient distance therefrom, each section having a frontage of not less than three miles nor more than six miles on the line of the said railway, that two-thirds of the quantity of land so appropriated should be sold by the Government at such prices as might, from time to time, be agreed upon between the Governor in Council and the Company, the proceeds thereof to be paid to the Company; the balance of the land to be conveyed to the Company and the land to be of a fair average quality; and when sufficient quantity could not be found in the immediate vicinity of the railway, as much as might be required to complete such quantity, to be appropriated at such other places as might be determined by the Governor in Council. Now, there were important advantages and important reservations under these terms. In the first place, the Government reserved to themselves the control of two-thirds of those lands, the power of selling those lands, proceeds to be handed to them, and thereby had the power of encouraging immigration. They did not hand those lands over absolutely to a company, and they did not, above all things, give a direct inducement to a company to hold those lands from public occupation for a period of from twenty to to forty years, by exempting them from taxation, as is done under this contract. More than that. They provided that if the lands the company were to get could not be got within the railway belt, they were to be selected elsewhere by the Governor in Council. Had the Governor in Council a word to say on the subject under this contract? Not a word; and bear in mind that under the terms of the hon. member for Lambton's proposal, the Governor in Council was to be the sole judge as to where these lands were to be selected, while under the present contract they are absolutely left to the unrestricted choice of the Company, and not only that but the lands are to be conveyed to the Company with the direct inducement to hold them until, by the industry of the settlers of the North-West, they will have become immensely valuable. Under the proposal of the hon. member for Lambton there was protection for the settlers; under this, the Governor in Council abnegate their functions and hand over to this irresponsible Company the management, sale and prices of these lands. Yet the hon. Minister of Railways, with the coolness and apparent sincerity which so distinguish his utterances in this House and on the public platform, tells us this is the best contract ever submitted to Parliament, far better than either the Allan charter or the propositions made in 1874. On referring to the propositions of 1874, you will find another important element in the carrying trade of the world dealt with, to my mind, one of the most important elements open to discussion in connection with this matter, namely, the rate of freight for passengers, and goods. How was that disposed of in the Act of 1874. In clause 8, sub-section 8, the following language is used:—"The road when completed to be the property of the Company, but to be run under such regulations as may, from time to time, be made by the Governor in Council, as regards the rates chargeable for passengers and freight, the number and description of trains to be run and the accommodation to be afforded for freight and passengers." Under the present contract, the rates for both passengers and freight are left completely under the control of the company. The only provision on this subject is that neither the Government nor Parliament can interfere until the Company have, at all events, realized out of the net earnings at least ten per cent. on the cost of the road. We know what that means. It

means that the Company can exact from the public rates up to at least $10,000,000 before Parliament can interfere, and we are told by the hon. Minister of Railways, the hon. member for Richmond and Wolfe (Mr. Ives) and the hon. Minister of Public Works, that, notwithstanding this clear point of divergence between the two proposals, this is the best that was ever submitted to Parliament. Another proposition contained in the Act of 1874, not in the present contract, is of the first importance in dealing with the question, that is the right reserved by the Government to acquire the road at any time. The Bill of the hon. member for Lambton provided that the Government could purchase the road or any part of it on payment of the cost of the road and ten per cent. less the money subsidy and the proceeds of the sales of the lands; and if these lands are as valuable as we now say they are, and as we would believe they are—if they are worth $5 an acre, as I believe they are—then, under this wise provision, the Government would ultimately not only acquire the road, but after charging against the cost of the road and the ten per cent., the money subsidy and the price realized for the land, there would be a balance coming to the Government. But in the contract now before the House, it is not only proposed to give the Syndicate the land and the money, but to hand over to them the road itself absolutely without reservation, without control or limitation, or the power of purchasing. The Company may harass the people of the North-West, they may exact extortionate or exorbitant rates; and the Government are powerless. More than that. Under the proposition of the member for Lambton the Government had power to suspend the work on any portion of the road; but there is no such provision in the bargain now before the House. It was provided in the scheme of the hon. member for Lambton that the costs of the surveys, which are now estimated to be $3,500,000, should be part of the subsidy; but under this contract, in addition to all the other grants and privileges which I have pointed out, the cost of the surveys is to be paid by the Government. And over and above all this, the hon. member for Lambton did not propose that the materials used in the construction of the road were to be admitted free of duty; he did not propose that the Company should have a monopoly of the carrying trade of the North West, he did not propose that they should have untaxed all the lands required for road-bed, station and station ground, or water frontage; he did not propose that the plant, the capital invested, should be exempt from taxation for all time to come; he did not propose that this gigantic monopoly should have the selection of the best lands in the North-West Territories. I think that anyone who makes an honest comparison between the two schemes must candidly admit that, while in the Mackenzie contract there was some protection for the country, some safeguard for the people, in the present contract there are none. Sir, I now desire refer to another argument employed by the hon. Minister of Railways, an argument which I think was scarcely a fair one. The hon. gentleman in discussing this question, makes no allowance for the difference in the condition of affairs between 1874 and 1880, for the increase in value of the lands, and the general development of the country between 1873 and 1880. In 1873 there was no access to the country; the St. Paul and Manitoba Railway was not constructed, and not a dollar had been expended on the road between Thunder Bay and Selkirk; and outside of what is now the important City of Winnipeg there were scarcely any settlers other than Indians who roamed over the plains. And when we have spent enormous sums of money in acquiring the country to getting access to it, and developing its services and making the land valuable, we are asked to hand over all these benefits to an independent company irresponsible to Parliament. Why should not the country receive the benefit of the increased value of the land, when that increased value is the result of the expenditure of the people's money? I now wish to touch for a moment upon some of the objectionable features of the contract. The hon. member for Richmond and Wolfe (Mr. Ives) said, in dealing with this branch of the subject, that he would touch lightly upon some of these features. I commend the hon. gentleman's discretion in deciding to touch them lightly, for I think it would be scarcely safe for him to touch otherwise than very lightly upon such extraordinary propositions. And first, there is the question of standards. I know there is a difference of opinion upon this subject, as to the time and mode of construction, and it shall be my endeavor, if possible, to set that difference of opinion at rest. Why, let me ask, should there be any doubt upon a question of such importance as this? Why, in the preparation of this contract, was there any room left for doubt? It is said by one hon. gentleman that it is the Union Pacific as it was on the 1st October, 1874, that is to be the standard of construction for this road, while another hon. gentleman says that the standard is that of the Union Pacific as it was when first constructed, namely, on 10th May, 1869. Why, I repeat, should there be any room for doubt upon the matter? Surely the hon. Minister of Railways could have selected out of his own exhaustless vocabulary a few plain words, which, if they had been inserted in this contract, would have settled the matter beyond a doubt. I assume that the hon. Minister of Justice had something to do with drawing the contract, as it naturally belongs to his department—though on the face of it, I must say, it bears little evidence of having been drawn by skilful hands—why could not he have chosen a few simple words from his more limited vocabulary which would have set the matter at rest, and avoided long discussions in Parliament, and long and expensive litigation before the Courts, in order to settle what period of the Union Pacific was meant by the words "when first constructed." But to show the utter carelessness, the wanton recklessness with which the Government appear to have entered into the bargain, allow me to point out that the Minister of Railways himself did not know what was in the contract, and was ignorant of what he was committing the country to. He assumed, in the first place, that the standard of the road was the same as that provided for in the Allan contract, and it was only when he was brought to book for so assuming, contrary to the fact, by the hon. member for West Durham, that the Minister in charge of this great work discovered that the road was not to be built upon that standard, but by a much inferior one, namely, the Union Pacific road as it was on the 10th May, 1869. But why could not the hon Minister of Railways, with his usual astuteness, have made the Union Pacific, as it was in 1874, the standard by which this road was to be built? I by no means admit that the Union Pacific at that date was a good road, or that it would be a safe and proper standard, but surely the difficulty could have been got over by a few simple words, stating clearly what the real standard was to be. The hon. member for North Victoria (Mr. Cameron) said that the Union Pacific, as it was in 1874, must be taken as the standard, but this is clearly not the case; but the Minister of Railways should have put the matter beyond controversy. That he does not do. He does not say the Union Pacific Railway as constructed or as finally completed, shall be the standard, but he uses the words, "the Union Pacific Railway as first constructed," and that, in my judgment, puts the matter beyond the shadow of a doubt, and you must go back to the railroad when it was first constructed, and that was in May, 1869. Now, I propose to show that the words the hon. gentleman has used in this contract brings us back to the 10th May, 1869, at which time the Union Pacific was first constructed, and we must take that road, at that time, as the standard by which the Canadian Pacific Railway is to be built. It is known by those who have examined the matter that in 1862 and 1864, the United States Government

made grants of land and money to the Union Pacific, the Central Pacific, and the Southern Pacific Railways; that these grants involved considerable expenditure, $16,000 a mile, from Omaha to the base of the Rocky Mountains; $48,000 a mile for the 150 miles through the Rocky Mountains; $32,000 a mile for the road located between the Rocky Mountains and the Sierra Nevada Mountains; $48,000 a mile for the 150 miles through the Sierra Nevada Mountains. Congress by the same Act donated 12,800 acres per mile for the construction of these roads. A reference to the Act of Congress will show that these companies were entitled to get their subsidy in money and lands as each section of twenty miles was constructed, and that Congress had the power of appointing Commissioners to examine and report upon the kind of road they were getting; and as soon as these reports were handed to Congress, the money and the land subsidy were handed over to the companies. The public documents of the United States show that on the 23rd of November, 1868, the Commissioners appointed by Act of Congress to examine and report upon the Union Pacific Railway from Omaha, 890 miles westward, reported as follows:—

"That they append to the report a table of the distances between stations now constructed."

And at that time, according to their report, there were 890 miles constructed out of the 1,038, the real length of the Union Pacific Railroad. The Commissioners further say:

"We will repeat here that the west-end of the track as we found and have considered it, is at the junction of Muddy Lake and Black's Fort, 190 miles from Omaha. We are aware the Railroad Company had not reported then the last 90 miles as ready for examination by the regular Government Commissioners."

You will find that on the 29th of January, 1868, the President of the Union Pacific Railway presented to Congress, as he was bound to do under the Act of incorporation, his report on the progress and condition of the road. Among other things he reported that the earnings of the road up to the 30th of December, 1867, were $1,864,000. If the road was not constructed there could be no earnings. But it was then in running order, for the President of the Railway reported that $5,360,000 of United States bonds had issued that year for 335 miles of the road completed that year. On the 9th of March 1871, the President of the Union Pacific presented the financial report of that railway in which he stated:—

"That $5,360,000 of United States bonds had issued that year for 335 miles of the road completed; and that they had received seven per cent., bonds secured by mortgages on 12,000,000 acres of land."

Now, under their Act of incorporation they could not receive this money until the road was finally completed and taken off their hands by the Government. The President further reported that up to that time they had sold 292,900 acres of land, but under their charter they could not acquire the land, and of course could not sell it until the road was completed. Poor, in his "Manual of Railways," says that the road was completed on the 10th May, 1869, to the junction of the Central Pacific Railway,—on the 10th May, 1869,—when a continuous line across the continent was formed. I hope that the gentlemen on the other side of the House are now satisfied that the Union Pacific Railway, from Omaha to the junction of the Central Pacific Railway, was completed on the 10th of May, 1869. If they are not, I will give them further evidence. In the American Railway Manual of 1873, page 540, it is stated:

"Work was commenced in 1863, but the difficulty of procuring labor and material at that time seriously interfered with the progress of the contractors, and it was not until 1865 that the grading and bridging of 100 miles was completed, and the iron laid from Omaha to Fremont. After that time the road was open for traffic from point to point, with much greater rapidity than had ever been known before in the history of railways."

Mr. CAMERON (Huron).

In 1866, 265 miles of the road were completed; in 1867, 245; in 1868, 350 miles were completed; and in May, 1869, a junction was effected at Ogden with the Central Pacific Railway, forming a continuous line between the Atlantic and the Pacific of 1,038 miles. Are hon. gentlemen now satisfied that this road was first constructed on the 10th of May 1869? Are hon. gentlemen yet satisfied? No! Well I will try to convince them still further. My hon. friend from Victoria, who is an able lawyer, I suppose will be satisfied with the judgment of a court of last resort upon the subject. I hold in my hand one of the last volumes of the reports of the Supreme Court of the United States, where this point is discussed, and where, by a solemn judgment of that Court, the question is settled, and settled beyond a peradventure, that the Union Pacific Railway was first constructed on the 10th of May, 1869. The question arose in this way: Under the terms of the charter, and in consideration of the land and money subsidy, that company was bound to pay 5 per cent of the net earnings of the road to the United States Government to recoup them for the money advanced and the land granted. They were bound further to carry troops and munitions of war over that road for one half the ordinary price. In 1878 the railway company brought an action against the United States Government to recover a large sum of money for transporting troops over their road. The United States Government set up by way of defence, a claim by way of a set-off for 5 per cent. on the net earnings of the road to which they were entitled, under the charter, from the 10th of May, 1869 to 1874; and the company resisted that application on the ground that the road was not constructed until October, 1874. The matter first came up before the Court of Claims, and the Judge of that court decided that the road, having been finally completed on the 10th day of May, 1869, the Union Pacific Railway Company were bound to pay to the United States Government five per cent. on the net earnings of that road from the 10th of May, 1869, to the time the action was brought. As this is a question of the first importance, I am going to trouble the House by reading a clause or two from the judgment of the Court, in order to satisfy hon. gentlemen that this matter has been finally settled and carried beyond the region of discussion by a solemn judgment of the Supreme Court of the United States. The Judge says:

"In one sense, a railroad is never completed. There is never, or hardly ever, a time when something more cannot be done, and is not done, to render the most perfect road more complete than it was before. This fact is well exemplified by the history of the early railroads of the country. * * * "

"In the present case, we have for our guidance several clauses in the charter of the Union Pacific Railroad Company (the Act of 1862), in which the terms referred to are used, as well as the Acts of the parties in reference thereto. One of these clauses is in the fourth section of the Act, which contains an engagement on the part of the Government to grant certain sections of land to the company on the completion of a certain number of miles of its road. * * * "

"Reading these sections together, it seems hardly possible to conceive that the road 'completed,' in the last clause of the sixth section, has any other or different meaning from that which it has in the fourth and fifth sections; or that the five per cent. of the net earnings should not be demandable by the Government as soon as the whole line was completed, in the same manner in which any forty (or twenty) miles was to be completed in order to entitle the company to bonds. This conclusion is so obvious and self-evident that it hardly needs a word of argument to maintain it. * * * "

"The last affidavit, relating to the completion of the last section of the road (and indeed extending some fifty miles beyond the point of division, finally agreed upon between the Union and Central Pacific and Railroad Companies), was made on the 13th of May, 1869, and was in the words following:—'Oliver Ames, being duly sworn, deposeth and saith that he is President of the Union Pacific Railroad. And in pursuance of the requirements of Sect. 4 of the Act of Congress, approved July 1st, 1862, entitled: 'An Act to aid in the construction of a railroad and telegraph line from the Missouri River to the Pacific Ocean,' &c., he now states, under oath, that another section of eighty-six miles, commencing at 1,000 mile and ending at 1,086 mile post, was completed on the tenth day of May, 1869, making in all 1,086 consecutive miles of said road, beginning at the initial point on section 10, opposite western boundary of the State of Iowa, as fixed by the President of the United States, and ending at a point 1,086 miles westward therefrom on the line designated by the maps of the said company, on file in the

Department of the Interior, that have been completed and equipped in all respects as required by the Act referred to, as he is informed by the engineer charged with the construction of said line, and as he verily believes to be true. * * * "

"The Court of Claims finds, as a matter of fact, that 'on the 10th of May, 1869, the last rail of the claimant's road was laid, and about a week afterwards the road was opened over the entire length to public use for the transportation of passengers and freight, and for the service of the Government; and this service was from that time forward performed continuously. * * * "

"Similar reports were made by the Secretary of the Interior, as the successive sections were completed and reported on by the Commissioners, down to and including the 9th day of February, 1869, and were severally approved by the President, and the company received the subsidy bonds of the Government in accordance therewith."

Judge Strong of the Supreme Court says:

"I concur with the majority of the court in holding that the railroad was completed, within the meaning of the sixth section of the Act of 1862, on the 6th day of November, 1869. I concur, also, in the definition of 'net earnings,' as the term was used in that section."

Here is a solemn judgment of the Supreme Court of the United States, holding that this road was completed in 1869, and yet the hon. Minister of Railways asks us to believe that it was not completed until the 1st of October, 1874. If that is the case, why did not the hon. gentleman set all these doubts at rest by inserting a clause to that effect in the contract? It is practically admitted by hon. gentlemen on the other side, that the Union Pacific Railway of 1869 was not such a road as we should get for the money and land we are giving; and so, in order to let themselves down easy, and to satisfy their grumbling followers and the grumbling country, the Government have stated, through the public press, and, I think, the Minister of Railways made the same statement, that they have a letter from the Syndicate acknowledging that the standard meant in the contract was the standard of the Union Pacific as it was in 1873. Is that document under the hand and seal of every member of this Syndicate? Is there such a document in existence? The hon. Minister of Railways finds that he has made a mistake, and he tries to correct his mistake by affirming the existence of this new official document. If the standard of the railway is to be the standard of the Union Pacific of 1873, this contract must be changed so as to make it agree with the new standard which the hon. gentleman has adopted, before it can be ratified with safety by Parliament. If we ratify the contract as it stands, the courts, when called on to interpret this contract, will not read the private letter of any member of the Syndicate in order to put a legal interpretation on the terms of the contract. They will base their construction of the contract on the contract and the Act of Parliament based on the contract just as they stand, and it is folly for the Minister of Railways to fancy that he can get rid of the effect of the words used in the contract by avowing his possession of a letter written to him by some member of the Pacific Syndicate before the ratification of the contract, varying the terms of the contract. I take it, therefore, that we must deal with this question just as it is now submitted to Parliament; and if the Union Pacific Railway as constructed in 1869 is to be the standard, let us see for a moment what that road was at that time. It is admitted on all hands that then the road was defective. I will show that it was bad in every sense, and that by documentary evidence. In a report of the Chief Engineer of the Union Pacific Railway, presented to Congress on the 1st of May, 1868, after 890 miles of the road had been completed and received off the hands of the Company by the Government of the United States, he states that for 22 miles the grades of the road were 60 to 70 feet to the mile, that for 24 miles the grades were from 70 to 80 feet to the mile, that for 18 miles they were 80 to 90 feet, and for some other portions 90 to 100 feet, and that for a certain other portion they were 100 to 116 feet per mile, and yet that is the road that we are expected to take in consideration for these enormous grants and other concessions that we are to make to this company. That is not all. After this road was taken off the Company's hands, a Commission was appointed by the United States Government to investigate and examine the condition of this road. On December 21st, 1869, they reported that the road-bed in many places was too narrow, several of the bridges were too light, especially in their suspension rods, and that they were utterly unfit for the transport of heavy trains; that the tunnels were arched with wood work, and would have to be replaced shortly; that the ballasting in many places was defective, that the grade for sixteen miles was 80 feet to the mile at a place called Eagle Canyon, at Hazard Point 80 feet to the mile, at Bufort there were six miles 80 feet to the mile, at Bitter Creek the grade was 90 feet to the mile, at Echo Canyon and down to the valley of the Great Salt Lake 90 feet to the mile; and yet, Sir, this is the kind of road that the hon. gentlemen on the other side of the House are willing that the country should get as the great Pacific Railway. The Minister of Railways will still further find, in the condensed American Encyclopedia, page 219, a statement to the effect that the "gradients do not generally exceed 80 feet in the mile," very moderate indeed, "though in one instance they reach 90 feet in the mile, and in one instance 116 feet in the mile." That is not all. Another Commission was appointed by the United States Government, to investigate and report on the condition of that road, of which one of them, a Mr. Brooks, was the Government Director of the Union Pacific Railway. It is charged that the Government Director and others of the Commission were bribed to make a favorable report on the condition of the Union Pacific Railway, and that their report could not be relied upon, yet even that report says that the road was defective in construction and defective in the nature of the materials used. Another Commission was appointed by the United States Government, and that Commission in their report to Congress pointed out what would be required to put the road in anything like an efficient condition, and make it anything like a second class road. To change the position of the line and diminish the curvature, would take $200,000; completing embankments, $240,000; reducing the grades, $525,000; ballasting the road, $910,000, and so that Commission goes on pointing out the defects of the road, and what it would take to remedy them, until the total amount is given at, $6,489,000, before the road would be fit for its ordinary traffic. Now, I ask is it fair to the House and the country to take such a road as the standard after which the Canada Pacific should be built, a road for which we are giving such vast sums and enormous concessions? But that is not all. Rumor alleges that the Government have selected another standard now—that the Union Pacific Railway, as it stood in 1873, is to be the standard, and not as it was in 1869. I am prepared to show by the official documents submitted to Congress, that the road in 1873 was not an efficient one. But it does not rest in the mouth of the Minister of Railways to say, that the Union Pacific Railway as it was in 1873 is the standard, because he has already by this contract taken the Union Pacific as it was in May, 1869, when first constructed, as that standard. The United States Commissioners reported on 2nd December, 1874, that it would require $529,100 to put the railway track and ballasting in anything like good condition. This period is one beyond the time mentioned in the contract or in the private letter to which I have referred. At the time mentioned in the report, $529,100 was required to put the railway track of the Union Pacific in good condition, but in December, 1874, the company had not spent one dollar for that purpose. According to the same report it required $551,000 to put the bridging in good condition. The company expended for that purpose but $307,000 up to December, 1874, leaving a deficiency of $243,000 required to be thus spent. The Commissioners further reported that between the 1st January, 1874, and the close of August,

1874, that is after the period fixed for the adoption of this road as the standard, 55 miles of 58 lb. rails were relaid, the cost of the rails and their transportation having been $271.552. Within the same period 567,307 and 47,892 hardwood ties were laid at a cost of $260,000. Thus, between those dates the company, in order to make the road even fairly passable, had to spend nearly two millions in replacing inferior with suitable ties, and making the road fairly passable. Further, between 1st January and 22nd December, 1874, ten bridges had to be changed at an enormous cost. Then, as to the condition of the road between January and December, 1874, we have it stated in the same report that the additions to the rolling stock, locomotives, and so forth, amounted to $116,750, the cost of six second-class passenger cars built at Omaha reaching $21,000. So, if the Minister of Railways will take the trouble to refer to the reports presented to Congress and printed by it, he will find that, in 1873 this Union Pacific Road, which is to be the standard of the Canadian Pacific, was wholly unsuited to the traffic intended to pass over it. Sir, this is not all I have to complain of in the first clause of the contract. How does the hon. gentlemen undertake to settle difficulties or dispute if one should arise between the Company and the Government, after the road is constructed? What machinery does he employ? Does he invoke the powers of the Courts? Does he say that, if a dispute should arise as to the kind of road to be constructed, as to whether the Company have complied with the terms of the contract or not, that dispute shall be settled, as all disputes should be, by the law courts of the country? The hon. gentleman has, in the city of Ottawa, a court created practically for the purpose of settling disputes of that kind. Does he invoke its power in case of any dispute under this contract? Not at all. An arbitration, of all things in the world, the hon. gentleman has provided to settle such disputes. We have had a little experience of arbitrations during the past year or two, and know what the country has suffered by them. The arbitrators are to be thus selected: One of them is to be appointed by the Company, another by the Government, and a third by the two so appointed. We know perfectly well what that means, and who, and to what nationality the majority of these arbitrators will belong. This American Company will select an American as their arbitrator, and the chances are ten to one that the third arbitrator will be an American also. We know that all kinds of influences are brought to bear on the Administration of the day, no matter what Administration may be in power, to secure certain results. We know that every witness and every expert brought before the court so constituted for the purpose of settling difficulties that unquestionably will crop up between the Government and the Company, must necessarily be an American, because nobody else knew anything about the Union Pacific Railway in 1869. With a court so constituted, with the kind of evidence we must rely on, and with the Government handicapped from the outset, I want to know what the chances are in such a contest for the Government getting fair play or justice. We know, from the experience of the last two or three years, that great power and pressure are brought to bear constantly on the Government to induce it to do things no Government ought to do. We know that in the United States, in similar circumstances, not only courts so constituted but the high courts of the United States, were charged with being influenced by the pressure brought to bear on them from without in contests between the Government and these gigantic corporations. I will read to you the opinion of an able American on the danger of submitting to courts so constituted the rights of the people or the rights of the Government in the case of disputes between the Government and these corporation, wielding immense power and having millions of dollars at their disposal. A dispute arose between the New York Central Railway and the United States Government, with respect to carriage and transportation during the American Civil War. That dispute came up before one of the American Courts. What did the New York Central Railway Company do? They took care to have the case tried in one of the courts of the State of New York, and employed as counsel, one of the most prominent men in the State—a man that made judges there as hon. gentlemen opposite made them here, or as this Syndicate will make them, under this clause I am now discussing. They brought Senator Conkling down to argue their case before a court, created by himself and the Judge of which was named by himself. The American writer says:

"During the war, our Government, under the then existing tax-laws, collected from the New York Central Railroad about half a million dollars. The railroad company claimed this was unauthorized, raised certain legal points, brought suit to compel the Government to refund the amount, employed Senator Conkling as counsel, and was successful. The bearing of political influence upon this case was so obvious that it was commented upon at the time by several newspapers—among others by the Utica *Observer* as follows:—'Now, when Mr. Conkling went down to Canandaigua to try this railroad case, he carried with him a greater political influence than any other man in our State wields. He appeared before a Judge whom he had elevated to the Bench only a few months before. He confronted a District-Attorney who could not hold his office for a day if Mr. Conkling should demand his removal. He secured a verdict which the jury was forced to render by the rulings of the Judge. Under that verdict the railroad recovers a round half million, which it might have lost but for its shrewdness in employing the right man to prosecute its claim.'"

I commend the railway company for their shrewdness in employing the right man to prosecute their claims; but do hon. gentlemen opposite suppose that when vast interests are involved before this arbitration, this powerful Syndicate will not resort to the use of just the same manœuvres and the same tactics as were resorted to by the New York Central Railway? They may not have Senator Conkling to argue their case before this arbitration, but they will employ others possessed of similar influence to argue their case, men who have ready access to the powers that be, men who are entrusted with the rights of the people, men who owe a double allegiance—one to the country and one to themselves; and we know from the experience of the last two years in connection with these contracts, to which side their allegiance will be given. I ask again what expectation we can have that the Government will receive justice in a contest with the Syndicate handicapped as they will be under this contract, and with the political pressure and financial power this company will wield. There is another point to which I wish to draw the attention of the House. As I understand the terms of this contract—I may be mistaken in reading them, because some of them are very vaguely and loosely worded—the Syndicate have the practical monopoly of the construction of all railways south of the Pacific Railway, starting at or near it and running in any direction except southwest or westward of south-west, and then such railway must not run within the fifteen miles of the international border. This is a practical prohibition for twenty years upon legislation in this direction. The hon. Minister of Railways has practically undertaken to tie the hands of this Parliament, and to tie the hands of our successors for twenty years, in respect to the construction of railways in the direction I have indicated. Why, the hon. gentleman ought to know that he cannot do this. It may as well be understood at once that, if the Bill passes, the next Parliament that meets may repeal it. The next Parliament may cancel this contract and repeal this Act, but the hon. gentleman does not consider this. He is so wild and extravagant in his views that he undertakes, in so far as he can, to tie the hands of Parliament for the next twenty years, and practically for that time prohibit all railway legislation, without pausing to reflect that if another Parliament, looking at matters in a different light from the present, actuated by higher and different motives, should consider it in the interests of the country that there should be free trade in railway matters, that there should be competition,

and should they see fit to repeal the Act of Parliament and annul the contract, as has been done in the Mother Country, they have the right and the power so to do, what would be the inevitable result? The hon. gentlemen knows, and, indeed, he has hinted, what the result would be—a claim for damages. The hon. gentleman, perhaps, recollects what took place with regard to the Scottish Church. He knows that before the union of England and Scotland in 1704, the Scottish Church was established by law, and had a right to the patronage and the livings in Scotland. He knows that before 1690, by a contract entered into between the Government and the representatives of the Scottish Church, a contract, lay patronage was practically abolished, and the power of presentation to livings placed in the hands of the people. In 1690 an Act was passed by the Scottish Parliament confirming that agreement; and, after the union, so jealous were the Scottish people of the rights they had acquired under this contract and Act of Parliament that they induced the Imperial Parliament to pass an Act confirming that contract, the language used in the Act being that the Act should remain unchanged and unchangeable for all time to come. But the hon. gentleman knows that five years afterwards the Imperial Parliament, with new light on the subject and taking a different view of things, repealed that Act, notwithstanding the strong language employed in it. The hon. gentleman tables a contract; he asks Parliament to ratify it; he provides, by his contract and bill, that the hands of Parliament shall be tied for 20 years to come, though he knows perfectly well that Parliament may at any time repeal it, and without making any provisions for the contingency—the hon. gentleman knows what would be the consequence if it were repealed? An application to Parliament for damages by the Syndicate; and we all know what means and instrumentalities these companies use to accomplish their purposes. Perhaps they may appeal to the ears of a friendly arbitrator, and we know well how such cases are usually conducted, and how far arbitrators protect the interests of the Dominion; or perhaps they may appeal to the law courts of the land, and that means that we must pay exemplary damages, because we violated the absurd terms of a very absurd contract. There is one way of escape. Let us reject this contract, or, if this contract must pass, pass it shorn of its most objectionable, some of its most obnoxious features. There are one or two other points to which I wish to refer, though they have been touched upon by hon. members and notably by the hon. member for West Durham, who has dealt with them in his usual lucid and able manner. I am quite satisfied that if this contract goes into effect, the Syndicate will acquire powers which will be injurious to the best interests of this country. Not the least of these will be the powers they will acquire over the carrying trade of the country. We are practically creating—the word may be a disagreeable one to use—a huge and gigantic monopoly. We are giving these gentlemen rights, powers, privileges and franchises, such as, I venture to say, were never granted by this or any other Parliament. We are giving them rights which no private company should have, rights which it is dangerous for any company to possess; we are creating a monopoly which may possibly work serious injury to the well-being, I am sure it will to the prosperity of this country; and we should be very careful and very cautious before we invest a corporation with such enormous powers. I do not say that they will use these powers at once, but we are paving the way for their ultimate use; we are putting them in a position to exercise these powers at any moment, to oppress the people of the North-West, and make every foot of land in that territory pay tribute to them. We are preventing ourselves from incorporating other companies to build competing lines; we are handing a great railway over to a rival American company, and preventing any other company from building a road within fifteen miles of the boundary line; and we are doing all this for the sake of relieving the Government from the responsibility of constructing the balance of the road, and keeping under our own control our own money and our own lands. We are asking the people of the Mother Country, the denizens of the teeming cities of Great Britain, and of the continent as well, to emigrate and settle in the North-West. To that, I have no objection; I think public money could not be better expended than to induce immigration. We are telling them in plain English: We do this for the purpose of improving your position; we settle you in the fertile prairies of the North-West, and give you homesteads there. We send you up to the Turtle Mountains, and away beyond the Saskatchewan; and we do all this for your prosperity, but when we do all this we tell you that for the next twenty years you cannot have a railway there unless by the grace of the Syndicate; you cannot help yourselves, and you cannot ask the Government to help you, because for twenty years we have tied up our hands and the hands of the Government of Canada, and we cannot permit the construction of any railway that will compete with that of the Syndicate. We are doing a great wrong to those people; we are inducing them to leave their homes and settle in the North-West, and when we get them there we give them no outlets, and we compel them to pay every cent of municipal and provincial taxation. We allow the Company to select the best land in the whole territory, and the Government has nothing to say in the matter; we exempt them from all taxation, but the emigrants we induce to settle there pay every farthing of provincial and local taxation. This Company and all their property and land, stock, and roadway, with all their appurtenances, are exempt from taxation for all time to come. We are inviting emigrants to settle our boundless prairies and then telling them: You must pay the taxes to keep up the Provincial and Local Governments; you must build the roads and construct the bridges, but the poor Syndicate must pay nothing, they are altogether exempt from taxation. Every December the tax collector will call on the farmer there, but he dare not call on the Syndicate. And so, we are building up a gigantic monopoly; we are giving them huge privileges that no corporation should get. We are doing more than that. We are giving them all these privileges and advantages that they may be in a position to harass and oppress people we are sending there, and in addition to all this, we are giving them practically the carrying trade of the North-West for all time to come. Now is the time to regard the interests of the people there as well as the people of this country. Now is the time when the Government ought to keep their eyes open and surround this contract with every legislative safeguard that such a contract ought to be surrounded with. The United States have had some experience with these gigantic monopolies. Although I am not in favor of following the example of the United States in all things, yet there are many things taking place there from which we may draw lessons. The farmers of the Western States complained of the excessive rates extorted by these railway monopolies, and their voices were heard upon the floor of Congress, and in response thereto Congress issued a Commission to examine into this whole question of the carrying trade from the western States to the eastern seaboard. That investigation showed that the whole carrying trade of the country in 1874, before legislative enactments and competition placed a check upon them, was practically in the hands of four men. The Hon. Mr. Windom was the chairman of that Committee, and he says:—

"In the matter of taxation there are to-day four men representing four great trunk lines between Chicago and New York, who possess, and not unfrequently exercise, powers that the Government of the United States does not possess. They may at any time, and for reasons satisfactory to themselves, at a single stroke of the pen, reduce the value of property in this country by hundreds of millions of dollars, by an additional charge of 5 cents per bushel in the transportation of cereals."

Are we not walking in their footsteps, or are we taking lessons of wisdom from their experience? We are following in their footsteps. We commit the follies they committed and suffered from; we have no protection, no safeguards, nothing in the world to prevent this Company from doing just what they please and exacting just what rates they like. The Committee further reported:—

"The loss to the North-Western States in the entire crop of that year, estimated at over 900,000,000 bushels, would have amounted to the enormous sum of $90,000,000. Such a law, if permanently enforced, would, by the reduction of 10 cents a bushel in the cereal crop of the North-West, reduce the value of the farms in that section by an amount which would build and equip all the trunk lines of railroad from Chicago to New York."

We are to-day asked to put this Company in a position to do the same thing here. The same state of things exists to-day with us that existed there in 1871. The hon. member for West Durham (Mr. Blake), in his magnificent oration, delivered here a few nights ago, showed that it cost 45 cents a bushel to take grain from Winnipeg to Toronto, of which only 9 cents is paid from St. Paul to Toronto, and the other 36 cents is absorbed by the St. Paul and Manitoba Railway, who have the practical monopoly of the carrying trade of the west, and can charge us what rates they see fit. You propose to put into the hands of that Company powers and vest in them rights and privileges which will give them a monopoly for all time of the carrying trade of our Canadian North-West, without check or reservation. Now is the time when we ought to guard against the monopolies which have arisen in the United States. I wish the Minister of Railways had taken the trouble to read and digest that admirable report to which I have just referred, before he consented to append his signature and affix his official seal to the contract now before us. Had he done so, he would not have allowed this Company the huge and gigantic monopoly given it in this contract. The author of that report points out the mistake made by the Legislature of New York and by Congress, a mistake we are now, with our eyes open, committing, in not, when granting those charters to huge railway companies, protecting the public interest, guarding them against oppressive rates, and throwing around those corporations every legislative restriction that could be thrown around them for the purpose of protecting the people from the burdens that will undoubtedly follow the giving of such powers to these companies. The author of that report says:—

"The mistake was in not providing proper safeguards to protect the public interests and hold the railroads to a strict accountability for their transactions. Thus, through the laxity of our laws and the want of Government control, (measurably excusable, considering the unforseen possibilities of railway development at the time of the enactment of these laws, but no longer pardonable in the light of the evidence herewith submitted,) have crept in those abuses hereafter mentioned, so glaring in their proportions as to savor of fiction rather than actual history."

And yet, Sir, with the experience the Americans have had of these monopolies, and the extortions and sufferings the people of the North-Western States have endured, with all the difficulties they have had to encounter in connection with exorbitant charges perpetually exacted by those companies, shall we not be establishing the same evils here if we confirm this contract? I am satisfied that whoever lives ten or fifteen years from now will find that the difficulties and hardships and oppression to which the people of our own North-West will be subjected by this huge monopoly which we are now creating, will be greater than were ever endured by the people of the United States. I do hope the hon. gentlemen may yet see their way clear to throw around this scheme such safeguards as will prevent this Company from exacting extortionate charges from the people who are to settle in the North-West. What protection can we give? I think there is not much difficulty about that. I think Parliament has the power, and Parliament ought to use that power, to prevent this railway company from imposing excessive charges. In two very valuable reports, which have been presented to the United States Congress on the carrying trade of the west, some suggestions are made as to the best modes of preventing these excessive charges. One is a mileage rate; another suggestion has since been embodied in some of the laws of the States, that is, that no railway company shall be allowed to make any secret bargain, to give any secret rate to any person carrying goods over their railway, or to grant to any individual or locality a preference rate, or to grant any individual or company a rebate. The last provision became absolutely necessary in some of the States of the Union, owing to some shippers having made a bargain with the railways that they should pay the full rate of freight and afterwards be repaid a rebate amounting to about 50 per cent of what they paid to the railways. The effect of this was that the men who had this secret arrangement with the railway companies were in a position to effectually destroy all competition. There is one case to which I would draw the attention of the Minister of Railways, a case referred to by Mr. Hepburn, in the valuable report to which I have already alluded. The Standard Oil Company of Pennsylvania, in a year and a half, shipped over several railway lines about 25,000,000 barrels of oil, the freight on which amounted to $18,556,000, of which the railway companies paid back $10,151,218, in the short period of eighteen months. That alone gave this company such enormous advantage over all other companies engaged in the same business that it prevented all other companies from competing against it. With these facts before him, the Minister of Railways should insert a clause in this contract, or in the Bill appended to it, covering these suggestions and such as was embodied in the law of the State of New York,, in 1880, preventing these secret arrangements which have the effect of destroying competition. Now, Sir, let me pass to another question. The Minister of Railways stated:—

"On the question of exemption from taxation of the roadway, I will not now discuss the question of the road itself being free from taxation, because the hon. gentleman will only have to turn to the laws of the United States, and in reference to the construction of great lines of railroad anywhere, to find that the policy of the United States has always been that these lines of railway—the roadway itself, its stations, everything embraced in the term railway—was exempt from taxation."

Now, Sir, I deny the correctness of that statement. I do not think the Minister of Railways was justified in making it. I doubt if the hon. gentleman can point to a single charter granted by the United States Government in which that exemption was made. I have not been able to find one, and I believe the Minister of Railways was drawing on his imagination for his facts when he made that statement. On the contrary, I find that for ten or fifteen years past, American railways have been taxed by the different States through which they pass, both for State and for local purposes. But even if the hon. gentleman's statements were true, it would be no reason why we should exempt this company from paying Provincial or local taxes. The United States Government never gave such enormous privileges and rights as we are now giving to this Company. But, Sir, the Minister of Railways was mistaken. He was not speaking by the book, but was drawing on his imagination, as he will find by reference to the statistics of the United States on that point. I will refer to some of the leading lines of American railroads, and endeavor to satisfy the House and the Minister that they have been paying and now are paying taxes. I would not trouble the House with these statistics, but that the Minister of Railways declared that American railroads have not been paying taxes. He stated so in Parliament, where he could be contradicted. He stated so on the public platform, where there was nobody to contradict the statement. The Southern Pacific Railway paid $38,900 as taxes for 1874; the Atlantic and Great Western Railway paid for taxes, in the year ending 30th June, 1874, $138,836 for 605 miles of road, and in 1879 the same road paid $96,000.

Mr. PLUMB. Where is the Atlantic and Great Western Railway?

Mr. CAMERON. If the hon. gentleman will go to Poor's Manual in the Library, he will get all the information he wants. The Union Pacific Railway, which has excited the admiration of the hon. gentleman, using his own language, to the extent that he makes it the standard for the construction of the Canadian Pacific Railway, paid in 1874, on 1,042 miles of road, $55,550 taxes, and in 1879, $297,158. The Central Pacific Railway paid in 1874, $462,629 taxes for 1,270 miles of road. In 1876, the State and municipal taxes exacted from that road amounted to $378,000, and in 1879, to nearly half a million.

Mr. PLUMB. How much did they receive that year?

Mr. CAMERON. Receive from whom?

Mr. PLUMB. For freight and passengers.

Mr. CAMERON. If the hon. gentleman will come with me to the library after the House adjourns, I will tell him all about it. The Michigan Central Railway, 284 miles long, paid in 1877, taxes to the amount of $269,800, and in 1879 to the amount of $201,681. The Chicago, Burlington and Quincey Railway paid in 1867, on the line they operated and the line they leased, $603,000; and here is a road 2,700 miles in length exempt from taxes altogether. The New York Central, 2,529 miles, owned, operated and leased, paid taxes in 1879 to the amount of $871,797. The Philadelphia Railway paid in 1879, $363,250; the Lake Shore and Michigan Southern paid in 1879, $437,116 for 1,177 miles of road; the Chicago, Rock Island and Pacific Railway, for 1,125 miles, paid in 1879 $218,000. Now, Sir, these are leading lines of railway in the United States. Is the hon. gentleman correct in stating here, and on the public platform, that all the leading lines of railway in the United States pay no taxes, and can he justifying this portion of his scheme upon the ground he puts it? Can the hon. gentleman find one road in the United States incorporated and aided by Congress where the road and roadway are exempt from State taxation and local taxation? I know of none. There may be some exceptional cases, and the hon. gentleman may know of them; but even though there are exceptional cases, the hon. gentleman has no right, speaking from his place in Parliament, his words carrying with them all the weight and influence of his official position, to tell the country that this concession should be given to this Company because the United States Government has given similar concessions to railway companies in that country. Has the hon. gentleman ever figured out what this concession amounts to? Has his friend who sits behind him (Mr. Plumb), and who is constantly interrupting by interjecting remarks and in a way that nobody can understand, figured out what this concession amounts to in addition to the money and land grants? If the Central Pacific Railway, with its 1,222 miles, paid $327,000, what should the Canadian Pacific Railway with its 2,700 miles of road pay in 1891—ten years after this? It is a simple question of figures. I dare say the member for Niagara, irrepressible as he is, and always interrupting everybody who is talking except himself, can, by the rule of three, figure out what this concession comes to. Let him try. If he will make the calculation, he will find it comes to considerably more than half a million a year, and that capitalized represents $15,000,000. But this is a perpetual exemption. Parliament cannot interfere unless by paying exemplary damages to the company, and, of course, we do not want to do that if we can avoid it. I have shown, I think, very clearly that the hon. gentleman, when he made that statement, that these leading lines of railways were all exempt from taxation in the United States of America, and that therefore this was a proper concession to make to this Company, was not speaking by the book, that he was making a statement that he ought not to have made from his place in Parliament, a statement that he could not substantiate.

It being Six o'clock, the Speaker left the Chair.

AFTER RECESS.

Mr. CAMERON. I was speaking, when the House rose, of the exemption of these lands from taxation. I pointed out that the Minister of Railways was entirely mistaken when he made the assertion in Parliament that the great American lines of Railway were exempt from taxation, and in using that as a justification for the present proposition before Parliament. I find that the hon. Minister of Railways, on another occasion, stated outside Parliament:

"I find the laws of Minnesota provide that as fast as the railway is definitely located and established, and the selection of land made, the company shall be for ever exempt from all assessments and taxes, also on all stock, whether belonging to the company or individuals, and all franchise and estate, real or personal, held by the company, and the land grant accrued to the company by Act of Congress, shall be exempt from all taxation until sold and conveyed by the company. So the laws of Minnesota, in the strongest way, are in conformity with the provisions which we have made in this respect in regard to taxes This not only makes a free roadway and all property connected with the railway free, but the lands are free from taxation for twenty-five years after disposed of."

I think that at the same meeting where the hon. gentleman delivered this address, he stated the roadway in Wisconsin was also free from taxation. I challenge the hon. gentleman to point out an instance in which the American Government, as a Government, in granting a subsidy of money or of lands, made it a condition that the roadway and the property of the company, apart from the land, should be exempt from taxation. The hon. gentleman was entirely mistaken in regard to Minnesota and Wisconsin. In Minnesota there are thirty-seven railways, some very small and some of considerable length. Out of the thirty-seven, eight or nine belong to the Chicago and North-Western Railway; that is, they are run under the power of or by lease to that company. On these roads this company paid in 1879, for taxes, $357,996. Nine other roads in these States are taxed for their roadway, plant, etc., in different amounts, and the remainder, which are roads recently chartered and under contract, are not included in Pool's Annual Railway Statistics. I find that the same state of things exists in the State of Wisconsin, so that the hon. Minister of Railways is entirely mistaken—I hope unintentionally—in saying these roads were all exempt from taxation. Then the hon. gentlemen justified exempting the lands we are giving the Syndicate from taxation for twenty years on the ground that the United States, when they incorporated similar companies and gave them land grants, exempted these grants from taxation. The hon. gentleman is here again entirely mistaken. The United States Government, as a Government, has not exempted these lands from State taxes, or local taxes for municipal purposes. There are one or two instances in which the United States Government exempted such lands from taxation, these lands being in the territories, but the exemption ceased when the territories were merged into States; but the hon. gentleman is entirely mistaken when he says they were exempted from taxation in the same sense and spirit as that in which he proposes to exempt the Syndicate lands. The hon. gentleman said:

"As I said before, the question of freedom from taxation of the lands is not new. In 1870 an Act was passed in the United States for the relief of the International Railway Company, now consolidated under the name of the International and Great Northern Railway Company, which provides, similarly to what has been enacted as regards other railroad companies in various States of the Union, that the lands of the company shall be free from taxation. The United States Government has given great land grants to railways under what is called the head grant system, and in one case a company was authorized to select any part of the public lands of Texas, that magnificent country that has excited the admiration of hon. gentlemen opposite, the most beautiful and fertile areas, without any hindrance or any responsibility whatever. The company received 20 sections of 640 acres each of the unappropriated lands of the State for each

mile of railroad which has been or may hereafter be constructed pursuant to the Act of 1870. The said company, its successors and assigns to have the right to locate the said lands as head rights certificates, without the necessity of alternating the sections; the said lands and certificates to be released from all county, state, municipal and other taxes for a period of twenty-five years. The moment our lands, however, are sold they become liable to taxation. Under that United States law they remain free for twenty-five years after coming into the hands of private purchasers. There is nothing of the kind here."

In this extract I have just read, the hon. gentleman tries to convince the House and the country that, under the laws of the United States, these lands are exempt from taxation. That is not the case. There are one or two instances in which the United States have given land grants in the territories, and these lands have been exempt from taxation; but there is no instance of their being exempt from taxation after the territories had become States and ceased to be territories. The Government have no power, when territories become States, to exempt the lands in those territories from local taxation; and it is doubtful if this Parliament can make a similar exemption in this case. The hon. gentleman points out that these great corporations which receive their existence from Congress are exempt from taxation. If he will take the trouble to refer to the reports, the latest authenticated accounts, he will find that, at all events, those lands given as bonuses to the leading lines of railways have not been exempt from taxation. He will find, notably with respect to the Union and the Central Pacific and the Southern Pacific, that the Government reserved to themselves certain rights, but did not exempt the lands from taxation. They gave money and land bonuses, but out of their net earnings the companies were bound to pay the Government five per cent. in liquidation of the Government debt; and that as a sort of equivalent for these grants, the United States Government reserved to themselves the right of transporting over these roads the army of the United States and the munitions of war, and provided that the companies should only exact from the Government one half the cost of transportation. The hon. gentleman will find that the Union Pacific Railway—about which his Administration has been excited to such an extent that he made it the standard by which our road is to be constructed—in 1876-77, 1878 and 1879, paid taxes upon lands, 10,500,000 acres, $835,023, that the Michigan Central, in 1879, on 454,614 acres, which was all it then owned, paid $27,126 in taxes; that the Chicago, Burlington and Quincey road, in 1879, paid $206,954 taxes on lands. The Chicago, Rock Island and Pacific had only some 643,307 acres of land unsold, and in 1876 they paid $54,232 in taxes on their lands, and in 1879, $46,397, being an average of fourteen cents per acre upon the lands they then possessed. The hon. gentleman mentioned one solitary instance in which the lands of a railway were exempt from taxation, that of the International and Great Northern Railway Company, but he overlooked the fact that that corporation did not receive its charter from the United States, but was a purely local concern, receiving its power and authority from the State of Texas alone, which, before it joined the Union, was a sovereign State, and retained the control over its own lands. He overlooked the fact that this corporation was a consolidation of the Houston and Great Northern and International companies, that to one of those companies the State of Texas gave a money subsidy of $10,000 per mile, and to the other a grant of land. These two companies got into financial difficulties, and they became consolidated. The State of Texas desired to regain its money bonds, and in order to do so gave a grant of 5,000,000 acres of land and exempted the land from taxation for twenty-five years. But surely the hon. gentleman will not rely on that case as a justification for his proposition. The cases are not at all analagous, for in the one which the hon. gentleman has cited, and to the history of which I have referred, the matter was purely one of private arrangement between the two companies and the State. I challenge the hon. gentleman to point to a single instance, except those I have mentioned, in the whole legislation of the United States, where the Government of that country gave a subsidy of land to a railway company, and then exempted the land from taxation. The hon. gentleman says that this exemption is a trifling matter, but if he will take the trouble to make a simple calculation he will find that the matter is of more importance than he imagines. Taking the same assessment as that of the Chicago and Rock Island Road, 14 cents per acre, and multiplying it by 25,000,000, we find it amounts to something like $3,500,000. I have in my hands the assessment of some lands in Manitoba, nearly 100 miles from the railway, and I find that upon one section of 640 acres the taxes, for 1880, are $18.20. This Company have now 38,063 sections, which, if multiplied by $18.20 will amount to $644,000, or if we take $20.50 which is paid on another section in the same locality, it would amount to a considerably larger sum. This land, as I have said, is nearly 100 miles from the railway; but if we take land within say the 20 mile belt it would be a good deal more. If we calculate it on a basis of $2 per acre, we find that the taxes would be $913,000 upon the 38,063 sections which the Company have. They are not bound to sell the lands for 20 years, but suppose they sell one-half of them at the end of ten years and the other half afterwards, and taking the price at $2 per acre, the aggregate exemptions on lands alone will be something like $10,000,000 in the ten years. These lands are said by hon. gentlemen on both sides of the House to be worth more than $2 per acre; and supposing they are assessed at $5 per acre, the actual value of these lands, the taxation in ten years would amount to over $20,000,000. I say, Sir, that this is no small matter; I say that Parliament should not, even if it had the power, deprive the people of that western country—formed into provinces as it will be—of the power of exacting from this corporation taxes upon lands which they will hold for the purpose of making the most of, and thus throw the burden of local improvements on the actual settler. Sir, I never heard a proposition so monstrous as this one. I never heard one justified upon such grounds as have been advanced to support this proposition, and no such proposition was ever before submitted to a free Parliament. There are other objections to this contract of a very serious nature. I know that it does not provide for the transportation of troops or munitions of war if we should require them to be transported. The Government of the United States reserved the privilege of transporting troops and munitions of war at half-price over the roads bonussed by it. I object to this contract still further, because it does not provide for any figure at which the postal service of the country shall be rendered. We know perfectly well, that, when this road is constructed, it will be used as a postal highway, and yet this Company will charge whatever they please for carrying mails. If the Minister of Railways had only exercised his usual forethought when the Government drew out this contract, he would have made provision for the transport of Her Majesty's mails over this railway at reasonable rates; now he is at the mercy of the Company. I object to this contract upon another ground, upon which I shall, probably, have an opportunity to say more on another occasion. Hitherto, hon. gentlemen and myself have discussed this question from a purely Dominion point of view, but I cannot close my eyes to the fact that I belong to the Province of Ontario, and that that Province is contributing a very large proportion of the money we are giving to this Company, perhaps two-thirds or three-fourths of it. Has the hon. gentleman protected the interests of Ontario? He knows that, when he was in Toronto, some days ago, he was assailed and beseiged by the inhabitants of that city, and urged to see that the interests of Ontario were protected. He knows that he was met by a large and influential delegation, which presented him with

a petition pointing out the faults of this contract in so far as Ontario is concerned, and pointing out that their interests were neither guarded nor protected. He knows that he was obliged to admit that concessions ought to be made in the interests of Ontario. He knows that he was obliged to admit that doubts might arise as to how far Ontario interests were conserved, and that he was obliged to promise that such interests would be more effectually guarded. I am satisfied from a careful consideration of this contract that the interests of that Province are not sufficiently protected, and in fact, considering the large sums of money we shall have to pay towards building this road, not protected at all. It is stated by those connected with the railway proposed to be built in Ontario, and which connects the Railway system of Ontario with the Canadian Pacific Railway, that the effect of this contract, if ratified, is practically and substantially to cut Ontario from any share in the carrying trade between Montreal and the West. When the hon. gentleman was guarding so well the interests of the Syndicate he ought not to have closed his eyes to the interests of Ontario. Having discussed the grounds on which this scheme is justified, and having pointed out a few of the objectionable features of the contract, let us go back a stage in the discussion, and see what we are giving to this Company for the purpose of constructing a road which the hon. gentleman himself has said is to cost $78,000,000. The first thing which this Company gets is the money we have expended and are to expend upon portions of the road, with cost of surveys, etc., amounting to $35,000,000. Then we are giving them $25,000,000 in addition, making, in round numbers, $60,000,000 in cash. We are also giving them 25,000,000 acres of land. A good deal has been said upon the value of this land, and hon. gentlemen have argued this question as if the lands were worth now no more than in 1873. They never take into account the changed circumstances of the country. They never take into account the fact that these lands have obtained considerable value by reason of the money we have so far expended in the construction of this road, and that they are becoming more valuable every day by reason of emigration that has gone into that country, and for which we, in the older provinces, have had to pay handsomely. They argue that the value of the land in 1873 and 1874, when the hon. member for Lambton submitted his proposition, was the same as now. I say that it is not a fair or an honest line of argument. These lands have become valuable, and there is no use in closing our eyes to the fact. There is no use in the hon. gentlemen on the other side of the House trying to convince the country that the propositions made in 1874 were not as good as the present propositions. We know that the lands have become more valuable since then. We know that the Government have sold their lands for over $4 an acre there. We know that the Governor of the Hudson's Bay Company stated some weeks ago that the Company had sold their lands for over $4 an acre. We know that lands that could be got in Manitoba and the North-West Territories in 1873, at fifty cents an acre, to-day no man can buy for less than $5 or $6 an acre. We know that lands bought in Manitoba in 1874 at fifty to seventy-five cents an acre, are to-day selling at $5 an acre. We know that lands in southern Manitoba that sold a year ago at $1 an acre, are selling to-day at from $4 to $6. In estimating what this road is to cost us, we ought not to close our eyes to the fact that these changes have taken place. The experience of the United States under similar circumstances affords another indication of the value of these lands, and that they ought not to be valued to-day at only $1 an acre. In the United States the railway companies had to take the lands as they came, good, bad and indifferent. They could not select the choice lands of the country. We give the choicest lands in the whole North-West Territories to this Company. Let us see what the experience of the United States has been upon this question, for hon. gentlemen seem to draw all their inspiration from the United States. If they build the railroad upon the American standard, if they give the land free from taxation, because it has been done in the United States, we can fairly say that we ought to take the value of the land in the United States as a fair criterion in estimating the value of our own land. The Union Pacific Railway Company, which the hon. gentleman admires so much, sold, down to 1879, 1,568,438 acres at an average price of $4.41 an acre, though the lands were inferior. In 1870 the Central Pacific Railway sold land at $2.21 an acre; up to December, 1872, the land sold by them averaged $3.93 an acre; from then to the 30th June, 1873, the average was $6.41; in 1876, the average was $7.54; in 1877, the average was $12.99. Before this road was built, before there was access to the country, the land sold at $2.21 an acre, but the moment the country was opened up the price of these lands rose to $12.99. Yet the hon. gentlemen tells us this is a good bargain, that the Syndicate is not getting too much in money or lands, as the lands were worth as much in 1873 and 1874 as in 1880. I say that is not so; I say the experience of the past goes to show that just as the country is opened up and developed, the price of these lands is increased enormously. The Northern Pacific Railway Company, whose lands will not at all compare with the lands of our North-West, sold, up to the 30th of June, 1874, 685,960 acres, at an average price of $5.46 an acre; and the St. Paul and Manitoba Railway Company sold, up to June, 1879, 634,000 acres at an average price of $6 83 an acre Seventeen of the leading railway companies in the United States who have received land grants from the Government have, within the last ten years, sold an aggregate of 11,891,553 acres, realizing the sum of $77,738,690, or an average of $6.54 an acre. And yet we are asked to put our lands down to a dollar an acre because they were only worth that sum six years ago. These facts ought to convince the hon. Minister of Railways that in giving the lands alone he is giving this Company $125,000,000.

Mr. PLUMB. Hear, hear.

Mr. CAMERON. I will give the hon. gentleman another authority. The irrepressible member for Niagara (Mr. Plumb) will accept the statements of the Minister of Railways. He never turns his back on him, and he will not call his valuation in question. In 1875 what did he say? He said, in a discussion which took place in Parliament on a kindred subject:

"I could safely make it $5 an acre, providing I have the selecting of the land."

Oh, what a prophet the hon. gentleman was. He could foresee with prophetic clearness the time five years thereafter, when these lands would pass over to a gigantic corporation, and that corporation would have the power, by means of this contract, of selecting the very best lands in the whole North-West.

"I could safely make it $5 providing I have the selecting of the lands. The whole character of the lands from the western limit of Manitoba to Fort Pelly is worth 5 an acre, as well as $1, and will fetch that sum."

If these lands were worth $5 an acre in 1875, when there were no roads and no settlement, what are they worth in 1880? In 1877, the hon. Minister of Railways placed the same value on the lands. I repeat that if these lands were worth $5 an acre in 1875 and 1877, they are worth double that sum now. But I am a modest man, and I will take the hon. Minister of Railways' own estimate of $5 an acre. On that basis, this Company receives $60,000,000 in cash and $125,000 000 in land. What else do they get? They get exemption of these lands from taxation, and estimating that exemption on the basis I have already placed them, it will amount to $10,000,000 in ten years.

They also get exemption for their road-bed, station grounds, yards, rolling-stock and appurtenances, for ever. Taking as a criterion the amount of taxes the Union Pacific Railway pays on 1,000 miles of railway, and applying the same rule to the 7,700 miles of the Canadian Pacific Railway, and capitalizing this sum, the Company is getting at least $12,000,000 in exemption from taxation under this head alone. Still they are not satisfied with that. They get the road-bed—and let me here observe that they get the road-bed without any limit as to its width, it may be 100 feet or 10,000 feet wide. They get the station grounds and the other lands I have mentioned without limit, and under this clause of the contract, they have the right to select an unlimited quantity as well as to select the very best ground in the North-West Territory—those portions of it on which will ultimately spring up magnificent towns and cities; and yet the hon. gentleman gives all this without one dollar of compensation. We are giving this Company, for the construction of a railroad which is to cost $78,000,000, a sum that, at the lowest estimate, will amount to $200,000,000. That is not all. We are giving them the monopoly of constructing railways in the North-West, which has a value that is almost incalculable. Sir, one's patience almost becomes exhausted when one sits down calmly and deliberately to consider the vast concessions which we are giving to this Company for constructing this railway. Constructing it! They are not constructing it. The most expensive portions we are constructing and then handing over to them the fee simple of it. Sir, I am opposed to this contract on the grounds just alleged, and, not the least, upon the ground of these exemptions from taxation. As well may the Parliament of Canada legislate that every second farm in Ontario or Quebec shall be free from taxation as to impose on the North-Western settlers a burden that will rest upon them for all time to come. I am opposed to this scheme because I look upon it as an American scheme. We are practically handing the Canadian Pacific Railway over to an American Company, the St. Paul and Manitoba Railway Company. Now, what will be the effect of that? The simple effect will be that for all time to come competition will be cut off. Does anyone suppose that the Syndicate are going to allow any competition with the St. Paul and Manitoba Railway? Everyone knows that these shrewd, calculating men who have outgeneralized hon. gentlemen opposite, will not run this railway in a way to injure themselves. I am opposed to this scheme because it gives concessions that no company should get and no Government should give. I am opposed to it because we are giving them a monopoly, practically, of the construction of railways in that whole country for twenty years to come, and if we give it to them for twenty years we are practically giving it to them for all time to come. I am opposed to it because we are giving to them, practically, substantially, and to all intents and purposes, the monopoly of the whole carrying trade of the North-West country. I am opposed to it on all these grounds, and I hope—perhaps I have not much ground to hope—but I do hope, that there are enough independent members of Parliament who will raise their voices and will give their votes at all events, if they do not reject this scheme, to have it modified so that those vicious clauses to which I have referred, may be changed or struck out. This country has suffered much during the last three quarters of a century from concessions made both by Canadian and Imperial statesmen; and I hope we are not now going to suffer again in the same way and for the same cause. A good many of the rights and powers and franchises of Canada have been frittered away, bartered and surrendered by folly and ignorance during that period. Sir, we all know that in 1842, by the stupidity of an English peer who never understood or appreciated the important duties he was called upon by his Sovereign to discharge,

Mr. CAMERON (Huron).

we lost half of the finest Province of this Dominion, and it passed under the control of our American neighbors. In 1846, a vast and fertile country, whose shores are washed by the waters of the Pacific, whose rivers are deep enough to float the united navies of the world, whose limits are large enough to embrace half a dozen European Kingdoms and more than one European monarchy—a territory as fairly belonging to us as does the Provinces of Nova Scotia and New Brunswick—by the stupidity of an Imperial Commissioner, without protest, and almost without objection, passed from the control of Canada to that of the United States. We know that at a later period in our history, namely, in 1872, with a liberality which passes human comprehension, and with a prodigality that beggars human description, we surrendered almost without a protest the navigation of the St. Lawrence and our canals for the shadowy privilege of navigating the waters of Alaska, a right we possessed fifty years before; and now, Sir, we are asked by gentlemen on the Ministerial benches to commit the crowning folly of our lives. The right hon. gentleman who leads the House stated on a public platform, that when this contract was ratified it would be the crowning act of his long political career, and the Minister of Railways was bold enough to repeat the statement on the floor of Parliament. In my humble judgment, the ratification of this contract will be the crowning folly of that hon. gentleman's political career; and, whatever others may do, I shall, at every stage of this discussion, raise my voice and record my vote against these infamous propositions.

Mr. PLUMB. I supposed that after our holidays, after the festivities of Christmas, the period when we come to celebrate that anniversary which announces peace and good will to men, we ought to meet here for this discussion with our hearts a little softened, with the acerbities of party strife and warfare somewhat tempered by what we must have found at home, and I am a little surprised that the first speech made in this House, after we got together, should savor so much of that party bitterness which I had hoped might be somewhat allayed by hon. gentlemen leaving for their homes for the holidays; but, I fear the events of the holidays have not softened the tempers of our hon. friends on the other side of the House. They imagined that they were going home to find that the whole community had caught the infection of their speeches which may have been more or less sincere in this House; but I am afraid my hon. friends were a little mistaken when they got home. From what I can learn there was a determination, formed here by the gentlemen who pull the wires in Ontario, to have a tremendous demonstration made in those constituencies which the hon. gentlemen, temporarily perhaps, control. I saw a list of meetings to be held advertised in the *Globe*, and I found that in one of the constituencies—that of the hon. member for North Ontario, who has already electrified the audiences there by his eloquence—five meetings were to have been held. Of those meetings I have not seen any account. They were mainly Grit caucuses. There were meetings held elsewhere. There was one in London. There is nothing easier in the world than to get up in a large town, like London, a meeting of a political party. I am aware that that was largely attended, because the hon. member for West Durham, the leader of the Opposition at present, addressed it with that skill and eloquence for which he is celebrated, and in a manner which he would not venture to attempt in this House where there is some one to answer him. Although the hon. gentleman had a large audience there, it might be said the very next night an overwhelming audience attended to hear the hon. Minister of Railway's reply to him, and my hon. friend was compelled to take that method, because, I regret to say, my hon. friend from West Durham declined to have anyone meet him on that occasion. Whether my hon. friend, having already spent seventeen

hours at least, in this House and elsewhere, in discussing the Pacific Railway question, felt that he would not permit anybody else to occupy the attention of the meeting on any one evening and divide it with him, or whether he felt that he would not exactly like to face the Minister of Railways on the same platform, I will not pretend to say. Then came Hamilton. My hon. friend there had an audience, and there made an address, and there he failed to fire the popular heart, and I fancy the city of Hamilton stands very much in the same position that it did before he appeared there.

Sir JOHN A. MACDONALD. He did not "enthuse worth a cent."

Mr. PLUMB. No, not worth a cent. Then there was a meeting in Toronto, at which the hon. Minister of Railways was quite prepared to meet the hon. leader of the Opposition, but again he declined. He said it would be inconvenient to have two gentlemen, both requiring a good deal of time to enunciate their views, occupying the platform on the same evening. My hon. friend, the Minister of Railways, may be satisfied with having had the reply, although it was the next evening, and I, for one, am perfectly willing to leave the effect of the speeches of the hon. leader of the Opposition, replied to by the hon. Minister of Railways, to the good sense of the people who heard them, and to the good sense of the people of Ontario who read their reports. There were other meetings. I understand, although I have not the official report, that there was a meeting in Kingston. I believe that the meeting in Kingston was not so satisfactory to the late Finance Minister as to cause him to spend a very merry Christmas, or to come back to this House with any addition to that amiability which characterizes his disposition. Then there was a meeting in North Wentworth, held by the hon. member for that constituency (Mr. Bain), and at this meeting I understand that the hon. gentleman was hoist with his own petard; that while he went to obtain an endorsation of his denunciations of the Government scheme, he found that the people whom he called together to curse it, agreed to bless it altogether. Then, I believe there was a meeting in Muskoka, where the eloquent gentleman who represents that riding (Mr. Cockburn), hoped to receive renewed strength from his constituents, with which to oppose the mea ures of the Government. Unfortunately, the people of Muskoka did not seem to see the question in the same light, and my hon. friend will, I have no doubt, feel himself bound, when he comes back, to support the Government measure, because, according to the theory of hon. gentlemen opposite, mass-meetings, irresponsible mass-meetings, meetings of people called together without any reference to their being voters or not, are to govern the action of Parliament. Hon. gentlemen, therefore, who called those mass-meetings for the purpose of hearing a decision as to what their course shall be, must be held to be governed by them. I must say that is not the constitutional theory. We have the power here. It is delegated to us, and we are responsible for our use of that power, and no mass-meeting that may be held, however great the agitation may be, unless we can take cognizance of the condition of those who hold that meeting, unless we know it is the authenticated voice of the people, can have any effect upon the decisions of the Parliament, which has the knowledge of the subject it discusses, which is supposed to understand thoroughly the questions it has before it; and I think it is an entirely new theory that, during a Session of Parliament, members should go back to the country and expect to come here instructed by the kinds of meeting which the hon. gentlemen opposite have got up. But I must say that the whole scheme concocted so diligently, as shown by the circulars sent throughout the country, has had such a result that I do not think my hon. friends opposite have spent a very, merry Christmas.

Sir JOHN A. MACDONALD. Hear, hear.

Mr. PLUMB. Well, we may say that it is proper for hon. members to go back to their constitutents, under such circumstances, and to confer with them. I have no doubt that there is a perfect propriety in their doing so, and I would commend to the attention of hon. gentlemen opposite the course pursued by the hon. member for Halton. That hon. gentleman called a meeting of his constituents together. His course was endorsed and lauded very much by the leading organ of the Opposition in advance; but it happened that the meeting which was a representative meeting, composed of gentlemen of both parties, failed to instruct the hon. member to propose, in any way, any change in the terms of the contract. They suggested that he might ask for some modification; but when he pressed the question as to whether he should insist on those modifications or vote against the contract, they did not instruct him to insist. I do not know what course will be taken by the hon. member, but I have no doubt that, having the largest liberty allowed him by his constituents, he will feel that in supporting the Government measure he will be sustained by both parties in the district he so ably represents.

Mr. MILLS. Hear, hear.

Mr. PLUMB. I imagine that there were reasons which moved my hon. friend from South Huron (Mr. Cameron) to make the harangue he has made to-day. I do not think it is worth while for any hon. gentleman on this side to follow that hon. gentleman through all his arguments. There are some points he has made to which it may be proper to refer before going into the question more generally, and, as his utterances are fresh in the memory of the House, I will briefly refer to a few of the points he dwelt upon. His principal points were those which are discussed wherever any discussion is held on the subject throughout the country. They had reference to the Syndicate proposed to be created, to the monopoly given them, to the exemptions from taxation and the inordinate land subsidy. The hon. gentleman a little out-Heroded his leader when he stated that the value of the concession, in respect to the exemption of taxes on lands, was equal to $52,000,000. I do not know what basis the hon. gentleman has for his argument; I do not know where he begins, and it is very difficult to meet him on any question in which he does not give his predicate. It may, however, be safely asserted that the exemption from taxation terminates at the end of twenty years. It may be safely stated, also, that there is no expectation that the road which the Company intend to construct, will be finished under ten years; consequently they will be only exempt from taxation for the ten years after their road is constructed. The same statement may apply to the monopoly which is given them, and the provision concerning rival lines. The monopoly is but for ten years, as a rival company could not take their business from them before the road was built, and I think, therefore, the provision is a reasonable one, one which no company that intended to carry out its contract would consent to have stricken out. The hon. gentleman says that the immunity from taxation upon the roadway is worth $15,000,000. In that he is a little under his leader's figures. His leader says it is worth $27,000,000. I do not know on what basis either of these hon. gentlemen argue; but I can say this, that the Northern Pacific Railway, which is a line very much of the same character as this, which has been largely subsidized by the American Government, and which has privileges, I think, upon the whole, much more extensive than it is intended to give this Company, has this exemption: "The roadway shall be exempt from taxation within the territory of the United States." Now, my hon. friend, a little while ago, attempted to argue that that exemption would cease when these territories became States. I do not think that anything could have a

less substantial foundation. I am not, of course, a constitutional authority upon the creation of States, but I think that they must accept all the conditions which the United States Government imposed on territories while they were in the condition of territories. I admit that it is quite improbable for the United States Government to exempt that railway, for instance, through the State of Minnesota. It could not do it, and it did not do it; nor could this Government exempt the corporation which is now to be created from exemption from taxation, through the Province of Manitoba. There is no power to do it, unless the Province of Manitoba were compensated. Now, in regard to the question of taxation, which seems to be the one which has more immediately engaged the attention of my hon. friend from South Huron (Mr. Cameron), I am enabled to make a statement which will be of some importance to the discussion. The question came up in regard to the Northern Pacific, whether the land which had been given to the railway could be legitimately the subject of taxation, and it is thus stated in the Report of the United States Commissioner, relating to taxation and exemption therefrom in 1875:

"Upon the ground that the 'railroad is a public work, established by public authority, intended for public benefit, the use of which is secured to the whole community, and constitutes a public easement,' Chief Justice Shaw founded a decision, rendered in 1842, in the case of the Western railroad corporation, exempting from taxation such land as it had power to take by right of eminent domain."

The roads which were then chartered had the right to enter on the lands of individuals and take those lands—a right which my hon. friend the member for Bothwell (Mr. Mills) knows very well as the right of Eminent Domain, one which is granted by a general law of the State of New York to any company which may choose to fyle a certificate with the Secretary of State, and deposit, I think, the sum of $1,000 per mile for the number of miles for which they show a profile and map. They could go anywhere in the State of New York and take any man's land upon those simple conditions; and yet we hear hon. gentlemen talk of the enormous privileges we are giving to this Company in granting them the right to build branch lines, to enable them to reach such of their lands as may not be upon the main route of the railway. But we find that the right of Eminent Domain has been exercised in the State of Massachussetts. Chief Justice Shaw says:

"We find that said lands and the structures thereon are reasonably incident to the support of the railroad, or to its proper or convenient use for the carriage of passengers and the transport of commodities. A strip not exceeding five rods in width was at that time all which a railroad corporation was authorized to take without the consent of the owner; and subsequent statutes have confined the exemption within that limit."

Now, in respect to the Great Northern Railway, to which my hon. friend has referrod, here is the section of the Act under which that railway was chartered:

"There is hereby granted to the last-named company, its successors and assigns, twenty sections of six hundred and forty acres each of the unappropriated public lands of the State for each mile of railroad which has been and which may hereafter be constructed pursuant to the authority conferred by the said Act of August 5th, A.D. 1870; and the said company, its successors and assigns, shall have the right to locate the said lands as head-right certificates were formerly located, without being under obligation to locate alternate sections for the State. And the said lands, and the certificates issued therefor, are hereby exempted and released from all state, county, town, city, municipal, and other taxes for the period of twenty-five years from the date of the respective certificates issued therefor."

Now, in our case, the moment the certificate issues, the moment the land which we propose to give this Company is occupied, that moment taxation falls upon it. But under the law of the State of Texas:

"The said railroad company, and its successors, and its and their capital stock, rights, franchises, railroads constructed and to be constructed pursuant to the Act of August 5th, A.D. 1870, and this Act, rolling-stock, and all other property which now is or hereafter may be owned or possessed by said company, or its successors, in virtue of the said Act of August 5th, A.D. 1870, is hereby exempted and released from all State, county, town, municipal, and other taxes, for a period of twenty-five years from the 5th day of August, A.D. 1875, except county and municipal taxes in such counties, cities and towns as have donated their bonds to aid in the construction of said railroad; but this exception shall not remain in force in favor of any county, city, or town which, having thus donated bonds, shall make default in the payment of either the interest or principal."

Now in respect to the laws of Minnesota it is stated:

"* * * * The said company shall be for ever exempt from all assessments and taxes whatever by the territory or State which shall succeed the territory, or by any county, town, village, or other municipal authority in the territory or State upon all stock in the 'Minnesota and Pacific Railroad Company,' whether belonging to said company or individuals, and upon all its franchises or estate, real, personal, or mixed, held by said company, and said land granted by said Act of Congress hereby authorized to be conveyed to the said Minnesota and Pacific Railroad Company shall be exempt from all taxation till sold and conveyed by the said company."

In another General Act of Minnesota there is a clause of this kind:

"Public and railroad lands sold, to be certified for taxation. The Auditor of State shall, on or before the first day of April in each year, obtain from the local land offices in the State, and from the several land-grant railroad companies, lists of lands sold or contracted to be sold during the previous year, and certify them for taxation, together with the various classes of State lands sold during the same year, to the auditors of the various counties in which such lands may be situated. He shall also at the same time obtain lists of lands reverting to the railroad companies each year by reason of the forfeiture of contracts, and certify the same to the respective county auditors for cancellation of taxation."

They even go back after the sale is made, and if the sale falls through, the taxation is cancelled. In the laws of Wisconsin it is enacted that:

"The track, right of way, depot grounds and buildings, machine shops, rolling stock, and all other property necessarily used in operating any railroad in this State, belonging to any railroad company, are hereby, all and singular, declared to be and they shall henceforth remain exempt from taxation for any purpose whatever, and it shall not be lawful to assess or impose taxes upon any property before named."

Now, the evils of subjecting any large corporation to the exactions of municipalities, such as may be created in the North-West, are strikingly exemplified by an authority which, I have no doubt, will be accepted by the Opposition side of the House, an authority which I always quote with pleasure, and which I am almost always able to quote in support of any position which I may take on any of the public questions of the day, and whom I can usually quote against himself. This gentleman says:

"I presume we shall be told that these persons purchasing the land and holding it for speculative purposes in the North-West, will speedily be compelled to relinquish that line of action, through the operation of non-resident taxation. I have no doubt that when township organizations are effected in that country, when thirty or forty settlers have proceeded to form a township organization and find themselves surrounded in every direction by the lands of speculating non-residents, whose operations are retarding the growth of the country, very likely the lands of the latter will be taxed heavily. Such things have come under my own observation in the United States. I have known cases there where school houses have been built where there was no school population; I have known where roads and bridges were built at a cost to the tax-payers, four times as great as their actual cost. I have known where rascality has been perpetrated, and onerous taxes inflicted upon non-residents for the purpose of forcing them to sell their lands. Likely such taxation will be resorted to in our own case, but I know, further, that such a state of things is productive of the gravest consequences. It saps the foundation of political morality—I hold it would be very difficult to say how large a proportion of political rascality that prevails in the west originates in that very state of things. The resident land-holders suffer from high taxation, as well as the non-residents, and I think it is a sad commentary on the wisdom of the Government that they propose to remedy one evil by introducing another."

That hon. gentleman who so deprecates the placing of any one in the power of municipalities, I have said, is an authority on the other side of the House that will be readily accepted. I hoped to have heard him on this question to day, but he is unfortunately absent. I may, however, in an argument of this kind, produce a statement made by himself, which will probably contradict any utterances he may have made on a public platform since he left the House of Commons. That

gentleman is the hon. member for North Norfolk (Mr. Charlton). He further says, that the idea of putting a high value upon lands belonging to the Government is utterly absurd. He states that the United States, from 1792 up to a recent date, had only realized from the sale of their lands a sum so insignificant that, if I did not know that he was an adept in figures, and an authority on the other side,—if I did not know that he had furnished the leader of the Opposition with the briefs from which he has given us such volumes of figures,—if I did not know that the late Minister of Finance had expressed publicly his obligations to him for the advantage he derived from the use of his figures, I could scarcely venture to bring forward the authority I now introduce. He says:

"In the United States, it has been a common practice to estimate their public lands as worth a fabulous sum, a value as high as $1,000,000,000 has been placed upon them. Commencing in 1796, I find statistics which gave a very correct idea of the actual money value of the public domain. In the United States, there has been surveyed up to the the 30th June last, 734,501,236 acres, and there remained, of the public domain, something over 700,000,000 acres exclusive of Alaska. The total amount received for lands, sold from 1796 till the 30th June, 1879, was $204,547,812. If we deduct the expense of management, probably not far from 15 per cent., but let us place it at 10 per cent., it gives an average of $2,216,707 annually. Now $44,338,120, capitalized in 1796 at 5 per cent., or $55,417,650, capitalized at 4 per cent. would have represented to the United States the value of its public domain up to this time."

The hon. member for North Norfolk states that the whole extent of the lands in the hands of the United States Government, that enormous domain which begins in Ohio and extends beyond the Mississippi, an estate of boundless empire, more fertile than any other part of the world lying between the same parallels—where the greatest varieties of growths take place—produced the enormous sum from 1796 to 1879, which capitalized at 5 per cent. would be $44,338,120, about one-third of the sum which the leader of the Opposition says will be received by the Syndicate for their grant of land. Viewed by the light of common sense, and touched by the touchstone of truth, the argument of excessive land subsidy crumbles away and is not worth a moment's notice. But, Sir, these hon. gentlemen, who spent the whole of their time last year, and the year before, in decrying the resources of Canada, who told us that Canada was so sunk by the policy of the present Government that she could never rise again, and that all the resources she could offer for the building of the Pacific Railway were of no more avail than if she could only offer ten dollars—these hon. gentlemen have taken a sudden turn, a more sudden turn than was taken in 1847 by the editor of the Hamilton *Spectator*, who said: "It was a pretty sharp curve, but he would take it." These gentlemen with the same assiduity, and I suppose with the same sincerity, are now trying to prove that the resources of Canada are so great that you are giving one hundred or one hundred and fifty millions.

Sir LEONARD TILLEY. Two hundred millions.

Mr. PLUMB. Or, two hundred millions, just as you like to take it, for the construction of the Pacific Railway. Well, Sir, we are told by an American poet, with perhaps a little more truth than poetry, in regard to certain gentlemen who change their opinions:

"A merciful Providence fashioned us holler,
That we might very easily our principles swaller."

It is a little awkward, I have no doubt, for the hon. gentlemen; but I must say that they take their dose without making very wry faces, and I congratulate them that a merciful Providence did fashion them "holler," for they have to swallow more, I think, than they expected when they became the followers of the hon. member for West Durham (Mr. Blake). It reminds me of a certain Texas railway, which has such curves that the passengers who are going in one direction are astonished to see their friends in another part of the same train going in an opposite direction. They are obliged to follow, providing the train does not get off the track, and I think that in the train of gentlemen who are following the erratic lead of the hon. member for West Durham (Mr. Blake) a good many of them will be snapped off the track by the breaking of the connections or the couplings. These hon. gentlemen, ever since the election of 1878, have been assuming an attitude hostile to every measure of the Government intended for the benefit of the country. The hon. Minister of Railways, when he laid before to the House the commitments of these gentlemen, exercised, I fear, a little too much of that optimism, which he sometimes shows, when he imagined that these gentlemen would feel themselves bound by their record and would support his measure. I could not believe that any possible proposition which the Government could bring before the hon. gentlemen on the other side of the House would meet with their acceptance. No matter what the Government proposed, it was condemned beforehand. My hon. friend, the leader of the Opposition, was in such haste to condemn the scheme that he made a hypothetical attack upon it in the debate on the Address. He spent two or three hours in condemning a contract, the provisions of which he knew nothing. That was the judicial frame of mind in which the hon. gentleman came to discuss this question. The gentleman who occupies the seat next to him could hardly be expected to take any other course than the one he has taken. I have already adverted, and in terms of just indignation, to the manner in which that hon. gentleman dared to address this House when he got up to oppose the measure introduced by the Minister of Railways; and I believe I was in accord with every member on both sides of the House, with the exception of the hon. gentleman himself. I then said, and said truly, that all we wanted was that the hon. gentleman should go through the country and take the stand he took on that occasion, and we were willing to take the case as it stood, without defending it on our side. The bargain before the House is not, perhaps, one which any hon. gentleman would have made if he sat on one side of a table without another party opposite; this is not the contract which hon. gentlemen would make, perhaps, while sitting quietly in their libraries; but it is a contract which had to deal with actual facts and actual conditions. They owe it to the position taken by the Opposition press throughout the country, they owe it to the studied denunciations which those gentlemen have indulged in ever since they were thrown into Opposition. I can say of them as they say of a party in the United States—when the country sinks that party rises, and when the country rises that party inevitably sinks. It has been misfortune of the gentlemen sitting on the Opposition the benches, and I really sympathise with them in that position, that they have been compelled by the course of events to oppose every measure for the benefit of Canada which has been initiated within the last 20 or 30 years. Look back at the Grand Trunk project, at the scheme of Confederation, at the Intercolonial, look at the acquisition of the North-West, which was due to the far-reaching statesmanship of my right hon. friend, and that would be a monument were there nothing else to insure him the highest honor in the memory of a grateful country. Look at the first Canadian Pacific Railway project, at the National Policy, and now look at the scheme brought down. Every scheme of this kind, because the position of gentlemen opposite has been so unfortunate, they have been compelled to oppose, except those who have been on our side at one time, and have gone over. Up to a certain period they may have had a record, but they have been compelled to sink or swim with their unfortunate brethren. Those gentlemen by a certain accident got into power—and it was nothing more than an accident—but they have shown that they have never learned any wisdom since; they imagine they can make an agitation now that may bring them back to it. To use a homely illustration, they occupy a position similar to that

of a little pet terrier I once owned. He seized a rat that once came out of a hole, and, with the instinct of his race, watched at the same place for seven years to see if another rat would emerge from it; and I do not know but he may have been watching there ever since. To come to matters that are a little more serious, I think it will be proper and parliamentary, and I think I shall not be at all out of order if I assume that, taking the utterances of the leader of the Opposition, I can, at the same time combine the arguments of the hon. member for North Norfolk, (Mr. Charlton), who is absent, and the hon. member for South Ontario (Mr. Glen), who was in his place a few minutes ago, but who is not in his place now, because it has been acknowledged by the foremost members of the Opposition that those gentlemen have furnished them largely with the facts and figures which they have used. We all know that my hon. friend the leader of the Opposition is an eminent special pleader. We all know that he speaks from a brief. He has a perfect right to do that, but we have a right to question the sincerity of those arguments which are able to be represented with equal eloquence on one side or the other, according to the nature of the retaining fee. We saw, the hon. gentleman last year at variance with the hon. gentleman this year. We saw the hon. gentleman last year making a most eloquent speech in one direction; we see him now with his brief before him making an equally eloquent speech on another side of the question. I do not know, of course, how much is due to the junior counsel who have placed the brief in his hands, but in speaking to him I consider that I am, at the same time, speaking to that zealous young convert (Mr. Glen) who is now in the House for the first time, and who did not honor us with his presence for the first two years, for some inscrutible reason, and to that veteran warrior, Mr. (Charlton) who has made figures for years back, and can make them with equal facility on the one side or the other.

Sir JOHN A. MACDONALD. Protection or Free-trade.

Mr. MILLS. The Premier can do that too.

Mr. PLUMB. It reminds me of an anecdote of a distinguished statesman of forty years ago in Canada, who, during the administration of Lord Sydenham, when the union of the two Provinces was agitated, made a most eloquent speech against that union. It was a speech so forcible and convincing that it won for him the highest reputation throughout the Province of Ontario. The next year, Lord Sydenham having died, Sir Charles Bagot succeeded him, and the statesman made a speech on the opening of the Legislature, taking exactly the opposite ground. He made a strong appeal for the union of the Provinces, and after he finished was congratulated by his friends, who said: "It's the finest speech ever heard made in Parliament; we never heard anything more convincing." He replied: "Yes, it was a good speech, but you ought to have heard my speech last year." My hon. friend's position, compared with his position last year, exactly corresponds with the attitude taken by that eloquent gentleman forty years ago, so that history repeats itself. But my hon friend says he is not bound by any utterances he made last year. He has enunciated an entirely new view of political morality. We always supposed that the record of party leaders was something that we could refer to when we were discussing great party questions. My hon. friend, with one stroke of his sponge, wipes the slate and obliterates his record for ever. Now, I do not think the hon. gentleman will find the public, or even his own party, will acquiesce in that kind of argument. I do not think my hon. friend will be sustained by some portions of his party, for I believe there are some of its members who prefer principle to anything like the chance of following that hon. gentleman to any position of success. They prefer to remain true to the principles which have actuated them, for I believe that principle goes before interest with a great many of them. I do not think they would accept that hon. gentleman's position and follow him to its logical consequences. Why, Sir, in the speech which was made in this House on the 15th of last month by the leader of the Opposition, he stated distinctly that he did not consider himself bound by his previous utterances. These are almost the very words he used in this House, and then he proceeded wholly to reverse his position and tactics—to take back everything to which the party had pledged itself—to which the gentlemen sitting behind him had pledged themselves by vote after vote in this House with regard to the Canadian Pacific Railway. He claimed that he had a right to ask those gentlemen to follow him in an absolute negation of everything which had been agreed upon by the late leader of the Opposition, who, from the bottom of my soul I pitied. Little reason as I had to do so, still I sympathized with him when I saw him sitting opposite, bound hand and foot, gagged in that chair from which he had frequently given us, at least the utterances of a man who felt he was dealing with great questions in an honorable, straight forward and consistent way; and then I quite understood how it happened that the cabal that had been fomented against that hon. gentleman had been carried on. Yes, I quite understand that when that hon. gentleman, who, I believe had devoted himself to his party, was so unfortunate as to lose a battle, he was turned upon as the meaner animals turn upon one of their fellows which has been wounded and devour him. I have been told something about the secret history of the caucus when that hon. gentleman was summoned without notice—and after an *ad misericordiam* appeal to his followers which somewhat weakened my sympathy for him, because it robbed his cause of much of the respect which it would otherwise have received—when he was called to the meeting which was to sentence him to political execution, he did not go. I saw him in the lobby of this House while that meeting was going on, and I know one or two of his friends who refused to attend that meeting. But of the rank and file who had been ready as a mechanical majority to follow him any where, who would, in fact, ruin him by their subserviency, there was scarcely a man who was so poor to do him reverence. I believe if there ever was a case where party ingratitude will be visited upon a party, it will be in that case; and I can see the writing on the wall to-night. That hon. gentleman had, so far as his lights were concerned, attempted to carry forward the obligations resting upon the country. That hon. gentleman's policy had been impaired by the half-hearted support of those who ought to have acted with him. In fact, one gentleman belonging to his Government had made an immoral coalition with him by appearing to favor schemes of the Government to which he was in secret antagonism from the beginning. All those difficulties that hon. gentleman had to cope with, and he bore the brunt with a manly fortitude which claims for him the kind of respect which he always gave to an open manly foe, and entitles him, certainly, to the gratitude, at least, of the party that has deserted him in his utmost need. Following the Government which had been overthrown in 1873, he felt himself bound by the same conditions which had bound his predecessors. He attempted, in his own way, to be sure it was not an effective or efficient way, to implement the engagements which had been made when British Columbia was received into the union, and I may venture to quote here, with a very considerable degree of reverence to so great an authority, the statement which was made by the hon. gentleman who now sits on the Opposition side, and which confirms me in the idea that it was considered most important by the leaders of that party, except one, to carry out their engagements. The hon.

gentleman (Sir Richard Cartwright) said, on the floor of the House, in 1876, as reported in *Hansard*, page 188:

"When negotiating a loan in England in 1875, the first questions put to him were: What is your policy respecting the Pacific Railway, we know perfectly well that you have been engaged on an insane project, that your resources are inadequate to carry out the engagement you have made with British Columbia."

They took that from the hon. gentleman's speech in 1874, and were quoting him against himself.

Sir JOHN A. MACDONALD. Hear, hear.

Mr. PLUMB. They were quoting his Budget speech in 1874, against that celebrated circular which the hon. gentleman issued when he went to England to negotiate his first loan, when he ceased to be brazen, and tried to transmute himself into a metal which was not so base. The hon. gentleman further said:

"And it is our duty to tell you that you have two dangers before you. If you say you are going to carry out your engagement no man will believe you or trust you. If, on the other hand, you repudiate them you will sink to the position of the repudiating States of America. And because, he, Mr. Cartwright, was able to say that the Government of Canada while not proposing to do unprobable things, were, however, perpared faithfully and honorably to redeem their obligations, and had imposed an additional tax of $2,000,000 in order to do so, that he had succeeded in this transaction."

And yet hon. gentlemen tell us that the Pacific Railway was to be constructed without imposing additional taxes on the people. Now my hon. friend, the leader of the Opposition, has made a most exhaustive speech to the House; it is only one of three or four, because he has had several parliamentary speeches running at the same time. He has found it convenient to make a speech on the general question, and a speech on each several separate but cognate motions to keep himself going. These three or four speeches might have been condensed into one. Like a mitrailleuse, he has been firing forty or fifty shots at a time, and we have heard the grumble and growl of his ordnance very much as the Secretary of Count Bismarck used to hear the growling of that French ordnance, like the noise of a coffee mill, while he was travelling with his chief, within hearing of the din of the battle field of Sedan. My hon. friend fully extended himself in the arguments he brought before the House in reply to the hon. Minister of Railways on the resolutions before us. I spent between six and seven hours of steady reading to get through with that speech. I think it might be boiled down into three or four propositions. They are, chiefly, that the terms are excessive, that the lands are worth a great deal more than ought to be given for the purpose, that the excessive terms granted for the building of the railway across the prairie will injure the construction of the other two ends,—although the hon. gentleman tells us, at the same time, that there is an enormous profit in building both those sections at the ends, and I do not believe it is in human nature to give up those sections if there will be a profit in building them. He has a good deal to say about the monopoly given in the building of branch lines and prohibiting rival ones; but after all objections are made, even such wretched objections as the one to the clause that the Government will give the Company four per cent. on any deposit that it will leave in the hands of the Government—the objection being that money may be cheaper some of these days, and the suggestion made that it be deposited instead with some of the banks, perhaps some loan companies—after making all these objections he says that if the Government, at this last moment, would accept the policy of building the Sault Ste. Marie road, connecting with the Northern Pacific at Duluth, through American territory, his chief objections would vanish.

Mr. BLAKE. No; I did not.

Mr. PLUMB. Well, I am glad that the hon. gentleman upon reflection does not feel quite satisfied with his position. I see that five or six pages of the report of his speech in the *Hansard*, are occupied in urging the construction of the Sault Ste. Marie line; his whole argument tended in that direction; he was willing to concede everything that is being granted to this Company, if we would only subsidize a line to the Sault, and give the Northern Pacific Railway of the United States the privilege of taking our people across the line and thus prevent a monopoly! The hon. gentleman says: You can have a very good steam vessel line from Fort William to the Sault, because —and this will astonish some people, I fancy—Lake Superior is open longer than any of the other lakes. The hon. gentleman should know that the harbors on that lake are closed weeks before those on the lower lakes. An hon. knight who sat beside him when he delivered his Toronto speech, could have informed him that the summer traffic in grain from the North-West never will be satisfactory; that the grain of that country is so damp when first harvested, owing to the peculiarity of the climate that it must be transported in the autumn and winter. The hon. gentleman goes on to say that whereas the other Government may have proposed to give 55,000,000 acres of land and $30,000,000 of a cash subsidy, we must drop these items out of our consideration, that they amount to nothing; that we propose by this contract to give $25,000,000 in cash, $28,000,000 in finished road, which makes $53,000,000, and 25,000,000 acres of land, which, at $2, would raise the total to $103,000,000. Or, says the hon. gentleman, if we take the value of the land at $3.18 per acre—a valuation which has been evolved from some mysterious source—it will be over $75,000,000; or, if in round numbers, $4 per acre, it will come to $100,000,000. The hon. member for South Huron, (Mr. Cameron) gets still higher. He values the land at $5 per acre—or, in the aggregate, at $125,000,000, which with the subsidy and the furnished road would be $178,000,000. I was about to say that up to the present moment that was the sum total we are to pay, according to the calculations of the hon gentleman opposite; but I am reminded by an hon. member of one element in this mathematical problem which I had entirely overlooked. The capitalized value of the exemption from taxation of the land, says the hon. member, amounts to $52,000,000, and by that amount must the already enormous aggregate be swelled. Well, Mr. Chairman, I told you at the outset that you must familiarize your mind with big figures in listening to the discussion of this question, and especially with its discussion from an Opposition point of view. These hon. gentlemen, if I remember aright, did not arrive at such enormous totals last year when they spoke about the condition of the country. Then they were looking through the reverse end of the telescope, but now they seem to have a magnifying glass of 10,000 horse power —at least when they come to look at the bargain with the Syndicate. Another objection they make—namely, that four per cent. interest is a rate that should not be allowed. I think the hon. member in making that remark was rather severe upon the hon. gentleman next him (Sir Richard Cartwright). When that hon. gentleman was negotiating his loan of £3,000,000 in 1876 he was willing to take 87½ cents in the dollar. He represented, and the people were led to suppose, that he was only paying four per cent. interest on that loan, but when I produced the tables which are used both in the United States and England in calculating the present value of any stock bearing a particular rate of interest, I showed that he was paying five per cent. The hon. gentleman said that that statement was worthy of the member for Niagara—that it was not worth the paper on which it was written. I have only to say, that, if the hon. gentleman has not found, the people have found, that the rate he was paying was five and not four per cent. I think, Sir, that the arrangement with the Syndicate is, in that respect, a very safe one; and that we will not be asked to make any further allowances to them on that score. If we are, it will only go

to show that Canada has attained a measure of prosperity under the present Government which was certainly not to have been expected when hon. gentlemen opposite were in power. The leader of the Opposition commenced his speech with a facetious remark, which was not new, but which was, however, greeted very cordially as an old friend by members on both sides of the House. He said that the speech of the Minister of Railways was one which he had often heard and admired. I have no doubt that that speech was a repetition of facts and figures which are familiar to this House. I have no doubt, but that the sincerity with which the Minister of Railways addressed the House, convinced every body that those were the facts and figures that he had been accustomed to deal with in this House. The hon. gentleman does not take the position that he may make one statement this year and another statement next year, and not be held by the statement made the year before—and the hon. gentleman, having all the facts before him, and being bound by the accuracy with which he was obliged to present a great question of that kind, not being able, as the hon. gentlemen on the other side seem to be, to invert his facts, had necessarily to present them in a form with which the House is familiar. My hon. friend's next position was ably answered by the hon. member for Richmond and Wolfe (Mr. Ives), in which he spoke of the apotheosis of my right hon. friend the leader of the Government. The hon. member for Richmond and Wolfe properly said, while my right hon. friends might be looking down upon the passage of the railway trains, it was possible that other hon. gentlemen who were criticising him might only hear the rumbling of those trains passing over their heads, and I thought that was a good retort to the hon. gentleman for his ill-timed facetiousness. He dwelt with great emphasis upon the condition of the Union Pacific Railway as the model upon which the Government is to insist upon the construction of the Canadian Pacific Railway. It is perfectly easy to understand that the road as constructed was the road as built. A constructed road is not a road in the process of construction. It is well known that when the Union Pacific Railway was in the process of construction it was often necessary to run it 100 miles in a hasty manner to reach the necessary ballast, and to carry supplies and labor, and its construction was often for a long distance in a condition that would not admit of a large traffic. But in the year the hon. gentleman for South Huron (Mr. Cameron) was talking about, that road was earning $15,000,000. It would have been impossible for any road carrying a traffic like that to be in unworkable condition; it would have been against the interests of the people who built the road, for it would have been strewn with wrecks. The hon. gentleman knows it is for the interest of a railway company to build the best road it can afford to build, and to have it upon the best alignment, the best grades and curves, and if the road-bed is built, in the first instance, with bad grades and curves, it is a source of loss to the company. If this road has been largely subsidized, that is the best reason in the world why it should be a good one. It is the best reason in the world for those people who have got to compete with lines outside of Canada, for building a good road. There will be no monopoly, it is out of the nature of things that there can be a monopoly if the terms of this contract are fulfilled. Other western railroads largely subsidized in the United States are running through populous districts. This road has got to make its population, and it can only do so by offering easy means of getting in and out of the country. It can make no business until it offers to the population better, or at least as good advantages as the roads that lay to the south. They are all competing for the same business, they all want to populate the country along their lines. Our Syndicate have got to send emigrants into the country, and to take their freight in and bring it out at such rates as will give them the traffic as against the Northern Pacific and other lines. Those are just as much competing roads as if they all ran through our territory. Those hon. gentlemen urge the argument that this road has got an immunity against competition within our borders for 20 years. They must remember that that immunity only extends for 10 years after the road is to be completed, and what madness it would be for these men to go and build that road while other people might go in and build another road alongside of it if they chose. That safeguard is absolutely necessary to the existence of a road; it is absolutely a condition precedent to any company that did not intend to cheat and defraud the country with which they made the contract. It is one of the best evidences of the sincerity of the Syndicate that they have insisted upon such terms. They did not come here intending to trifle with this great undertaking. They knew perfectly well that they had secured to themselves advantages, and I hope they will be real advantages. Every man in this House should wish these people to make money out of their enterprise; they deserve it, and I do not begrudge one shilling they may make, because I know the Government of this country will profit dollar for dollar by the value of every acre of land by the building of that road, I do not forget that it is asserted by the *Globe*, and by hon. gentlemen in this House, that there are from 175,000,000 to 200,000,000 acres of land, out of which only a paltry 25,000,000 acres will be given, which will benefit in the same ratio as the lands belonging to the Government. I am confident the public will take the arguments of the hon. gentlemen on the other side at their true worth. But, I repeat, it is the policy of the Company to make the best line. All this talk about the Union Pacific Railway has been simply scandalous upon the part of men who should understand something of the first principles of railway traffic. I can show you a statement by one of the ablest statisticians of the United States, published in one of the first Reviews in England, which shows that the greatest railway monopoly in the United States, which is the New York Central Railway and its connections, not only a monopoly but under the dangerous control of one single man, has brought freight rates down to a point which is almost incredible, simply by the fact that he had vast capital in his hands, and has laid four steel rail tracks, upon which trains can run eastward and westward in a continuous line. The writer says there would be no danger if all the railways in the United States were under the control of one man. He has got his interest to protect, and it must done by improving the road and giving it every possible advantage for cheap working. You cannot keep a railway idle, and the more freight you can put upon it the better is it for the country. It is not a question as to whether you are going to charge high prices for a small business. That is like the old postage system of the United States. When they charged 18 cents for a letter going 150 miles few letters went by mail, but the instant they put postage down to three cents they got enormous revenues. That principle was not discovered until Rowland Hill discovered it in England. It is the interest of all railways to lower freight, that they may secure larger earnings. There is no transhipment, and that is where the saving in long routes is enormous. Heavy freights, such as cereals, will not bear transhipment, and this is where the railway will have great advantage over broken water lines of communication. Mr. Edward Atkinson, the gentleman whom I quote, and who is an authority which will not be questioned by hon. gentlemen opposite who believe in the Cobden Club, says:

"The object of this paper is to prove the vast saving of labor that has been effected in the eastern portion of the United States by the extention of the railway system to the west in procuring bread and meat at less and less cost. * * *

"Before the use of the railway, and even down to a later date,—before the great railway systems of the country were consolidated, and worked at the low rates that now prevail,—it was necessary for the people of New

England to work arduously for bread alone. Brown bread made of Indian corn constituted the staple food in many farmers' families; white or wheat bread was a luxury. * * * "

Then he goes on to show that the first advantage from the railways was the bringing in of anthracite coal, which enabled farmers to clear their forests; and the next advantage was that the farm lands in the State of New York, which were devoted entirely to wheat culture were, in consequence of the introduction of the wheat from the west, released from that culture and more profitably cultivated for other purposes. That will apply to these provinces by the same rule of reason. He then goes on to say:

"The secret of these changes in the sources of our agricultural supplies is, that the railroad has eliminated distance. A barrel of flour, and a barrel of pork, or its equivalent, constitute the substance of Western farm products needed by each adult in the East. The two barrels are equal to 500 lbs.. or a quarter of the net ton in which our railway traffic is computed. This quantity is now brought from Chicago to Boston, one thousand miles at an average of $1.25; sometimes for less, or at the rate of $5, or £1 sterling, per ton of 2,000 lbs

"We might therefore state an economic equation in these terms:—

"The movement of one year's subsistence of grain and meat for an adult working-man a distance of one thousand miles is equal to $1.25 or 5s., which sum is equal to one day's wages of a common workman, or half the daily wages of a good carpenter or mason.

"Half to one day's wages, one thousand miles, and the movement of one year's subsistence, are synonymous terms. One day's pay places the mechanic of Massachussetts next door to the Western prairies a thousand miles away.

"The same terms of the equation may soon be applied to the distances beyond Chicago towards Minnesota, Dakota, Iowa, Kansas and Nebraska because grades are easier, fuel is more abundant, and, as population and traffic increase, *two* days' work of a common laborer in Massachussetts will soon move a year's subsistence of corn and meat fifteen hundred or two thousand miles from far Dakota and from the plains of Nebraska; one name still designating a Territory, the other the last but one among the States admitted to the Union. At the present time the rates of freight west of Chicago are much higher than between Chicago and the seaboard.

"In Dakota, on the Red River of the North, wheat is *manufactured* in some fields, where each single furrow of the plow is said to take a day to run without once turning; and from these fields the wheat is now brought in millions of bushels, upon which there has been no manual labor, except to direct the machinery, from the time the seed was planted in the field until the bread is cut upon the table of the factory operative in Lowell.

"On the whole it may be said that the charge for moving wheat from the Red River of the North to Liverpool has varied during the past season from $17 to $22 per ton of two thousand pounds, and that there is reason to expect such improvement that the average rate will be $16 to $20 or 48 cents to 60 cents per bushel."

He then shows that the effect of the opening of railways in the west is constantly to cheapen transportation; and I quote these arguments to show that the railway we have under consideration is to be governed by exactly the same conditions as the railways of the United States. This Company cannot raise money on their road unless they have a good road, because there has been too much experience of roads that have been hastily constructed by contractors for the sake of floating their securities, and there would be such a ruinous discount exacted upon such securities that it would destroy the operation in the very beginning. This Company has to compete with other roads in the same business, and that fact, I think, does away effectually with any danger of monopoly. And when their line runs to St. Paul, they are, so far as they are concerned, in a *cul-de-sac*. They may have a road behind them of a thousand miles, but they have got to find an outlet to the sea-board, and when they get their freight down to St. Paul they must find an eastern connection, and they are not mad enough, for the sake of their Minnesota line, to deprive themselves of that necessity, even if there was any suspicion of want of good faith in the carrying out of the contract. But the lesser is always included in the greater; their own interests are the best guarantee of their *bona fide* conduct. Everybody knows that it is impossible to guard a great contract like this in any way so effectually as by the self-interest of the parties concerned in it. I am quite satisfied, therefore, that the country will sustain us—first, in taking this scheme out of the region of politics; and next, in our postulate that these gentlemen are bound by every consideration of self-interest, to carry out the contract in the way agreed upon between them and the Government. When the dust which has been raised in the country has subsided, the country will acknowledge that this contract is a monument of the far-seeing wisdom of the present Administration. I think we can wait with great confidence for the development of events, and these gentlemen who imagined that they were going to create an agitation in the country that would produce a change of Government, will find that we have three very good years in which to prosecute the construction of that railway and to develope the National Policy, and, by that time, the advantages of both will be sufficiently rooted in the hearts of the people to deprive these gentlemen of any chance of reversing either. Mr. Atkinson goes on to say:

"It will also be observed that, while thus profitable to its owners, the New York Central Railroad system, or consolidated line, does the largest amount of work at the least cost, probably carrying ten million tons in 1879; and that it is the controlling factor in the movement of meat and grain from west to east.

"It follows that the great cheapness that has been attained is not temporary, but permanent; and that increase of traffic, within certain limits not yet found, is marked by decrease of cost.

"From the statistics of 1879, just compiled, it appears that the average charge on all merchandize over the New York Central Railroad and its connections, was only 0.81 cents per ton per mile.

"There is much contention in this country in regard to the railroad corporation as a factor in our own politics, and much complaint is made in respect to alleged monopolies; but it will be observed that the great lines against which this charge is made—to wit, the systems consolidated and designated as the New York Central, the Erie, the Pennsylvania, and the Baltimore and Ohio—may also be named and designated as comprising the specific miles of railroad on which the largest service is done for the community at the least relative cost.

"It would matter not if all these lines were consolidated, even under one man's guidance. The same rule would control him that now controls them all, and compels a constant abatement in the charge, constant improvement in method, and constant reduction in cost of operation. The rule is that it is not the competition of rail with rail that controls or limits the charge that may be made for their use, but the competition of product with product in the great markets of the country and of the world. No man, and no combination of men, can permanently prevent this competition working its just and beneficent results in the wider distribution of the elements of subsistence, in the abundant consumption of which material prosperity consists."

Now, I say that is an answer which is as complete as anything can be to the whole cry about the monopoly of any particular line. The argument there is: that it is product with product, not railway competing with railway, but that the products themselves can only be raised upon such conditions that they can be put upon the railway and shipped, and they would not be raised otherwise. These gentlemen would cut their own throats if they attempted to make charges which would obstruct the products of the North-West and obstruct in any way the traffic over their road. They would be equally insane if they attempted to run a rival line, as proposed by the late Finance Minister, to 480 miles already given them. He suggested that they would build a road, to rival their own, round the south shore of Lake Superior, forgetting, or not remembering, that his hon. leader had just proposed that line as being the great panacea that was going to cure all the ills of the country. We hear a good deal about the condition of railways in the United States The hon. member for South Huron asserted that we ought not really to look so much to the United States. While it was very well, undoubtedly, for him to adduce any argument in respect to the United States system which would bear on his side of the question, he deprecated very much our using any which would strengthen our position in any way; but I think as the United States system is the only one which is analogous to ours, as it is the growth of a condition of things which we hope we shall see in our country, we have a right—in fact, it would be wrong in us not to take that course—to compare that system, to examine it tho roughly, and to take any instruction which may be useful to us out of it. We can reject any we do

not like. I produce a list of the cost of all those roads in the United States, in any system that would compare with ours, showing the amount of the Government subsidies, the amount which those roads have earned, the cost per mile, the rate of earnings and their capital; and that statement, which is in a condensed form, I will now read to the House, for the purpose of showing that any estimates of the cost of building and operating the Canadian Pacific Railway, when compared with that of analogous roads in the United States, will show that the subsidies proposed for it, instead of being out of reason and extravagant beyond all experience, as denounced by hon. gentlemen opposite, mean nothing more than a reasonable allowance to enable the Company to construct and permanently operate that road. The leader of the Opposition estimates the cost of operating that line at $6,000,000; but the Chief Engineer has put it at $8,000,000. Out of that must come at first the limited traffic upon the road. But if I base a calculation upon that amount and capitalize it, I could capitalize it at a much larger sum than either of those gentlemen has arrived at, extravagant as their figures have been for any concessions to the road outside the subsidy. In fact, the road will be without doubt at the outset a very considerable charge upon the resources of the gentlemen constructing it. They must create the traffic on their line and encourage it, and go to a large expense in developing it, and that will add very largely to the cost of operating the line. Hon. gentlemen opposite say those gentlemen are going to build the line with basswood and cotton-wood ties; but that would largely increase the cost, and not only that, but destroy the profits, and ruin it as a profitable means of transportation. The statement which I will now read, is as follows:—

RAILWAYS—COST, MILEAGE, EARNINGS, EXPENSES, AND NET RESULT, 1876.

IOWA.—(Constructed) 3,090 miles.

Stock	$ 53,304,151
Bonds	47,495,900
Total cost	106,352,984
Net earnings	2,474,150

Cost per mile, $34,000; Earnings, per cent., 2.40.

KANSAS.—(Constructed) 2,123 miles.

Stock	$33,736,937
Bonds	56,954,000
Total cost	92,523,557
Net earnings	2,531,133

Cost per mile, $43,100; Earnings, per cent., 2.76.

NEBRASKA.—(Constructed) 643 miles.

Stock	$ 3,954,800
Bonds	14,841,948
Total cost	19,578,755
Net earnings	433,169

Cost per mile, $30,400; Earnings, per cent., 2.22.,

MISSOURI.—(Constructed) 4,172 miles.

Stock	$122,640,991
Bonds	108,210
Total cost	228,458,579
Net earnings	7,073,604

Cost per mile, $54,758; Earnings, per cent., 3 1/2.

DAKOTA.—(Constructed) 261 miles.

Stock	$11,500,000
Bonds	1,200
Total cost	12,700,000
Net earnings	62,938

Cost per mile, $45,000; Earnings, per cent., 1/2.

COLORADO.—(Constructed) 763 miles.

Stock	$17,989,300
Bonds	12,615,500
Total cost	30,694,150
Net earnings	584,366

Cost per mile, $40,000; Earnings, per mile, 1.91.

UTAH.—(Constructed) 334·65 miles.

Stock	$4,156,000
Bonds	3,754,000
Total cost	8,217,000
Net earnings	651,051

Cost per mile, $24,600; Earnings, per cent., 8.

I can explain that large average by saying that these are mostly narrow gauge roads running into the mines and paying an extraordinary dividend in proportion to their cost. They are all, almost, three feet gauge.

TEXAS.—(Constructed) 2,031 miles.

Stock	$28,894,179
Bonds	49,912,172
Total cost	79,037,900
Net Earnings	3,413,069

Cost per mile, $39,000; Earnings, per cent., 4.30.

ARKANSAS.—(Constructed) 477 miles.

Capital stock	$8,906,900
Bonds	7,379
Total cost	14,881,400
Net earnings	245,257

Cost per mile $31,200; Earnings, per cent., 1.70

CALIFORNIA.—(Constructed) 1 172 miles.

Stock	$13,469,100
Bonds	30,584,000
Total cost	64,705,666
Net earnings	1,474,947

Cost per mile $57,500; Earnings, per cent, 2 20

OREGON.—(Constructed) 259 miles.

Total cost	$7,361,664
Net earnings	205,327

Cost per mile, $28,400; Earnings, per cent. 2.71.

UNION PACIFIC.—(Constructed) 1,149 miles.

Stock	$ 36,962,000
Bonds	78,340,512
Total cost	115,214,588
Net earnings	7,618,618

Cost per mile, $102,700; Earnings, per cent, 6.62.

Therefore, this road which, as hon. gentlemen opposite say, was built of basswood or cottonwood, and was not ballasted, earned two years after its completion $102,700.

CENTRAL PACIFIC.—(Constructed) 1,481 miles.

Stock	$83,312,680
Bonds	142,630,283
Total cost	257,845,871
Net earnings	11,760,160

Cost per mile, $172,000; Earnings, per cent., 4 60.

LOUISIANA.—(Constructed) 868 miles.

Capital	$21,753,650
Bonds	27,391,615
Total cost	48,198,667
Net earnings	1,084,267

Cost per mile, $55,500; Earnings, per cent., 2.25.

MINNESOTA.—(Constructed) 1,780 miles.

Capital	$39,508,529
Bonds	45,728,850
Total cost	79,754,596
Net earnings	1,242,891

Cost per mile, $45,000; Earnings, per cent., 1.55.

WISCONSIN.—(Constructed) 3,116 miles.

Capital	$52,796,744
Bonds	60,698,677
Total cost	111,728,249
Net earnings	3,751,754

Cost per mile, $35,800; Earnings, per cent., 3.20.

ILLINOIS.—(Constructed) 10,340 miles.

Capital stock	$220,137,041
Bonds	184,197,625
Total cost	$415,777,140
Net earnings	20,908,609

Cost per mile, $40,000; Earnings, per cent., 5.

This State gave a very large land grant, capital and bonds, $415,777,140; yet, hon. gentleman declaim very forcibly over a subsidy of $25,000,000 given by the Dominion of Canada. Freight charges are cheaper in that State than in any other, I believe, except over the New York Central. With respect to the railway system of Illinois, I happen to know that when the system was largely developed, the whole of the money for building those roads was furnished by eastern capitalists, and there was not stock enough held in Chicago to form a qualification for the local directors.

INDIANA.—(Constructed) 4,781 miles.

Capital Stock	$ 89,622,267
Bonds	100,029,041
Total cost	194,409,511
Net earnings	4,036,018

Cost per mile, $40,000; Earnings, per cent., 2.60.

MICHIGAN.—(Constructed) 3,832 miles.

Capital Stock	$ 55,638,171
Bonds	83,206,008
Total cost	139,966,082
Net earnings	4,737,257

Cost per mile, $41,800; Earnings, per cent., 2.93.

OHIO.—(Constructed) 7,195 miles

Capital Stock	$213,570,279
Bonds	194,290,128
Total cost	373,944,388
Net earnings	14,076,999

Cost per mile, $52,000; Earnings, per cent., 2.65

A reduction in transportation has being going on for five years in Massachusetts which fairly represents the north-eastern States, a reduction from $3 per ton per mile in 1871 to $2.4 in 1876. Ohio fares average, for western States, $1.82 to $1.12. New York fares average, for middle States, $1.77 to $1.19. There was a net return in 1876 upon the railway capital invested in the United States of three per cent. I think a little familiarity with figures like these will probably teach hon. gentlemen opposite that there is a good deal in the fact and very little in the theory. I have read statements which show that there are investments of over $200,000,000 in railways in one small portion of the western States, which are penetrated by roads in all directions, and that these roads have cost an average of almost $40,000 per mile.

Mr. MILLS. *With watered stock.*

Mr. PLUMB. The hon. gentleman can probably show how the stock was issued; it will not weaken my argument. These prairie roads have cost on an average $40,000 per mile, and at this moment they are not paying more than 2½ to 3 per cent. There have been large fortunes made by a few people; there have been large losses made by the great aggregate of the people who had invested in railways, but the enormous advantages which have accrued to the public have more than compensated for any loss which any private individuals may have sustained. There are such conditions imposed upon railway companies, that they must do the business, and do it at the lowest rates at which they can carry the traffic over the lines. That is a statement which cannot be contradicted by any one whose opinion is of any weight as a railway authority, and it brushes away half the cobwebs which have been thrown in front of this contract to mislead, deceive, and hoodwink the public. The contention has been made that the Government should build the road across the prairies. Hon. gentlemen have suddenly discovered that this is an easy thing to do; that many capitalists are waiting and anxious to take hold of the work now that responsible people have taken hold of it in good faith. They say that it is madness to throw away such vast subsidies on this contract, that the Government should confine themselves entirely to building the prairie sections, for the purpose, so far as I can judge from the arguments of the leader of the Opposition, of feeding the Northern Pacific Railway, and of finally carrying traffic from our own territories into those of the United States. We have had some experience in operating railways of our own. A few figures will show the condition of the Intercolonial Railway while it was in the hands of the hon. gentlemen who are now so anxious again to control the affairs of the country. In 1876 the total cost of that road with equipment was $35,131,134.21; interest at five per cent, $1,756,556.71. In 1877 the cost was $35,682,249, interest $1,784,112.45. The total cost in 1880, with equipment was $38,365,719.60, which, with interest since 1876 amounted to $45,526,827.34. The loss on operating this road for the year ending 30th June, 1877, was $507,228.10, and the interest at five per cent. for three years was $76,084.23. For the year ending 30th June, 1878, the loss in operating was $432,326.78; for the year ending 30th June, 1879, the loss was $716,083.53, and the interest for one year at five per cent. $35,804.74. Up to that time, as will be seen, the economies of the hon. gentlemen opposite had been pretty well exhausted, and the extravagant and reckless management of the present Minister of Railways had begun to be exemplified in the working of the Intercolonial. The consequence was that the loss for the year ending 30th June, 1880, was $907,131.23, as against $716,083 for the year before, $432,000 for the year before that, $507,000 for the year before that. Lest there should be any doubt about these figures I will quote from an authority which will not be contradicted by hon. gentlemen opposite, that of a gentleman whose antecedents are well known, and who is not likely to make a statement any more favorable to our party than to the other. In the report of the Auditor-General for 1880, the following figures appear: The earnings of the Intercolonial, Prince Edward Island and Windsor Branch for 1880, were $1,739,137.25; the working expenses, $1,851,489.26, leaving a loss of $112,352.01. Increase of earnings in 1880, $319,181; decrease of expenses in the same year, $382,007.08. The gross expense of operating the Dominion Railways exceeded the net earnings in 1879, to the extent of $112,352, and in 1874, under the economical management of the hon. gentleman opposite, they were $813,540, leaving in favor of 1879-80, as against 1873-4, the sum of $701,188.73, which is to be credited to the reckless, extravagant and improvident Government which succeeded the economical administration which preceded it. I have a memorandum here which will throw some light upon the manner in which the Government of the United States have dealt with land grants, and the privileges and immunities which they have given to the roads to which they have extended aid. There is a road called Corpus Christi, Santiago and Red River Road, in the State of Texas, and as that State has been recommended to the notice of the public by an hon. gentleman of the other side, I will begin by stating the great liberality with which that State deals with railway corporations. The State of Texas granted to this road, which is a narrow-guage road, 16 sections of 640 acres each, something over 10,000 acres per mile. The Flint and Pere Marquette Road in Michigan received 3,840 acres, as an incidental grant only, upon 283 miles of local line. It was a mere gratuity, as that is not a through line, having no particular claims upon the public liberality. The Grand Rapids and Indiana Railway received 1,160,000 acres for 446 miles of railway. The Missouri and Pacific Road, for 425 miles, received a State bonus of $2,000,000. The New Orleans and Mobile Railway of 141 miles, received from the State of Louisiana 3,000,000 acres of land, while the Government subscribed $2,500,000 and endorsed second mortgage bonds to the amount of $12,500 a mile, and the city of New Orleans granted in perpetuity the use of the depot grounds worth $1,000,000. Mississippi and Alabama exempted it from all taxes for ever. These are grants to one single road. The Orleans and Baton Rouge and Vicksburg, to the eastern terminus of the Texas Pacific, received 20 sections of lands per mile, with the privilege of selecting it 40 miles on each side of the road. It had a capital of $5,000,000, with bonds of $30,000 per mile. The American Fork Railway from Deer Creek to Utah got a large subsidy from the State, though the grades were 297 feet per mile and the curves 129 feet per mile. There they did not regard grades and curves exactly in the same way as they are regarded by hon. gentlemen on the other side of the House, who practically know very little about building railways or operating them. The West Wisconsin Railway of 177 miles, received 6,400 acres per mile and was exempted from taxation for 20 years. The Wisconsin Central, 325 miles, received 800,000 acres. The Lake Superior and Mississippi, 169 miles, received 920,000 acres. The St. Paul and Pacific, 207 miles, received 405,000 acres. The Sioux City and St. Paul Railway, 121 miles, received 927,000 acres of land. The Southern Minnesota, 167 miles, received 368,274 acres. The Illinois

Central, 455 miles, received 2,595,000 acres, and the State gave it on the condition that the railway paid 7 per cent on its net earnings. That was in a centre of a populous State where there was no sort of hazard about getting in population, and the road was prosperous from the beginning, yet it received from the State that large amount of land which had been granted to the State by the United States. The payment of seven per cent. on its net earnings was the price paid the State Legislature for the grant. The Atchison, Santa Fé and Topeka Road, 470 miles, received 6,400 acres per mile. The Oregon and California, 200 miles, received 3,500 acres per mile. The Houston and Texas, 505 miles, received 10,240 acres per mile. The Gulf, Colorado and Santa Fé, 45 miles, received 16 sections to the mile, or about 11,000 acres. The Burlington, Missouri and Nebraska, 239 miles, received 2,462,208 acres. The St. Joseph and Western, 227 miles, received 539,000 acres. The Mobile and Ohio, 472 miles, received 856 sections per mile. The Texas and Pacific, from Shrieveport to Sandiego, 1515 miles, which is a new road across the Rocky Mountains, received from the United States Government 9,520,000 acres of land, and from Texas 18,000,000 acres. The Missouri, Kansas and Texas, 786 miles, received 6,817,742 acres. St. Louis and Iron Mountain, 604 miles, received 1,803,948 acres. The International and Great Northern Road, 236 miles of main line and 283 miles of branches, received 5,000,000 acres of land free from taxation for 25 years. The hon. gentleman had a good deal to say about grades and curves of railway. The Denver and Rio Grande road, largely subsidized, has a grade of 369 feet to the mile, and attains an elevation of 9,339 feet above the level of the sea. The United States granted to the Pacific Railways 20,000 acres to the mile, and these railways received financial aid from the United States, including interest, to the extent of $91 637,928. To other than Pacific Railways there have been granted altogether 37,504,087 acres of land up to 1876, and to the Pacific Railway 150,281,766 acres. I think the terms of this contract which are said to be so excessive will compare very favorably with those granted to American railways. Now, any figures made use of by hon. gentlemen opposite are used on the principle of the sliding scale with respect to the value of the lands. We, I think, can safely say that we will accept these figures, or any other figures they name, as the value of our lands; but we must insist that when they state their figures they will allow us to couple with them the statement that, whereas we are giving 25,000,000 acres, they offered to give 55,000,000 acres, that whereas we are giving $25,000,000, they offered $10,500 a mile, or, including the twenty-five year charge as exemplified by the Foster bid, $17,500 a mile; and every gentleman who sat in the House from 1874 to 1878 as supporters of the late Government, accepted these terms. The Government of that day advertised for tenders upon them, and they must have taken a contract and undertaken to build the road upon them if they were offered as the lowest responsible bid. No gentleman who sat on the Government side of the House from 1874 to 1878, can escape that responsibility. No matter how he may attempt to swallow his principles, the public will not allow him to digest them. I have proved, I believe, that the gentlemen now on the Opposition benches were sincere in their intention to build the railway in accordance with the terms of the agreement with British Columbia. That is shown by the utterances of the late Finance Minister when he attempted to negotiate his loan in England, and when he assured the English public that the country would carry out its engagements, and therefore its credit was not wrecked. The hon. member for Lambton (Mr. Mackenzie) in 1875, I think about the time the hon. gentleman who is now leader of the Opposition, after having pursued a very erratic course in his support of that hon gentleman, was about to re-enter the Government, made use of the following language, which has not been quoted before:—

"Last year we took an estimate altogether, as will be seen, of about two and a half millions of dollars. At that time we were quite uncertain what arrangements might be made with British Columbia. We proposed at that time, if satisfactory arrangements could be made with that Province for an extension of time in accordance with the negotiations entered upon, to proceed immediately with the construction of the road from Esquimalt to Nanaimo, and in that case a very large expenditure would have been necessary, as we should have done a very large proportion, including the rails of that portion of the road, within the financial year. These arrangements, however, fell through, and although an ultimate arrangement was reached by which that work will be prosecuted after this, at that time there was nothing to justify us in refusing to make such preparations as might be needed in the event of our coming to some terms with that Province."

What did he do afterwards? He sent rails to the Island, and afterwards, on the eve of the election of 1878, he transferred these rails to the mainland. Why did he do that? Can it be assumed by the gentleman who followed him that he stooped so low as to carry these rails to the mainland in order to influence the election in British Columbia. I believe he was acting in good faith in that matter, and that he intended to carry out his agreement with British Columbia. But the question now before us is one for the future, one that is of pressing importance. We are called here at an unusual period of the year, to consider the greatest and the gravest subject which can be presented in one measure to the people of this Dominion—a question which is to affect their destinies for all time to come—and I am sorry to say that gentlemen opposite have come to the consideration of this question filled with party bitterness and party prejudice, have come here to prejudge the contract upon statements which have been circulated during the last few months without the slightest knowledge of what the terms of this agreement were to be. What do we suppose has been the knowledge, then, of those assemblages whose opinions have been quoted and are to be quoted; whose petitions are to be presented here, got up by the caucus of the Opposition, in this very House of Parliament, and sent broadcast, exactly as the resolutions that have been made and put in the hands of gentlemen who spontaneously attended those meetings and spontaneously offered those resolutions that had been cut and dried before they went out from the Capital. What do we suppose will be the judgment of those who had already been committed by the blind force of the Opposition in which they are placed, to prejudge this matter? I say we are here for a more solemn object than the discussion of party questions or fomenting of party differences, and I was sorry to find that the leader of the Opposition was the man to give the keynote to the arguments which we are to hear on the other side. Every man who has risen in his place subsequently has repeated his lesson like a parrot which has been taught him by the leader of the Opposition. Every argument has been repeated monotonously. The same statements have been made by the gentlemen on the platform in the harmless agitation in western Ontario. Every one of them has taken up the question not with the fairness which its gravity demands; not in a patriotic spirit. It seems to me, and it must seem to the public at large, that patriotism is sunk in party feeling. I regret to say that that spectacle has been presented to us year after year, for those gentlemen have been forced by the events of 1878 into the humiliating position which they now occupy—a wrecked party carried to its destruction mainly by the very men who are now leading it further and further into the slough of despond; and I can see for it no regeneration, no hope, so long as it clings blindly, obstinately, persistently and blunderingly to the course it has pursued, and which has brought upon it the ruin which it deserves. What is to be the alternative? We are to accept this proposition, which I believe to be a perfectly fair one; which is, Sir, it is true is not exactly what any man, if he had the power to make a bargain for himself on his own side,

without anybody else on the opposite side to interfere with him, would have made; but a bargain which, I believe, has been made conscientiously by the leaders of our party in the best interests of the country, and which, I believe, during its discussion and investigation in this House, will commend itself more and more to the calm, unprejudiced judgment of the people of Canada. I say we are either to accept that, or what are we to do? We are to pass a vote of want of confidence in the gentlemen who lead this great majority in the House of Commons, and we are to throw ourselves into the arms of our friends on the opposite side; we are to have a repetition of the blunders which increased, year by year, during 1874, '75, '76, '77 and '78, until the day of regeneration dawned, disastrous blunders from which the country is slowly reviving, and we are to be put back again—we are to reverse the engine—we are to put ourselves back into the power of the master of deficits, we are to put ourselves into the hands of the gentlemen who made railway contracts with parties before they had surveyed a foot of the line so placed under contract, we are to put ourselves back into the hands of men who went to the country and demanded a renewal of the confidence which had been blindly given to them on the ground that they were building the western part of the Pacific Railway for $24,500 per mile, when it was patent on the records of the Public Works Department that it was costing from $37,000 to $40,000 a mile, and badly built at that; we are to put ourselves into the hands of gentlemen who stood by with their arms folded and said that they were flies on the wheel, and Canada must drift on to its destruction because they could not put out their hands to help our struggling industries. Those are the alternatives. On the one hand, we believe that we are doing our duty to our country when we use every possible means in our power to bring about the acceptance of this contract; and I believe for one that I can justify it before my constituents and the people of Ontario. I am prepared to take it up clause by clause to-day, and meet on the platform any gentleman of the Opposition who chooses to invite me to meet him, and I do not think there are many of them who will care about doing it. I will defend it clause by clause and line by line in the shape in which it is now presented to the House, and I believe those gentlemen who oppose us are just as much mistaken when they think they have the country with them as they were in 1878, when they walked blindfolded off the precipice and were told the very day before the election they would gain 13 seats in Ontario in which they lost 36 seats. I believe that the gratitude of the people of Ontario is due to the untiring efforts which have been made by my right hon. friend, (Sir John A. Macdonald), from the day of the great statesmanlike act which gave us the North-West Territories at a mere song—for £300,000 sterling, one or two cents per acre—from that day we are indebted to his prescience and forethought for the plan which now comes before us in its maturity and is presented for our acceptance. I believe he is right in saying that he is willing that it should be his monument. I believe the whole people of Canada will respond to him when they come to understand what is the effect of this arrangement which he has made—they will respond to him and sustain him as they responded to and sustained him in 1878. The hon. gentlemen need not flatter themselves that their time is coming. I know perfectly well that when they swapped horses in the middle of the stream, and exchanged a little Scotch Galloway—somewhat rough-haired and hard-mouthed, perhaps, and who occasionally stumbled, but on the whole did his work steady and cheerfully—for an Irish thoroughbred ready to bolt and refuse his first fence, they thought they were going to succeed, but they were mistaken. He is already looking at our mangers and whining for his feed. The corn is in Egypt, but it is not for him, and he will have to wait outside of the barrier for more than the term of this Parliament, and more than the term of another Parliament, for when three years have rolled round, and we shall have seen the effect of this arrangement, and the people will have learned to understand it, and the people on his side will have crushed away the sophistries which the hon. gentleman has raised with an ingenuity that enables him to make the worse appear the better reason; when the echoes that have been made through the country, under his auspices and direction, have died away in the ears of the people—there will be that sober second thought which is often quoted, and which hon. gentlemen talked about the year after the election, and which we have seen exemplified in every election that has taken place for a member of Parliament since—and I should like them to show by the record any reaction; that reaction is yet to take place, and it is to set in in our favor. I believe it has been the misfortune of those gentlemen to stand in an obstructive position, compelled as they have been to stand against this party; it has been their misfortune which has proved their ruin, and it is a misfortune which they cannot escape unless they accept the flag of truce which the hon. Minister of Railways held out, and return at the last moment and vote with us as a solid phalanx for this contract, and show the world the evidence, that they at least on a great question like this can forget party. I trust that as this discussion goes on every objection which has been urged will be met,—objections which have found undoubtedly some response in the minds of our friends, for we do not pretend to be a mechanical majority.

Mr. MILLS. You are, nevertheless.

Mr. PLUMB. We pretend to be men who can think and reason on subjects of this kind, and we intend to think and reason on them. When we give our support to a measure of this kind, we intend to give it intelligently, and I believe that every point in this contract is one which we can justify before the country and to ourselves; and I believe that the hon. gentlemen who suppose there will be any sort of difference on this side of the House in sustaining the policy of my right hon. friend and the gentlemen who sit with him, will reckon without their host. They will find when the result occurs how egregiously they have deceived themselves and failed in attempting to deceive the public.

Mr. MILLS rose to address the House.

Mr. BLAKE suggested that the House should adjourn, as it was now 12 o'clock.

Sir JOHN A. MACDONALD said it would not be doing justice to an hon. member of the position of the hon. member for Bothwell (Mr. Mills) to press him at this late hour to proceed with his speech, and therefore he would yield to the suggestion of the leader of the Opposition. At the same time, he must say that this was a matter which required as early action as possible, consistent with a fair and full discussion of the subject, and that if this measure for good or evil is to be law, the sooner it is the law the better. He had given notice to-night that after routine this subject should be continued *de die in diem*; in the meantime he would at once accede to the proposition that the hon. member for Bothwell should have every opportunity of fully expressing his views on this question.

Mr. MILLS moved the adjournment of the debate.

The Committee rose and reported.

House resumed; and (at 11:35 o'clock, p.m.,) the House adjourned.

HOUSE OF COMMONS,

WEDNESDAY, 5th January, 1881.

The SPEAKER took the Chair at Three o'clock.

PRAYERS.

PETITIONS FOR PRIVATE BILLS.

Mr. DREW moved that the time for presenting petitions for Private Bills having expired, the same be extended to Tuesday, the 15th day of February.

Motion agreed to.

BILLS INTRODUCED.

The following Bills were severally introduced and read the first time :—

Bill (No. 10) to remove doubts as to the true construction of Section 12 of the Northern Railway Act of 1877.—Mr. McCarthy.

Bill (No. 11) to incorporate the Saskatchewan and Peace Rivers Railway Company of Canada.—Mr. Beaty.

COURT OF RAILWAY COMMISSIONERS.

Mr. McCARTHY introduced a Bill (No. 12) for constituting a Court of Railway Commissioners for Canada and to amend the Consolidated Railway Act of 1879.

Mr. BLAKE. Is this Bill intended to apply to the Canadian Pacific Railway?

Mr. McCARTHY. If it has the good fortune to pass the House, I suppose it will apply to the railway to be constructed by the Syndicate as well as to all others. The Bill is the same, with a few alterations, that I introduced last Session. I did not, then, bring it to a second reading, because I thought that, considering the importance of the interests to be dealt with, it was prudent to give time to the country to consider the proposed measure. Upon the whole, I think, the Bill was received with considerable favor. I have received many communications urging me to bring the Bill before the House this Session. It proposes to constitute a Court of Railway Commissioners to be appointed by the Governor in Council, and to consist of three gentlemen, one of whom is to be a railway expert, another to be skilled in the law, while the qualifications of the other are not defined. These Commissioners are to have power to deal with all matters relating to traffic arrangements, to difficulties arising between railway companies, between railway companies and individuals or municipalities, and it is intended to transfer to the Commission nearly all the powers which are now possessed by the Railway Committee of the Privy Council. It is copied, largely, from the English Statute, which has been in force since 1872, and which, I think, has given satisfaction to all but the railway companies, though doubtless faults have been found with it. I hold here the statement made by Viscount Sandon, lately the Commissioner of the Board of Works, who stated, as a member of the then Government of Lord Beaconsfield, that he believed the law had given satisfaction, and that the Government proposed at an early day, not merely to extend the law, but to confer larger and additional powers upon the Railway Commissioners. He said:

"I ought to remind my noble friend that we have already intimated that the Government attaches great importance to the continuance of the powers of the Railway Commissioners, which they believe to be highly valued by the commercial community of the country."

In the neighboring States this subject has also received much attention. A valuable report was presented to the Assembly of the State of New York, in which the results of evidence taken as to the present system and the want of legislation were briefly summarized. Amongst other matters which this Committee reported as requiring legislative interposition were these:

"A proper unit of shipment should be fixed. The practice of charging more for a short haul than for a long haul should be forbidden: the granting of unequal or preferential rates should be forbidden; the making of secret rates and the giving of drawbacks and rebates for such purpose should be forbidden; and your Committee are of the opinion that the Legislature may safely go to this extent without infringing the proper discretion and elasticity of management which railroad managers must of necessity possess, and without in the slightest degree infringing or compromising the vested rights of railroad property."

And again:

"It seems to your Committee that the wrongs that exist may be ameliorated, if not corrected, by introducing into the determination of these questions a public element which shall give to the public interest a consideration which this evidence shows it does not now receive; and to that end we recommend a Commission, to be composed of three individuals, with power of investigation and recommendation."

These extracts will show that the bills reported by that Committee, one in favor of a Railway Commission and the other amending the law relating to traffic arrangements, were considered worthy of consideration. About the same time, a similar bill was introduced into Congress and referred to a Committee. I think I may say that the evils that exist in this country, with regard to undue preferences given by railway companies, unfair traffic arrangements and secret bargains, exist still more largely in the United States than here. The House will remember that last year the railway companies were particularly active in petitioning against this Bill, and in writing in opposition to it in the Press. I have read several of these articles, and I do not think the reasons urged against it are entitled to much weight. I do not mean to say that there should be in this Bill anything of a nature to confiscate railway property, but we must remember that railway companies have now become the great highways of commerce. They have taken the place of the ordinary Queen's highway, the old original highway which was under the control of the Crown and the Government; and it is absurd to say that because individuals have constructed those roads, that they are to be beyond and above all legislation, and beyond the control of Parliament. I think we must acknowledge that the rights which have been delegated to railway companies are used, as all such franchises should be used, mainly and chiefly in the public interest; therefore it is that I introduce this Bill. I may say that the matters which I think require legislative interposition may be summarized under the following heads: There is no doubt that in many cases railway companies charge exorbitant rates, and there is no doubt that they do so contrary to the law now on the Statute-book; but there is no power to enforce the law. We have copied into our Railway Act a provision found in the English Act as early as 1845; but in the Act of 1845 they empowered their Court of Common Pleas to carry into force the provisions of the clause which is called the equality clause. We have the equality clause in substance, but we have no means of enforcing it. That is one matter which I think only needs to be stated to induce us to act in regard to this subject. Then as to undue preferences. It is probably within the knowledge of most hon. members that railway companies attempt to injure, if not individuals, yet certain towns and villages, by giving other towns and villages rates which they decline to give to those equally entitled to them. A recent instance of this came under my own observation. A railway company endeavored to stand in the way of a rival enterprise, one for the conveyance of goods by water, and threatened the projectors of the rival enterprise to cut into the locality which was to have the benefit of cheaper rates in the summer. It is not right that it should be in the power of common carriers to discriminate against one town, and cut rates in favor of another. The enormous amount of money invested in railway companies may, perhaps, be urged as a reason why we should not deal with them in the way I propose. Let us deal with them in all tenderness. I do not

think we should do anything to destroy their interests; but I find by the last report of railway statistics, that of the $360,000,000 or thereabouts invested in railways or railway enterprises, the people of the country, either in the shape of Government, local or municipal aid, have contributed no less than $90,000,000, and I think we should see that that money should not be used to the detriment of the people by whom it is contributed. Railway companies can do as much injury by neglecting to afford proper facilities for the conveyance of freights and by delay as by exacting high rates. At present the public are entirely at their mercy; they can carry what freights they choose, and at what rates they choose, or not at all. The opposition they give to new and rival enterprises is another of the reasons which have induced me to bring this Bill before the House. I ask the House now to allow it to be read the first time. I have no doubt that on its second reading we shall hear from that part of the House who represent the railway interest, and then I shall have something more to say in defence of this measure.

Mr. CASGRAIN. Does the Bill affect the official arbitrators, or say who shall replace them?

Mr. McCARTHY. The Bill does not propose to deal with the official arbitrators at all. It proposes to transfer the power now possessed by the official arbitrators to the Railway Committee of the Privy Council.

Bill read the first time.

THE SUPERANNUATION FUND.

Mr. KEELER enquired, Is it the intention of the Government to appoint a Special Committee to enquire into the state of the Superannuation Fund, the working of the Act, &c., as was proposed last year?

Sir JOHN A. MACDONALD. It is not the intention of the Government to appoint a Special Committee, as we have a Royal Commission that will shortly conclude its labors on the whole question of Civil Service reform, including the subject of superannuation. The Government must have the report of that Commission before they can say what further action they will take.

WATER-POWER ON THE WILLIAMSBURG CANAL.

Mr. MACDONNELL (Lanark) moved for the engineer's report on the cost of increasing the water-power of the Williamsburg Canal.

Motion agreed to.

GRINDING OF WHEAT IN BOND.

Mr. WHELER, in moving for all Orders in Council and departmental regulations for the grinding of wheat in bond in the Dominion of Canada since March 14th, 1879, said he submitted this motion to obtain information on a subject of great importance to farmers and millers throughout Ontario. He wished to obtain reliable returns of all the wheat imported into Canada, during the period mentioned, for milling purposes. It seemed that up to last Session the Orders in Council did not cover the importation of wheat for grinding purposes—that is, any other wheat could be substituted and ground by millers, to cover the bond. An Order was issued requiring that wheat imported should be ground into flour and exported; it was dated 24th April last. He asked the Minister of Customs to explain the mode he adopted to ascertain whether the wheat so imported was converted into flour and exported. He was told that, under the present Order, wheat could be imported and sold contrary to the terms and intentions of the Order in Council. If so, the Order should be amended, as it worked great injustice to our farmers and millers in the interior. The millers on the frontier could avail themselves of this importation of foreign wheat to make profits at the expense of their competitors to the rear. The millers in the interior could not avail themselves of the privileges of this Order, as they had to pay freight by the railways into the interior and forward again to the markets. As an illustration, he might say a miller in Port Hope could import wheat, sell it or the flour therefrom at a profit, or export it at a profit; but the miller in Peterborough would have to pay 5 cents a bushel to bring wheat to the mill, and 5 cents to forward it again to the front, to be even with the miller at Port Hope. Therefore the Peterborough miller was excluded entirely from the benefits of this Order in Council. The Order was, then, a wrong one, as it discriminated in favor of the frontier millers. In 1878, when the question of a duty on grain from the United States was being discussed, pending the elections, many of the farmers voted in favor of the candidates advocating the views that this duty would be beneficial; in fact, the support given them was sufficient to elect a large number and change the Government. Immediately after the elections the change was made that placed the present Government in power. They brought down their measure, which was considered by the House; whereupon a large number of the millers along the frontier waited upon the Minister of Customs and obtained this Order, so as to allow them to import grain. These regulations have been changed from time to time, but he did not now claim they were perfect, for he was under the impression that great injustice was being done by the present system. He hoped the Minister of Customs would be in a position to inform the House how he ascertained whether the grain actually imported is ground and exported. He (Mr. Wheler) was informed there was only a certificate given by the importer. He thought the regulation should go further than that; that there should be a bond on the part of the proprietor of the mill as additional security. It was almost impossible for the proprietors of those mills to make a declaration, showing whether it was the actual product of the wheat that was placed in their mills. Under these circumstances, a change should be made so as to make it positive and leave no room for doubt. There were only a few millers along the frontier who availed themselves of the credit for twelve months of the fifteen cents per bushel on the wheat imported. A merchant had to pay the duty in cash before he could obtain his goods; while these millers along the frontier could import their wheat and keep it in their mills for twelve months without paying duty, waiting for the markets to rise. A change should be made that would place all classes of merchants on the same footing. Again, the quantity of wheat imported is computed at the rate of a barrel of flour for every five bushels. My opponent at the last election stated this was the computation. I may be incorrect; if so, I am open to correction.

Mr. BOWELL. The hon. gentleman is incorrect in stating that the Order in Council requires the product of five bushels of wheat per barrel of flour; it requires but four bushels and thirty-five pounds of wheat to the barrel of flour.

Mr. WHELER said it was claimed in his county by his opponent, Mr. Gibbs, that a barrel of flour should be returned for every five bushels of wheat. If that was the case, one-third of the wheat so imported came in free of duty, and took the place of the cheap grains—oats, peas, corn, &c.—of the farmers of this Dominion. This, he thought, was very unfair. Most of the farmers understood a tariff was placed on all kinds of grain coming from the States, so as to enable them to obtain increased prices for their grains. Canadian millers were to-day importing American wheat, who had not done so up to the time this duty was imposed. He could understand what privileges these millers had to induce them to import wheat now, if the Order in Council was carried out as it should be. It was claimed by hon. gentlemen opposite, in the elections of 1878, and even at the last elections, that this duty on wheat

would prevent all kinds of American wheat coming into this Dominion, and the millers would have to purchase their wheat at home. Messrs. Ogilvie, of Goderich, and others, were named as parties who would be large purchasers of Canadian wheat, thus causing markets to be established in every village and town in this Province. Until a short time ago, our farmers were under the impression that no wheat could be imported into Canada without paying the duty. He hoped the Minister of Customs would be in a position to give the House information which would satisfy it that no wheat could be imported for sale on our markets without paying the duty

Mr. BOWELL. I am sure the House, and more particularly the electors of North Ontario, will be gratified to learn that there is a new convert to the principles of the National Policy. The hon. gentleman could have obtained most of the information he asks for if he had taken the trouble to read the Orders in Council which have been published in the *Official Gazette*. I have no objection whatever, for the information of the House, to bring these papers down, in order to show what has been done by the Government in respect to the bonding of wheat. When the tariff was introduced, the bonding of wheat, for the purpose of grinding it into flour to be shipped to foreign markets, was accepted, if I recollect aright, by both sides of the House. This was done in order to assist millers in obtaining wheat to manufacture into flour to be sent out of the country, so that they would have all the employment for their mills they formerly had. Then the Order in Council provided that all wheat imported and manufactured into flour would be admitted in bond, and the flour so manufactured, or its equivalent, must be exported. During a portion of that time, wheat being much dearer in the western States than in Canada, no injury arose to the local miller or the farmers of this community; but as soon as the prices fell in the western markets, it was represented to the Government that in the case of American wheat brought into the country and kept, in some cases, for a length of time—in others it was put on the market at once—until the end of the year, when the bond had to be released, either by payment of duty or an affidavit that the product of that wheat or its equivalent had been shipped out of the country—the millers took advantage of this concession to export the product of Canadian wheat instead of the product of the imported wheat. The Order was therefore changed, and it now reads that the product of the wheat which is imported and manufactured into flour must be exported; and the miller who imported the wheat must give an affidavit that the flour exported is its product. But a difficulty has arisen in regard to flour *in transitu* at Boston or Portland for the Maritime Provinces, and we have found it necessary to demand an affidavit from the shipper or the agent in Boston that the flour which has been brought to the port and re-shipped to the Maritime Provinces is the flour received from the mills in Canada. I am not aware of any other means which we can adopt to ascertain the flour is the product of the imported wheat; and if the Order in Council is evaded, it is evaded by making a false affidavit. The hon. gentleman complains that the inland miller has not the same advantages which those millers have whose mills are situated near the canals, on the borders of the lakes, or upon the frontier. A little reflection will convince the hon. gentleman that the Government cannot frame an Order in Council so as to overcome the disadvantage at which the inland miller is placed in that respect. The question is one of carrying facilities and not of Customs regulations; and if a man goes to New York or Chicago and buys grain and has it ground at mills on the shores of Lake Huron, he will certainly not have to pay so much freight as, say, the millers in North Ontario. No Government or individual can provide against a disadvantage of that kind. The hon. gentleman also stated, if I understood him aright, that parties importing wheat should be placed in precisely the same position as the merchant who imports any other goods and places them in bond—that he has an advantage over the grocer or the dry goods merchant. The hon. member is quite mistaken on that point. The merchant who imports goods, and desires to put them in bond, is permitted by law to allow them to remain in bond for two years, and if a particular article is not marketable, application may be made to the Government, which, in almost every case, allows the goods to remain in bond for a longer period. In the case of wheat, the importer is restricted to twelve months; and it may be a question for consideration whether he should not be restricted to three or six months. Besides this, if a merchant has goods in bond he has a right to export them at any time, on application, without paying the duty, whereas the importer of flour has only twelve months in which to have his bond released. The hon. gentleman says that people are importing wheat now who never imported it before. Well, I have not the slightest doubt that there are a larger number of men doing business in the country to-day than were doing business two or three years ago, and it is to be hoped this will continue to be the case for all time to come. I see no way in which the Government can, or ought to, interfere in a matter of this kind. If millers are extending their trade, and others are engaging in the milling business, who did not do so before, then that fact is simply one of the numerous great advantages of the National Policy.

Mr. WHELER. I referred to one of the oldest millers in the Province of Ontario.

Mr. BOWELL. Very probably that gentleman, like others who formerly did merely a local trade, has made sufficient money to justify him in engaging in a large export business, and is now buying his supplies of grain in the western States. That is one case which no Tariff, no Government—not even the hon. gentleman himself—could regulate. I hope that will continue, and that the older millers will extend their business under this policy, and bring wheat enough from the western States to keep their mills going throughout the year. If they do that, one of the objects of the present Tariff will have been accomplished, and that is one which hon. gentlemen should not find fault with. When the regulations are brought down they will show that when wheat is imported into this country it must be manufactured into flour, and that it must be the product of that wheat which is exported, or the wheat itself. If there is any infraction of these rules, and if American wheat, or flour manufactured from American wheat, is put upon the Canadian market, then the duty must be paid unless the importer makes a false affidavit.

Mr. MILLS. The hon. gentleman says that there are certain things which it is impossible for the Government to accomplish. It is rather singular that at the time of the last elections those hon. gentlemen did not admit any disability of that sort. They contended that any Government who could not correct effects of that kind, regulate prices, and always secure good prices to the farmer, were flies on the wheel.

Mr. BOWELL. Annihilate the distance between Chicago and Toronto.

Mr. MILLS. Those are some of the things the hon. gentleman promised to accomplish. They professed to have some sort of a magical back action, progressive Conservative patent, by which all these important matters were to be accomplished. It seems this patent machine has broken down. The hon. gentleman admits that he and all his colleagues are flies on the wheel, that there are grievances that the Government ought to be able to correct, defects that the Government ought to be able to amend, and that he and his colleagues are unequal to the task. He says the speech

of the hon. member for North Ontario (Mr. Wheler) is the best probable proof that the National Policy is still popular. I do not think that speech is quite consistent with the National Policy. Those hon. gentlemen told the people that the tax imposed upon products coming into Canada was paid by the foreign producer; if that be true this 15 cents a bushel is paid by the people who produce this wheat in the west. Why, then, does the hon. gentleman undertake to relieve the miller from a tax he does not pay? Why does he propose to remit the duty to the party who is not called upon to pay the tax? The hon. gentleman admitted that this National Policy could not be practically applied to this matter, because he provided that, if there was an equivalent of Canadian wheat exported from Canada, the duty should be made up to the Canadian producer; but the capacity of the people of Canada for consuming wheat, like the capacity of some gentlemen for eating dirt, is limited, and their appetite does not increase in proportion to the quantity of wheat imported into the country. There is no doubt a very considerable portion of the wheat imported from the west is for the purpose of being ground into flour, but if that enters into consumption here it displaces a certain quantity of wheat grown in this country, and it takes its place, independently of any Order in Council or any regulation of the Government. Finding, however, that this fraud had been practiced upon the people of the country, the hon. gentleman is disposed to change his Order in Council, and now provides that the same wheat that is ground into flour must be exported from the country. I am glad to see that hon. gentlemen on the other side are no longer stationary, but that they are on the move, because the people of this country are not satisfied with the regulations which have been made; and I do not believe they will succeed in satisfying the country until those obnoxious provisions, which the hon. gentleman and his colleagues have adopted, with regard to taxation of breadstuffs, are entirely expunged from the Statute-book.

Mr. ORTON. The hon. gentleman from Bothwell (Mr. Mills) has very disingenuously laid down a platform for the Conservative party, which that party never adopted. When that party went to the country they never pretended they could regulate the price of wheat, and prevent the Liverpool market from having a certain influence on the price of grain in this country; but they did pretend they could give the Canadian market to the Canadian farmers for their wheat and grain. I think we can distinctly prove that the policy of the present Government has resulted, in one respect, as we expected it would. For the first time in the history o Canada the price of Spring wheat rules higher than the price of Fall wheat. All those who have watched the market prices know that the price of Spring wheat has ruled from 10 to 15 cents higher than the price of Fall wheat since last May, when the effect of the National Policy came fairly into force. Why have the farmers of Canada had the benefit of a higher price? Simply because there is a duty placed upon wheat coming into Canada of 15 cents a bushel. We know well that the flour consumed in Canada is made from Spring wheat, and that our millers who desire to keep the home market are obliged to procure Spring wheat, and the result of this policy has been to give completely into their hands the supplying of the people of Canada with flour. When we have not got enough, it is true, we have to import some from the United States, and, doubtless, much has been imported and paid the duty. But the fact that Spring wheat has ruled higher than Fall wheat, is conclusive evidence that our farmers are getting the benefit of the home market.

Mr. KILLAM. I have never yet heard, since 1878, any explanation from the Government which was satisfactory to the House as to the benefit we derived from the duty imposed on grain coming into the country. The last speaker seems to think that in some way the farmers are benefitted by it, but from the Treasury benches we have never heard any logical or commercial reason for imposing the duty. The hon. Minister of Customs has taken the hon. member for North Ontario to task for the remarks he made. I understood he was complaining about the unfairness of the National Policy generally in regard to grain, and that the millers of one section of the country were placed at a disadvantage over the millers in another section. What benefit millers, as a rule, can derive from the grain duties, it is impossible for me, with my limited understanding, to conceive. Before the National Policy came into existence we had a perfect right to import grain from the United States, grind it in this country, and export it to a foreign country without any restriction whatever. Why it is that, when we are endeavoring to induce the people of the United States to carry their grain through this country, the Government, with some notion entirely beyond the comprehension of commercial men, are placing a restriction in the way of that trade, is a matter I would like to have explained. As a believer in the future of this country, as a believer in the prosperity this country has gained and will gain from the carrying trade of the west, I believe all these restrictions should be removed, and I believe the patriotic party in this country will be the party which will give the freest scope to that and all our other industries.

Mr. BOWELL. Will the hon. gentleman tell the House what restrictions are put on the carrying trade which prevent the carrying of American wheat by the St. Lawrence route.

Mr. KILLAM. I say that the restrictions which the hon. gentleman imposes are sufficient to prevent the grain being ground in bond.

Mr. BOWELL. That is another question.

Mr. KILLAM. I ask the hon. gentleman to show what possible benefit the country can derive from the duty imposed on American wheat. I say the grain duties are entirely without reason. Without benefitting the farmers, they just act as obstacles in the way of trade. I will give an instance. Two vessels carrying grain from the west through the St. Lawrence were damaged in the river, by reason of our climate, or, perhaps, of some fault of ours. What did the Tariff do for these gentlemen who tried to send their grain through Canada? They lost three-fourths of it by natural causes, and this paternal Government, with the sanction of the National Policy, confiscated the remainder. I do not want to be drawn into a discussion on the Tariff at present; but I wish to appeal to hon. gentlemen, while there is time to withdraw these obnoxious grain duties, and allow the products of the west to be sent to Europe without restriction through the Dominion of Canada.

Mr. BOWELL. I am not going to discuss the grain duties, but I wish to tell the hon. gentleman that while there was no duty on wheat or corn, there were more restrictions placed upon those engaged in the trade of carrying these grains through the St. Lawrence to the European market than there are to-day. The necessity of bonding every cargo at Kingston, and then rebonding it again at Montreal before it was put on the ocean steamships, no longer exists. As soon as the gentlemen engaged in that trade brought it under the notice of the department, the department at once relieved them of all those troubles and annoyances by giving them a simple bond extending over the whole year, so that it was not necessary to keep one man at Kingston and another at Montreal. When the hon. gentleman (Mr. Killam) speaks of restrictions interfering with the carrying of western trade by way of the St. Lawrence, I tell him, without desiring to be offensive, that he has not read the regulations, and does not know what he is talking about.

Mr. KRANTZ. Hon. gentlemen opposite are still trying to show that protection to the farmer is a humbug. Being connected with a mill in Ontario, I am in a position to state that we always pay from 3 to 4 cents per bushel more for Canadian wheat than the price at which we can lay down American wheat of the same quality. These 3 or 4 cents go into the pockets of the farmers in our neighborhood as an extra profit, which they never would have got but for the duty on wheat. The flour manufactured in bond from American wheat we send to England, and in order to supply our customers in the home market, in our own town and the Lower Provinces, we have to buy Canadian wheat at the increased price, and this increased price benefits the Canadian farmer.

Mr. McLENNAN. The hon. gentleman who spoke last on the Opposition side (Mr. Killam) tried to make out that the traffic of the St. Lawrence had suffered very materially. It would be a great pity if either the farmers or the traffic should suffer by these regulations. It may be very gratifying to the hon. gentleman opposite to know what I am able to communicate from a statement sent me a few days ago from the office of the Montreal Harbor Commissioners, as to the revenues of that port for the year just closed. I am very glad to find that the dues collected thereat, under the Tariff that existed the previous year—and I hope the hon. gentleman will take it all in—are $60,000 in advance of the dues of the year before. The collections reached $265,000 in 1879, and $325,000 in 1880. The increase is upon the sea-going traffic. The local traffic yielded a revenue in 1879 of $55,000, whilst in 1880 but $51,000; so that to the $60,000 in the gross we have to add $4,000, making a total increase of $64,000 upon the through traffic. I have not a comparative statement of the quantity of freight moved, but I venture to say, if the figures were before me, they would show $20,763 as the collections for wheat, and $17,913 for Indian corn, which is a great item of transport by this route from the western States. The quantities have been enormously in excess of anything ever carried before. I do not make this statement to show that Montreal enjoys very great advantages under this Tariff. I believe, on the contrary, there is a great deal to be said as to the difficulties under which that port labors under the existing Tariff, and the embargoes upon the traffic by the St. Lawrence. That is another question; but there is no question about the actual fact that the traffic by the St. Lawrence under these regulations has increased enormously, over 25 per cent., beyond anything that ever existed before, during the last year.

Motion agreed to.

IMPORTATION OF WHEAT IN BOND FOR GRINDING.

Mr. WHELER, in moving for a return showing the names of all parties who have imported wheat for the purpose of grinding in bond, showing the quantity imported by each party, with the dates and ports of entry; also, statement of the quantity of flour exported by each party, and the dates since March 1st, 1880, said he wished to insert the date 21st April instead of 1st March last, and also to add the following words: "The dates of all bonds given and the dates when any were cancelled, and in what manner they were cancelled, whether by the export of wheat or flour, or by the payment of the duty."

Motion, as amended, agreed to.

HOLIDAY ADJOURNMENT.

Sir JOHN A. MACDONALD said, that as to-morrow was a Statutory holiday, he would move: "That when the House adjourns to-day, it do stand adjourned until Friday next, at 3 p.m."

Motion agreed to.

Mr, BOWELL,

BOSTON AS A CANADIAN WINTER PORT.

Mr. RICHEY said the motion he was about to offer was supplementary to that offered by him the other day, and he need not make any further remarks upon it. He moved for all correspondence between the Postmaster General, or any officer in his department, and the owners or agents of the Allan line of steamers, relative to the selection by them of the port of Boston, as their terminal winter port, or in any way connected therewith.

Motion agreed to.

DAMAGED GRAIN.

Mr. KIRKPATRICK, in moving for a return of the quantity and value of all damaged grain or other damaged goods imported into Canada, or grain or other goods damaged when in bond and destroyed or ordered to be re-exported for the non-payment of the full duty on said grain or goods, and specifying the ports at which said grain or goods were so entered, said: The quantity of grain destroyed and re-exported under Customs regulations was considerable, but it generally happened that the separate amounts were small until last summer, when the break took place in the Lachine Canal and a large quantity was damaged. A difficulty then arose as to what duty should be paid upon it. Although no longer fit to be exported or ground, and consequently unable to come into competition with Canadian wheat, it remained subject to the duty of 15 cents per bushel. The other day, when the ship *Boyne* was wrecked in the St. Lawrence, between Montreal and Quebec, and 50,000 or 60,000 bushels of grain was rendered useless for exportation, the question came up. The department exacted the full rate, 15 cents per bushel, leaving one-half cent per bushel over for the underwriters. This brought the attention of the Government so vividly to the matter, that the hon. Finance Minister announced the other night the intention of the Government to fix some other scale of duty on damaged grain. Under the present regulations, a serious wrong was done in two ways: in the destroying, wantonly and unnecessarily—as could be seen very frequently at Kingston—of from 100 to 1,000 bushels at a time, when damaged grain was not sufficiently valuable to be sold for the duty and had therefore to be re-exported or sunk in the harbor; whereas, otherwise, it might have been sold for from five to ten cents a bushel, thus causing often $500 worth of grain to be actually thrown into the lake for no purpose whatever. Then there was the more serious objection that, if not allowed to be landed or sold in this country, the shipper must destroy it altogether or give bonds to re-export it, thereby losing his freight; and losses of that kind militated against the St. Lawrence route. He trusted this Session such an alteration would be made in the Customs Act as would meet the difficulty. An *ad valorem* duty might be levied. If wheat worth a dollar per bushel paid fifteen cents, damaged wheat should not pay over fifteen per cent. of its value.

Mr. McCUAIG. In my own county a very large vessel laden with about 20,000 bushels of wheat was blown on the rocks, and now there are 5,000 bushels of that wheat lying in her hold in consequence of its being worth less than the duty. Some modification of the law should be made to meet a case like this. The Government should draw a distinction between cases in which vessels are driven ashore by a gale of wind, and cases in which, owing, perhaps, to improper construction of the vessels, portions of their cargo are damaged. In the former, human skill is of no avail; but in the latter, the damage is due to want of skill, to improper building, to the want of sound, substantial vessels. In the instance I mentioned, the vessel was driven on the rocks opposite Wellington, on the Lake Ontario shore, during a severe gale, and it seems to me to be immoral to allow that property to be destroyed, because of the operation of our

Customs laws. I drew the attention of the hon. the Minister of Customs to this case. He referred me to the hon. the Minister of Justice, but both found that the duty on any portion could not be remitted under the law. I hope that some measure will be adopted by the hon. the Minister of Customs to meet cases of this description.

Mr. McCALLUM. If a man ships grain he can get it and the freight insured and the matter then becomes one which affects the underwriters altogether. The hon. member spoke of the Government deciding between grain or goods damaged by want of skill or by the act of God, but I would like to know how the department is to deal with a question of that nature? The Government should bear in mind that wheat in a damaged condition comes into competition with the coarser grains raised by the farmers of Canada, and for that reason an *ad valorem* and not a specific duty should be imposed to do justice in this matter.

Mr. GAULT. I understood from the Finance Minister the other evening that he intended to bring down a measure to rectify the evil of which I then complained. If so I hope the duties already paid to the department will be refunded to the owners or underwriters.

Mr. KILLAM. I am glad that the hon. gentlemen on the other side who have spoken on this question support so heartily the position I have taken with regard to the duties on grain, and I trust their efforts to press upon the Government the absurdity of those imposts will result in their repeal.

Mr. BOWELL. I think the motion goes further than the member for Frontenac desires. The law already provides for the case of damaged goods that pay an *ad valorem* duty, and no objection is taken to that clause of the law. The only objection which has been raised is, that articles which are imported into the country and become damaged from some cause or other and paying a specific duty, that no reduction is made on account of diminished value. At the present moment I will not argue the propriety or impropriety of levying duties on damaged grain, but I have no objection to the motion if my hon. friend will add the words: "liable to specific duty" after words "damaged goods." I wish to say that there have been no regulations issued by the Customs Department affecting this particular branch of the collection of duties. When applications have been made to the department for a reduction of duty, based on the reduction in the estimated value of the grain or other goods, the parties have been told that there was no law to justify such a reduction and that they might destroy the goods or re-export them. They were also told that the Customs Department had no authority over the goods until they were either entered at the Customs or landed on the shore.

Motion, as amended, agreed to.

EMIGRATION TO THE UNITED STATES.

Mr. WHITE (Cardwell) moved for a statement, so far as the same can be furnished, of the number of persons who have passed from Canada into the United States by way of Sarnia and Windsor, since the 1st of January, 1880, distinguishing, if possible, the number who intended to become settlers in that country; also, statement, so far as possible, of the number of persons who have, within the same period, come into Canada from the United States by way of Windsor and Sarnia; also, distinguishing, if possible, the number who intended to become settlers within the Dominion; together with any correspondence which may have taken place and any reports made upon the subject. He said: It will be in the recollection of the House that there has been a good deal of discussion in relation to the number of persons who have gone from this country by way of Port Huron to become settlers in the United States. The statement made by an hon. member of this House at a meeting held in the west, and, I believe, repeated by him on the floor of Parliament, was to the effect that some 94,000 had crossed from this country at Port Huron during the present year to become settlers in the United States. That statement was made on the authority of American statistics, and the member for Centre Huron (Sir Richard J. Cartwright), who is the hon. gentleman to whom I refer, alluded to the fact that he had been in correspondence with the Chief of the Bureau of Statistics at Washington, and had ascertained from him that the method of getting this information was such as to leave no doubt as to its entire reliability. I think every one will feel disposed to congratulate the hon. gentleman upon his zeal in obtaining, from American officials, information by which he could injure the prospects of his own country. That is a duty which eminently befits the hon. member for Centre Huron, and I am sure every one will feel that he is entitled to great consideration for having performed his task. But, I think, if the hon. gentleman had taken the trouble to consider the figures for a moment, he would have seen that it was physically impossible for that number of persons to have crossed at that particular point and become settlers in the United States. The correctness of those figures involves the passage of no less than eight second-class passenger cars filled with people, daily, and I am quite certain that the hon. gentleman could have ascertained, without any trouble, from people in the neighborhood of Sarnia and Port Huron, that there has been no such transit of persons from this country to the United States during the past year. The fact is, Sir, that statements of the kind I have referred to are sometimes so extravagant that they answer themselves—they furnish their own best refutation. I believe that it will be found, on carefully examining the matter, that so far from this large number of persons having passed over to the United States, by way of Port Huron, to become settlers on American soil, the total number of persons who have crossed to Port Huron, for any purpose whatever, has not amounted to the number which we are seriously told by an hon. gentleman, who once occupied the position of Finance Minister, and who should, therefore, have some familiarity with figures and calculations of this kind, represents the aggregate emigration from Canada to the United States for the purpose of settlement in the latter country. I venture to say that when the actual figures are brought down, it will be found that the entire number of persons who crossed over to Port Huron in first and second-class cars, instead of amounting to the 94,000, who, we are asked to believe, crossed over to become settlers in the United States, does not reach 60 per cent of that number; and more than that, that the number of persons of all kinds, who passed from Port Huron to this side, was very nearly as large as the number of persons who went from this country into the United States. It appears to me that either one or other of two things must be true. If these persons who came from the United States into this country were mere transient travellers, the return given of their number must be deducted from the entire number of persons who passed over in the other direction, in order to get at the entire number of settlers. And I am inclined to think that it will be found from our statistics, which must be quite as good as, and are, perhaps, better than the statistics of the Chief of the Washington Bureau of Statistics, who can have no personal knowledge of the matter, that the entire number who, by any possibility, could have gone into the United States, deducting the number who have come here from the number who have gone over during that period, will not even reach 10 per cent. of the number who are alleged to have passed over there and become settlers. It is important that we should get these figures. I know serious injury is done to this country by the statements that people are leaving it in

shoals. The fact is, that the number of 99,000 passing over that point means the practical depopulation of Canada in a comparatively short time. Therefore it is a matter of serious consequence that the actual fact should be obtained. If it is true that that number have passed over, then the fact is one which ought to be a source of serious regret to every well-wisher of this country. But, I think, we shall find that it has not taken place, and I trust the return to the Order I am now moving will show that, by no possibility, could there have been such a number, that in fact the actual number who have gone over to the United States at that point is considerably less than 10 per cent. of the amount stated by the hon. gentleman opposite.

Sir RICHARD J. CARTWRIGHT. It is nothing new to this House to hear the hon. member for Cardwell, whenever any fact is presented disagreeable to himself and his friends, cast doubt on the patriotism of the hon. gentlemen who bring those facts to the notice of the House. Nor does it matter to him one straw whether it be or be not of the least importance to a proper understanding of the question before us, of the least importance to the understanding of the working of a particular policy, whether or not those facts should be presented for the consideration of the people of this country. Now, in the first place, I did not assert that 99,000 people had crossed at Port Huron. I stated that the American statistics show that at all points throughout the United States about 99,000 people had reported themselves and had entered their goods at the Custom Houses with the avowed intention of becoming settlers in the United States. Now, I say that if these facts are true, as the United States authorities report them, they are most significant, and too great importance cannot be attached to them. I say, further, that those who have travelled through the eastern parts of Canada, who know the enormous extent to which the depopulation of many important townships and counties there has proceeded within the last year and a half, will agree that it is becoming the imperative duty of the people and Parliament of this country to consider what is the cause of this emigration and what steps can be taken to prevent it. With regard to emigration at Port Huron, that port in the United States returns includes an immense number of places wholly independent of the town known as Port Huron. It includes Fort Gratiot, Algoma, Marine City, Sandbeach, Fort Austin, and several other places. The actual fact of the matter is, that not merely the Grand Trunk Railway, but the Canada Southern, the Great Western, and several others are pouring their passengers into the United States through ports which report to this particular port. Now, it is no object of mine to add one single soul unnecessarily to the number of people who may leave this country. I regret that emigration; I think it is much to be deplored. I remember well when we sat on the other side of the House no words were too strong, no language too pointed, for the hon. gentlemen sitting opposite me now, to employ when they were pointing out the mischief arising from emigration, not one-fourth part as great as that which has recently taken place. I think this subject ought to engage our grave and serious consideration. I am very much afraid that when the true facts come to be known that the statistics to which the American authorities pledge themselves are only too true. Nothing, however, in my opinion can be gained by indulging in idle and senseless recriminations on the subject. It is a thing, as I stated before, to be carefully investigated. I specially observed when this question was raised before, that I thought nothing better could be done than to refer this subject to the attention of the Committee of this House which ought to be engaged in investigating such a subject. I have, however, to say that all these pleas and arguments, all these assertions which have been made from the Treasury benches, as to the incorrectness of the American statistics, have been brought again and again to the attention of the officers of that Government. These people denied them most emphatically; they state that all those pleas which are put forward are not true; that their habit and practice is to examine each emigrant; that they do not include the great number of people who go into the country without baggage. They state that these people represent themselves as emigrants and get their goods through the Custom-house under the plea that they are intending to become settlers in the United States. If that statement, made by the recognized official of the United States, be untrue, it is a most disgraceful thing and ought to be exposed, and I most sincerely trust it will be exposed. Meantime, I think this ought to go a little further, and that for the purpose of comparison it ought to include returns for the last seven or eight years. I would, therefore, move that it be amended so as to read "From the first of January, 1870."

Mr. WHITE. I have no other objection to an amendment of that kind, except that it will delay the bringing down of this return. We want a specific statement relating to a specific period concerning which statements have been made in this House. It does not comport with the hon. gentleman's professed anxiety to get at the facts by a Committee of this House, that he should ask an amendment to the motion which will prevent by any possibility these returns being brought down during this Session, so that he may be able to go through the country and repeat the statement he has made. It is open to the hon. gentleman to put another notice on the paper and get the information he desires. There is no disposition to refuse the amendment, but statements having been made with reference to a specific period, we want to get the return for that period as soon as possible.

Mr. CASGRAIN. I desire to express my own rebuke of the remarks made by the hon. member for Cardwell. Whatever we have to say on this side of the House we say it because we believe it, and because we believe we are doing our best in the interest of the country. It is no use to insinuate unworthy motives to members on this side of the House, for we will not submit to it. I am not here to obey the behests of the Government, I am not here to throw incense before the noses of Ministers. When we expose a fault it is not because we rejoice at it, but because we want to show things as they really exist. We shall very soon have a complete return, by the American census, of the amount of emigration from Canada to the United States, and I am sure we shall be appalled by the number of Canadians, and especially French Canadians, who have made their homes on the other side of the line. It is a painful thing to see the young blood of the country leaving it to such a large extent, but we must bring the fact before the notice of the Government and see if some cure cannot be found.

Mr. MILLS. The hon. Minister of Agriculture, I think, informed the House at an early period in the Session that the information now asked for by the hon. member for Cardwell (Mr. White) was not in his possession. How the hon. gentleman will now be able to make it up is not very easy to see. I would call the attention of the House to the fact that the statistics which are now repudiated so vehemently by the hon. member for Cardwell, are precisely the same statistics which were used by hon. gentlemen opposite when they discussed this question on this side of the House. The returns from Port Huron, which show the emigration from Canada to the United States for the past year to be between 70,000 and 80,000, whether rightly or wrongly, are made up precisely as they were in former years. The number of persons crossing and re-crossing the river is just about the same in one year as in another, and if they were included the statistics would show just the same proportion between different years as they do now. If you look at the statistics from Detroit, you will see that the emigration passing from Canada at that point is less than 5,000 a year.

Now, it is perfectly obvious that these returns have not been made up by the Custom-house officers at the various points in the manner stated by the Conservative press, and the hon. gentlemen on the other side of the House. The very fact that at Detroit the emigration is under 5,000, while at Port Huron it is nearly 80,000 shows that the persons referred to by the hon. gentleman have not been included. Now, there is no use in denouncing these facts. The fact cannot be denied that the hon. gentlemen on the Treasury benches, when sitting on this side of the House, assured the country that if they were in power, the emigration, which had reached only 30,000 a year, would cease; and the hon. Minister of Railways, when asked how the Government would deal with that particular matter, said that if the Government could not give such an impetus to industry as to induce people to remain in the country, they were not entitled to sit on the Treasury benches. Well, Sir, these hon. gentlemen have been two years on the Treasury benches; their patent has been for some time in operation; and the result has been that the people have flown from the country as if some pestilence had broken out in their midst. If the hon. gentlemen say that the mode of making up the returns in the United States is imperfect, that the emigration is less than formerly, we say in reply that the mode adopted is the same as formerly, and if you reduce the figures for the last year on some unexplained basis, you will have to reduce them in the same proportion for former years. The fact still remains that the emigration during the last year has been nearly as great as it was during the whole five years of the previous Administration. Now, what has induced the people to leave the country in such increased proportions during the period these hon. gentlemen have been in office? It is because the Government have not fulfilled their promises. It is because the magnificent expectations held out have not been realized, the hopes raised in the minds of the people of this country have been disappointed; and the result has been that the people, disappointed and disgusted, looking for employment and not finding it, looking for better times and not getting them——

Sir JOHN A. MACDONALD. Hear, hear.

Mr. MILLS. Well, Sir, if the times have somewhat improved, it has been due to the improvement which has taken place in other parts of the world.

Sir JOHN A. MACDONALD. I would ask, no matter what the cause of it is, how could the people be disgusted for the want of better times, if they were better times?

Mr. MILLS. The better times have been the birth of the last three or four months, and they are due to the improvement in other parts of the world. The hon. gentleman will not say that he has induced the people of Philadelphia to build more and buy our lumber. He will not say that he has improved the trade of Buenos Ayres, and in that way caused an increased demand for lumber from Canada. In what way did the increased demand from abroad arise—to what was this changed condition due? Did the hon. gentleman cause the failure of the wheat crop in Russia, and improve the prices of Canadian wheat? The hon. gentleman says yes, I am told; and we know what value we can put on his testimony for the future, on this question. Now, it is perfectly obvious that the people of the country have not been satisfied, or have believed they could better their condition by going elsewhere, and they have gone in increasing numbers. I am told they have gone from a country of protection to one where protection is much greater. But they have gone to a country where there is Free trade between forty millions, and where no impediment can be placed on trade, where the differences of climate, of productions, and in ordinary procedure are such as to produce a large local trade that will never exist in this country. It is perfectly obvious that the hon. gentleman cannot improve the position of the Government by any such exhibitions of seeming indignation, as is contained in the motion.

Mr. HESSON. I am very much pleased that the member for Cardwell (Mr. White) has brought this question before the House, more especially on account of the remarks of hon. gentlemen opposite during the early part of the debate on the Canadian Pacific Railway, when the leader of the Opposition stated that, during the past year, 99,000 Canadians had left this country for the United States. I was pained at the cheers that followed that remark from his side, because it made me feel that hon. gentlemen in Opposition, if they credit his assertion, rejoice in the fact that the National Policy had proved a failure, and desired to condemn gentlemen on the Ministerial side, and especially the Finance Minister, for the introduction of that policy. I have been led to look into this question, and, unless hon. gentlemen opposite submit something to show they have a true return of the emigration, then, from what I have ascertained on careful enquiry, no reliable or official return has been issued for 1880; at any rate none such has reached this House or its library.

Several hon. MEMBERS. Yes; returns are in the Library.

Sir RICHARD J. CARTWRIGHT. You will find the returns in the abstracts published by the American Government.

Mr. HESSON. I know of no reports for 1880; but in the American Statesman's Annual, at page 302, is published the statement that, for 1879, the number who left Canada, from all parts, for the United States, reached 31,286; in 1878, it was 29,568. Assuming that the increase for the following years was in the same proportion as that for 1879, the number for 1880 would probably have risen to 35,000 or 36,000 instead of 99,200. It is reasonably complained that the Opposition have not placed proof of their statement before the House, so that it must be received with a great deal of qualification. I trust that when the final and reliable statement is made by the Minister of Agriculture, the hon. gentlemen opposite will not exult if the number of the emigrants from Canada should chance to have been more than stated by some on the Ministerial side, because it would indicate an unpatriotic feeling. We regret there should be any exodus from Canada, or that it should increase. But it has been argued that it has been brought about by the failure of the National Policy; so it would thus appear that men leave Canada for a country where Protection exists to a greater extent. The cheers of the Opposition at the statement of its leader, that in 1880, 99,500 persons quitted Canada for the United States, and 37,799 during the last three months, indicated a want of patriotism truly deplorable. I was particularly grieved when I heard the cheers given that announcement. I especially regret it when made without reliable figures available to the people. I have not been able, in or out of Parliament, to lay my hands on any such figures or statements from the United States authorities; and if hon. gentlemen opposite are in possession of such figures, they should state their authority and not simply go upon surmises.

Mr. POPE and Mr. BLAKE rose together.

Mr. POPE. I had risen once before, and if it were not nearly six o'clock, I would give place to the hon. gentleman; but I would be sorry to have the remarks of hon. gentlemen in Opposition, on this question, go to the country unanswered. I said to an hon. gentleman opposite the other day, when he answered me very brusquely, and indeed I thought very impertinently, that his figures were all wrong—that not one-third of the Canadians that he supposed had gone to the United States. I was then investigating this matter, and the assertions with regard to

the Port Huron district, when he said there were only a dozen little ports, he knew from which emigrants set out, besides Port Huron and Sarnia, and if I recollect right he declared that 125,000 Canadians had left for the United States.

Sir RICHARD J. CARTWRIGHT. In the fifteen months

Mr. POPE. What are the facts? Including those ports the hon. gentleman refers to, I assert that every man, woman and child that has left by those ports—every ticket sold by the railway—every individual that has passed through those points during the year would not exceed a total of 53,000

Sir RICHARD J. CARTWRIGHT. During what year?

Mr. POPE. Last year. I tell the hon. gentleman also that he is woefully mistaken—although I am not prepared to-day to produce the proofs, or discuss the amendment proposed—in his assertions on other points of this question. I shall, when I have time, show him that the emigrants from this country and the persons purchasing lands in the west in 1877 and 1878 were more numerous than to-day. Of what are the figures of hon. gentlemen opposite composed? If you examine this return you will see that nine Cartwrights emigrated this last year and nine returned. There was an emigration party with their carpet-bags spoken of as going away to the west, of 165 persons described as Canadian emigrants, invited to go west and purchase lands, how many remained away from Canada? Of the Canadians, three, and of the Englishmen, two; the rest all returned to Canada. I will read to the hon. gentlemen opposite some of the returns spoken of. I am sure they will be glad to know that some of the statements on this subject are false, and that our people are not leaving the country as they have been made to believe. It was alleged that 94,000 left Canada for the year ending 30th June last, and that 75,000 of these were Canadians. Now what is the fact? The total number of passengers from all points of Europe, the eastern States and Canada to all points of the west, including Manitoba, was but 53,627, by the Grand Trunk Railway. The figures are as follows:—

(Via Grand Trunk Railway.)

Total number of passengers from all points of Europe, the Eastern States and Canada to all western points, including Manitoba.	53,627
Total from West to East at same point	45,676
Difference	7,951

(Via Grand Trunk Railway.)

Total passengers from Canada to all points West, including Manitoba	30,626
Total passengers from Western States to Canada	24,739
Difference	5,887

(Via Great Western—Sarnia Branch.)

Total passengers from Canada to Western States	1,719
Total from Western States to Canada	1,262
Difference	457

(From U. S. Consul at Sarnia.)

Total emigrants with Consular certificates, from estimates of Consul at Sarnia, 700 certificates at 4½ persons per certificate	3,050

(From Canadian Customs Collector at Sarnia.)

Total outward entries at Sarnia and its outports, 858, or at 4½ persons per entry, for 12 months ended June 30th	3,861

In England, in consequence of the statements spread broadcast by these hon. gentlemen, when I held a meeting there, I was told: "But your country is being depopulated, your people are all going to the western States; how can you ask our people to go to Canada, when Canadians will not remain in it. Why, the emigration from Canada is 71,000." These were the statements that were hurled at me wherever I went. These were the things I had to meet and confute. I have no doubt hon. gentlemen will dispute the correctness of the figures I have just quoted.

Mr. CASGRAIN. We will verify them.

Mr. POPE (Compton). These figures were made up by the auditors of the Grand Trunk and the Great Western Railway Companies. They cannot be disputed. I place them against the assertions of the hon. gentleman. I place them against any figures that may come from the United States. The hon. gentleman says the United States officials count these emigrants. According to these officials' own evidence, they never count these men. They look into the cars and say here are so many people and they are in a second class car, but there is no one instance of their making a reliable computation. They themselves told me that twenty men could not count these men and know exactly whether they were immigrants or not. The time is too short. And yet we are told by the hon. gentleman that these men look through every car, and there can be no mistake about their returns. I prefer to take the evidence of those gentlemen who could have no interest in giving us false returns, and their returns prove that our country, instead of becoming depopulated, has its population increased through immigration, and so far as people going from Canada to the western States is concerned, an equal number come from those States to Canada. We had heard something about the last quarter ending 30th September. It was stated that at Port Huron, during that quarter, 43,957 people emigrated to the west. Well, what are the facts? The facts are that the total west-bound passengers from all eastern points to western points, including Manitoba, was 567 by the Great Western, and total ditto east-bound 573. This is in favor of the east. The total number of west-bound passengers, *via* the Grand Trunk, from all points of Europe, the eastern States and Canada, to western points, including Manitoba—16,699. Total ditto from western points to eastern points, 16,003, making a difference of 600. So that during the three months there has been very little difference between the numbers going east and those going west. It simply proves that the travel to and fro is greater. Were I to seek for a reason why there are a greater number going west and a greater number going east just now than during the administration of the late Government, it is because now the people have money to travel with, whereas such was not previously the fact. I will show you evidence that cannot be refuted, that there is to-day no considerable emigration from Canada to the western States.

It being Six o'clock, the Speaker left the Chair.

AFTER RECESS.

EXCHANGE BANK OF CANADA.

Mr. DESJARDINS moved the second reading of the Bill (No. 8) to reduce the capital stock of the Exchange Bank of Canada, and otherwise to amend the Act respecting the said Bank.

Bill read the second time.

CANADIAN PACIFIC RAILWAY.

House again resolved itself into Committee on certain proposed resolutions for granting and appropriating twenty-five millions of dollars and twenty-five millions of acres of

land in the North-West Territories, according to the terms of the contract relating to the Canadian Pacific Railway, transmitted to this House by His Excellency the Governor General by his Message dated December 10th.

Mr. MILLS. Mr. Chairman, I agree with the hon. the Minister of Railways that the subject of the present contract for the construction of the Pacific Railway is one of the most important that has ever been before the Canadian Parliament. I regret that the country should have so long been kept uninformed upon the subject, and that important information should still be withheld from Parliament. We are, for the first time, face to face with a proposition, to which, if we give our assent, we cannot withdraw without having recourse to revolutionary measures. It is our duty, therefore, to consider dispassionately the scheme which hon. Ministers have been graciously pleased to place before us, to examine its various provisions, and to consider what their effect will be upon the vast country over which they are to operate. I confess I fully appreciate, not only the gravity of the subject, but the peculiar position which those occupy who usually support the Administration. Our whole system of representative Government is a system of Government by party. It is right and proper, that those who follow should be loyal to those who lead, on all matters of mere procedure. There are great underlying principles, historical and practical, upon which party organization is based, and unless minor differences, not inconsistent with those underlying principles, are compromised in order to secure unity of action, Cabinet Government would be impossible. But there occasionally arises within the ranks of a party, questions which override the allegiance due to its leader. I may recall to mind a few instances of this kind from the history of England. The Tory party were opposed to Catholic emancipation. They regarded the Government of England as a Protestant Government. They knew the monarch was sworn to uphold Protestant succession. They held this to be a fundamental feature of the Constitution. It lay at the very basis of their party organization, and, if this was conceded, their occupation—their supposed function—as a party, was gone. The time, however, came when, through the exertions of O'Connell, the Roman Catholic population of Ireland were resolved upon sharing in the political advantages of the Constitution. A Conservative Government, under the Duke of Wellington, saw that they were compelled to choose between Catholic emancipation and civil war. They chose the former. The rank and file of the Tory party had to choose between deserting their principles and deserting their chieftain. The majority, sorrowfully no doubt, gave up their principles and stood by their leader, because they agreed with him that the calamities, which, in their opinion, were likely to arise from the admission of the Roman Catholics, were lesser evils than those which were likely to arise from civil war; but there were some who did not concur in this view, and they refused to follow their leaders in supporting what they had before opposed. In 1846 the Conservative party again reached a point where the road marked out by their principles parted from the one which their leader had determined to take. There was depression in trade, and there was scarcity of food, there was bankruptcy at the top and bread riots at the bottom of the industrial system. The laborers were without employment and without bread. The distressed condition of the country converted Sir Robert Peel to the views of Richard Cobden. He became a Free-trader, but the great majority of his party remained Protectionists. Sir Robert Peel was denounced as a traitor by Sir George Bentinck and by Mr. Disraeli. Sir Robert Peel said, on that occasion:

"I shall leave a name detested by all monopolists, who from less honorable motives claim a protection by which they largely profit; but I shall perhaps leave a name which will sometimes be pronounced with expressions of good will, by those whose lot in this world is to labor. Who, by the sweat of their brow, eat their daily bread, and who may remember me when they renew their strength by food at once abundant and untaxed, which will be the better relished because no longer embittered by any feeling of injustice."

Mr. Disraeli said the doctrine of Free Trade might be all right and Protection all wrong; but that was not the ground upon which Sir Robert Peel had sought and obtained the confidence of the country. He had been trusted, and he was about to betray his trust. No one can blame the Protectionists for not following Sir Robert Peel in his new departure. They recognized him as their chieftain, as the ablest of their party; they made him chief as a means to an end, and that end was to uphold and promote the principles which the party desired to advance. When he took a more enlightened view, and chose to make a new departure, when he could no longer see eye to eye with his party, he had no reason to complain that they declined to follow him. When they were obliged to choose between their sense of personal regard and their sense of public duty, there was no reason for hesitation. I might also refer to a case in the history of Old Canada. The Conservative party here were committed in favor of the connection of Church and State. The Reform party favored their separation and the secularization of the Clergy Reserve Lands; the subject was long in agitation. The Reform party went to the country in 1847, promising, amongst other things, to deal with this question, should they have a majority. They were successful. A Government was formed under Mr. Baldwin and Mr. Lafontaine. A petition was sent to the Colonial Secretary, asking leave to legislate upon the subject, which under the Government of Lord Derby was refused, but under the Government of his successors was conceded. In the meantime the Legislature of Canada had reformed the representation in Parliament. They had provided for increasing the number of representatives from eighty-two to one hundred and thirty. Messrs. Baldwin and Lafontaine retired from public life, and Mr. Hincks and Mr. Morin succeeded. Mr. Hincks proposed to deal with the question of the secularization of the Clergy Reserves. This Lord Elgin—then Governor-General—declined to accede to. He said you have reformed the representation of the people in Parliament. You have admitted by doing so, that they were not adequately represented before. I do not think, on so important a question as the separation of Church and State, you should proceed to act upon the public expression obtained under a confessedly imperfect system of representation. In this view his advisers ultimately concurred; another election was held. The Reform party were divided. The leaders of the Conservative party made the question an open one. They returned to Parliament with a small following. They coalesced with one section of the Reform party. They formed with them an Administration. They agreed to the policy of the defeated Administration because the country had pronounced in its favor, but those of their friends who had declared themselves in favor of the union of Church and State, stood by their convictions. Mr. Hillyard Cameron, Mr. Larwill, Mr. Murney and Mr. Benjamin, voted against the two great measures of the Government. They were not held to be disloyal to the party by remaining true to their own convictions of public duty—by still keeping to the road in which the Tory party had theretofore travelled. Now, I mention these instances of differences between the leaders and the followers of a party for the purpose of illustrating and defining the principle of party allegiance, which must always be subordinate to the personal convictions of public duty. It is possible for the leader of a party to make a mistake, and it would indeed be unfortunate for the country, were the obligations to the chiefs of a party made stronger than the examples which I have given will warrant. When the hon. member for Lamb-

ton proposed to build a railway on Vancouver's Island, I did not favor the measure. Looking then, at all the circumstances, and especiallv at the peculiar position taken up by the Government of British Columbia, I felt it would be a mistake to construct that railway, and I voted against the measure of the hon. member. It certainly was not a pleasure for me to differ from the Government which I usually supported, and to assume the responsibility of opposing a measure which they had submitted to Parliament. In my opinion, and I believe in the opinion of a great majority of the House, the mistake of this measure now before us is immeasurably greater, and I ask hon. gentlemen opposite to consider the objections to it. I ask them to look at the financial obligations it imposes, and the monopoly it creates, and the burdens it entails on the trade of the people of the North-West, and to deal with the question as the public interest requires. It is too plain to require discussion, that a great mistake has been made, and the votes of the supporters of the Government against the Government are required to prevent the mistake bringing disaster upon the country. This is one of the occasions where the public have a right to expect this much at their hands. Hon. gentlemen opposite, of the strongest party feeling, often speak of rising above the trammels of party. This is their opportunity. This is one of those occasions which makes the expression intelligible, when the advice is practicable, when the duty is obvious, when the necessity is urgent. I need not go into the history of this discussion, various propositions have been entertained, various schemes entered upon by gentlemen on the Treasury benches only to be again abandoned. When these gentlemen went to Europe last summer, there were constant rumors of their success, which we now are pretty sure were without foundation. There is a very general impression abroad amongst financial men in England, that they did not very well know what they wanted. It is rumored that they were now in negotiation with one party, and now with another. That negotiations were begun and suddenly abandoned, and that neither the capitalist nor the agent knew why; disgust and distrust were created instead of confidence. Ministers were said to be mysterious and fussy. Those who were at first attracted by the magnitude of the enterprise, and the expected magnitude of Government aid, in time ceased to interest themselves in the subject, because they did not believe the negotiations were intended to be successful. I say such rumors are afloat and such impressions were undoubtedly made. We were kept in the dark with regard to these negotiations upon the plea that it was not very consistent with the dignity of Parliament to disclose them elsewhere than in Parliament, and now that Parliament is in Session we have nothing before us except, in part, the ultimate result of these negotiations. Of the progress of the negotiations we learn nothing from Ministers. We do not know whether they accepted the best or the worst propositions that were made to them. We do not know but what they failed to obtain better and more advantageous terms by some act of folly which they are ashamed to disclose. Ministers who are but a Committee of this House, advisers of the Crown, by the grace of this House, acting in this matter as agents of Parliament, come to those whose agents they are, to those who are in fact their masters, and say, we, your Ministers, your servants, decline to state fully what we did in your behalf. We will state to you only partial results, and we deny you an opportunity of judging whether a thing so bad could have been better. I, for one, deny the right of Ministers to withhold all information upon the subject. The First Minister has told the country of the difficulties in their way, of imaginary lions in their path; but, Sir, is it not strange that those who not very long ago proclaimed to their friends their intention to fight the beasts at Ephesus, give us to understand that, in this case, without having the beasts to fight, they were, nevertheless, overcome. The First Minister has given us to understand that the fine feelings of the various parties with whom he and his colleagues had communication, are to be respected. I admit that it is well not to needlessly shock the sensibilities of men, but I do not think any question of that sort arises in this case, This was a matter of public business. The men with whom Ministers negotiated knew that they were responsible to this House. They negotiated with that fact in view, and I do not hesitate to say that the reason put forward for keeping this House in ignorance, is an insult to the House. They say, in effect,—We, your agents, have been in communication with capitalists of superfine feeling, who could not give the necessary security. They were very much hurt, and we must suppress the correspondence and save them from further humiliation by exhibiting this correspondence before such clowns as you, our masters of the House of Commons. Ministers went to England to see upon what terms they could let a contract for the construction of a trans-continental railway. They were in communication with several parties. What was the nature of those communications? How far did they proceed? Did they, in any case, reach that point that nothing more was required than security for the undertaking? The impression abroad is they did not. The impression sought to be made by the First Minister is that they did. This is a matter upon which the House has a right to be informed. No Minister has a right to ask the House to take his simple statement in the case. It is not a question upon which the Minister is indifferent, and, therefore, not one about which he should substitute his own affirmation or denial for the papers which are necessary to enable the House to form a correct judgment. Were such a course permitted, it would only be necessary for Ministers, whenever a blunder was made, in order to protect themselves from censure, to substitute a statement of their own for the means of reaching an independent conclusion. Now, I have no hesitation in saying that, if such a course of proceeding is sustained, responsible government is at an end. We know, Sir, that the First Minister made a statement in Montreal, which has not been borne out by the facts. The right hon. gentleman spoke of things that were not, as though they were. By that statement he put himself in the power of the Syndicate. He declared that he had been successful in negotiating a contract, when, up to that time, there had been nothing but a vague proposition. The truth is all too plain, that the English mission was a failure; that whatever propositions the Government made there were rejected by capitalists, and that the dejected Ministers were compelled to fall back upon Mr. Stephens' proposition, which had been made to them before they left Canada. Did the three Ministers who went to England say to every one they met in London, we have a proposal under consideration for the construction of the Pacific Railway more favorable than any yet made to us? Did they consider from the first, Mr. Stephens' proposition became a contract the moment it was accepted, and not simply the basis of negotiations? If they did, it was a folly and a fraud to negotiate with others on a basis less favorable. Why was it done? Why did they carry on negotiations with Mr. Puleston and with others when at the time they had this more favorable proposition before them? In England they failed, and I have no doubt after that failure they were prepared to negotiate with Mr. Stephen and his friends. I have no doubt they informed him so. I have no doubt but those negotiations were to be carried on this side of the Atlantic, where communication with others could not be so easily renewed should any hitch occur; but can it be believed that they spent months in negotiating with persons in England upon a basis less favorable than that contained in the proposition made to the Government before a Minister left Canada? Is not the scheme to which the Minister put his hand in the end less favorable to the country than the

original proposal? Is it not plain that we do not know the whole truth and are asked to hurry forward in the dark? I have no doubt when the Minister returned there was no Contract—nothing by which the gentlemen who compose the Syndicate were bound. When the First Minister reached Hochelaga, unfortunately for the country and for his party, his friends met him and drew from him a speech, which has been the source of misfortune to himself, and, if the contract is consummated, of disaster to the country. By that speech the First Minister put himself in the power of the Syndicate. He declared a state of things to exist which, in fact, did not exist, but which to save himself from ridicule he had to make good at whatever cost to the country the Syndicate might impose. I say the First Minister has not in this matter dealt frankly either with Parliament or with the country. It is clear when he spoke at Montreal he did not intend to withhold from the country the terms of the contract. He, perhaps, expected the completion of the negotiation would be a work of but a few hours. It proved to be a work of many days. He was driven into making concession after concession, reluctantly driven, as the length of time which elapsed proves, until his colleagues put his name to a paper which appalled himself, and which he dare not communicate to others. Look at the facts. The First Minister promised to make the terms public—not when Parliament met, but—as soon as he could obtain the sanction of the Governor General. I believe that sanction was not sought. We know the promise was not kept. The information was not given, and why? Was it because it was improper to communicate out of Session the terms of the contract? Why then was the speech in Montreal made? Why was the promise to communicate then given? Had the First Minister forgotten his constitutional catechism? And was it only after he had refurbished his mind that he discovered that he had made a mistake, and ought not to make the communication which he had promised? Not at all. This contract was then kept from the public, because it was much worse than the original proposition, because Ministers dreaded the consequences of this communication, because they knew right well that the public did not expect that they would set their hands to such a document, and they knew that the moment it was communicated it would excite the utmost dissatisfaction. An attempt has, therefore, been made to keep the country in the dark. An attempt is now made to keep Parliament in ignorance of all that it is the right of Parliament to know. It is obvious that the gentlemen on the Treasury benches believe this to be an indefensible engagement. If they did not do so, why this concealment from the country; and why keep the House in ignorance of the negotiations which took place? Ministers, since Parliament have met, have been offering up the prayer in the *Critic*:

> "Assist us to accomplish all our ends
> And sanctify whatever means we use
> To gain them."

Look at the terms of this contract and say whether ever terms more onerous were demanded by a conquerer from a subjugated State. The bonus granted is nearly double the cost of the road, and, if the eastern section is abandoned, will pay the company at least four-fold the sum they will be called upon to expend. The restrictions placed upon competition will enable the Company, in addition to ordinary freights, to charge the settlers of the North-West rates, equal to the amount that ordinary tenants pay to reasonable landlords. The exemptions from taxation alone would render a competition impossible, if there were no other impediments in the way. The Government furnish a company with a bonus sufficient not only to build the line contracted for, but to build in addition 3,000 miles of tributary lines for which they are entitled to the same immunities as for the main line. No roads are to be built southward or eastward by any other company. No road, in this particular, is to be placed on a footing of equality with them. They are to command the only means of ingress and egress to a territory as large as the half of Europe. Not satisfied with this, no road extending westward of southwestward, built by any other company, is to approach within fifteen miles of the boundary line. I say to Ministers, you propose to furnish the means to build a road and to leave them unrestricted as to the rates they may charge. You propose to give them a large bonus in excess. To exempt all their materials from taxation. To exempt all the railway property in their possession, for all time, from taxation. Not content with conferring all these advantages, you will not allow a direct competing line to be built. Not content still, you will not allow a road running in the opposite direction to come near the border, lest, in a long circuitous way, freights may be sent to escape oppression and extortion. I confess I am astonished to find a proposition so fraught with mischief, so opposed to national justice, submitted to Parliament for its acceptance. Is there any gentlemen on either side of the House, off the Treasury benches, who will say, that a scheme so novel, granting powers so great, imposing restrictions so unusual and so severe, and granting a bonus so large, and so out of all proportion to the work to be performed, ought to be sanctioned by this House, without first having the sanction of the country? I do not hesitate to say that at no time, during the past half century, would any Government, of any party, in the United Kingdom have ventured upon such a course, nor would any Government, of any party, have been sustained had they so ventured. Let me take one illustration of our own day from the Parliamentary history of the United Kingdom. In the Session of 1868, Mr. Maguire submitted to the House of Commons a proposition to disestablish the Irish Church, not with the intention of carrying it through Parliament at the time, but with the determination to make it an issue before the country, and to invite a public verdict upon it. Mr. Disraeli was at that time Prime Minister. He pointed out that the Parliament then sitting had been elected under the auspices of Lord Palmerston, that the question of the disestablishment of the Irish Church was not submitted to the country, and he declared that it would be indecent for the House of Commons to attempt to come to a decision upon so great a question until they could place before the nation the enormous issue at stake. Mr. Disraeli said:

> "This is one of the gravest questions which can be brought before the consideration of public men. You are public men, you are men all of great intelligence, and many of you of eminence. You make a Senate that the world speaks of with pride, while it recognizes your attributes, with a consciousness that your conduct elevates the general character of human nature. But remember that you are something more than Senators. You are representatives of a nation, and of an ancient nation, and I deny your moral competence to come to a decision such as that which the hon. member for Birmingham has recommended, and such as the right hon. gentleman the member for South Lancashire, is prepared practically to carry out. I deny your moral competence to do that without an appeal to the nation. I say it is a question upon which the country can alone decide, particularly under the circumstances at which we have now arrived. You cannot come, on a sudden, and without the country being the least informed of your intention, to a decision; that will alter the character of England and her institutions. You cannot come in this off-hand manner to such a decision as that. Why look at what you are doing, you are asked to take a course to-night which will effect a revolution in this country. I am not now talking the limited issue to which the right hon. gentleman conveniently confined himself. I take the broader issue laid down by the great master of this subject, and upon which England and Ireland probably will soon have to pronounce. How have you been introduced to this discussion? The Liberal party have been in power for more than a quarter of a century. Have they prepared the mind of England upon this question? Have their leaders risen from the seats of authority and told the people that the great principles upon which the society, and even the political condition of the country are founded, are erroneous? You and your forefathers and generations before them, and long centuries of men have built up this realm of England. You have acknowledged, you have encouraged, you have supported, you have stimulated, you have lived and acted under the influence of ecclesiastical endowments, and leave you during all that time in any way, guided public opinion to doubt the propriety and wisdom of that system—

of that great and beneficient system under which you were born, and which your forefathers created? Not a syllable of the kind. We have had a great deal of political economy, commercial treaties with France, repeals of restricted laws, efforts made, and successful efforts, to promote the comforts and convenience of the people; but not a word was ever uttered for the last twenty-five years by the party that has enjoyed a monopoly of power in this country to form the mind of the people upon this great issue, upon which they ought not to give a decision in the perfunctory manner they are asked to do to-night. At the last general election the Liberal party had been seven years in power, and not a single word ever issued from the lips of any person in authority—certainly not from the lips of the right hon. gentleman, the member for South Lancashire—that he had a doubt of the wisdom of the cardinal principle upon which our whole social system is founded. You were led by a Prime Minister, who had the advantage which I also enjoy, of being a member of this House, which certainly gave one an advantage in ascertaining public opinion, and interpreting the popular currents which ought to influence."

And after further observations Mr. Disraeli concludes this part of his argument by referring to the silence of Lord Palmerston on the subject at the last general elections, and saying:

"I will undertake to say that Lord Palmerston did not intimate to the people of England that a revolution was impending, and that ecclesiastical endowments must be given up. Therefore, I say it would be indecent for the House of Commons to attempt to come to a decision on this great question unless we could place before the nation the enormous issue at stake."

The motion upon which these observations were made was withdrawn, but the question of disestablishment was put in issue at the elections. The Government of Mr. Disraeli was beaten. A new Government was formed under Mr. Gladstone, and the question came up again upon a motion of Mr. Gladstone.

"That the Chairman be directed to move the House, that leave be given to bring in a Bill to put an end to the establishment of the Church in Ireland, and to make provision in respect of the Temporalities thereof."

Upon this motion Mr. Disraeli said:

"I take the fair interpretation of the decision of the country at the general election to be this: that it was the opinion of the country, that the right hon. gentleman should have the opportunity of dealing with the question of the Church in Ireland. I do not understand that the country pledged itself to support any particular measure. No particular measure was then before it; but it declared and decided, in a manner which could not be mistaken, that the right hon. gentleman should have a fair and full opportunity of dealing with the question of the Church in Ireland. I cannot therefore, take this occasion, which might otherwise have been a most legitimate one, of preventing the right hon. gentleman from placing his policy before the country, and I shall advise none of those whose conduct I can influence to oppose the motion the right hon. gentleman has just made. The motion is one which, if it were not for those wise forms of the House, that I shall always be the first to uphold, would be only equivalent to the right hon. gentleman asking leave to introduce his Bill and have it read a first time. I think the right hon. gentleman ought to have the opportunity of placing his policy before the country without any unnecessary delay, nor is it expedient that there should be unnecessary delay in Parliament coming to a decision on the subject. That there should be an adequate, and even ample debate upon it, I hope no one on either side of the House will for a moment deny; but it does not appear to me that it is at all expedient any time should be lost in leaving the policy of the right hon. gentleman fully announced for the consideration of Parliament. I trust the right hon. gentleman will give ample time to the House and the country for the consideration of his measure before he asks for a decision."

Mr. Disraeli asked for at least three weeks delay in order that the House and the country might have full opportunity for considering all the details which must be investigated. In reply, Mr. Gladstone said:

"That nothing can command my confidence more fully than the declaration of the right hon gentleman with respect to the view he takes as to the question of time."

And eighteen days were allowed to elapse before the Bill was brought up for a second reading. Now, we have here a declaration from Lord Beaconsfield that Parliament ought not to deal with a great question without the public verdict being had upon it; and after such public verdict is had, it ought not to hurry through the particular measure, by which effect is to be given to the popular decision without also giving the country a full opportunity to consider the details and provisions of the particular measure. The right hon. gentleman calls such a proceeding plebiscitic. I do not agree with him. This House is an elective body. It is obliged frequently to go to the country. It must be rejuvenated every five years at most. It may come fresh from the people oftener. But whether the general elections are seldom or frequent, it subsists in a popular atmosphere, and is supposed to be subject to those influences and those considerations which impress the popular mind, and upon which its representative character depends. If we make a mistake here the nation suffers the consequences of our folly. It is a sound maxim that power and responsibility should be commensurate with each other, and if in this matter the liberties of the people are curtailed, their burdens increased, and their prosperity injured, they have a right, moral and constitutional, to know what is about to be done, and they are entitled to time, in order that they may be heard. This is something very different from plebiscitic government. It is a representative government in its highest and finest sense. It is legislation based upon and upheld by public opinion. We do not seek to shift the responsibility from our own shoulders. We here take the initiative, but we give them time to consider, time to suggest changes, time to protest, time to approve; and if we believe they are against us we ought not to go forward, for upon them the good or the evil of action or inaction falls. We have two great forces in modern government: public opinion, and military power. Under representative institutions we have chosen the former. Under arbitrary government they are obliged to choose the latter. A distinguished French statesman has said "that you can do almost anything with bayonets, except to sit on them." I would like to know how long there could be a public opinion at once intelligent and strong, upon which Parliament could rely to uphold the law and to make it respected, if the views which have, at times, been put forward by the First Minister and the Minister of Railways, were generally recognized and acted upon? Let us look at some of the provisions of this contract more closely, in order that we may not take a leap in the dark. The Government have built 85 miles of railways from Pembina to Selkirk at a cost of $1,556,900. I take the estimates of Ministers for this year. They will soon have completed 406 miles of railway from Fort William to Selkirk which, in April last, we were told would cost $17,000,000, but which we are now informed will cost $14,705,000. They have also under contract from Kamloops to Emory's Bar 125 miles of railway, which, last year, were estimated at $10,340,000, but this year at $8,431,800; and ninety miles from Emory's Bar to Port Moody, which, last year, were estimated at $3,620,000, and this year at $3,306,300. The total estimate, last year, for the completion of these sections of the line was $32,715,000, to which we must add $3,119,618, the cost of exploratory and instrumental surveys of the line That is a total sum of $35,834,618 as the estimated cost of these sections in April last. This year the Government have informed us, that they expect to complete these sections for $28,000,000, which, with the surveys, amount to $31,119,618. So that by the terms of the contract the Government are to build 706 miles of railway, which they agree shall become the property of the Company, and which will have cost the country, with the surveys, $31,119,618. Now, I say that is your first cash contribution to the road. You propose to place in the hands of the Company a further cash subsidy of $25,000,000, or in all $56,119,618, that is the sum which in cash must come out of the public treasury. You also agree to make over to the Company, upon conditions which must largely enhance its value, 25,000,000 acres of land. You apply 18,750,000 acres of this land towards the construction of a road which in April last measured 1,335 miles, but which since then, has, some how or other, grown fifteen miles in length. Last April, the Minister of Railways informed the House that

the first thousand miles of this section would cost $13,000,000, and the remaining 335 miles through the mountains would cost $15,500,000, or in all $28,500,000. Since then it is clear the Government propose to further degrade the character of the road. Upon the Lake Superior section, they have degraded it to the extent of $1,385,000 in the cost of construction. From Kamloops to Emory, $1,663,200, and from Emory to Port Moody, $133,700, or upon 621 miles of road they have effected a reduction by a contraction of the road-bed, by an increase of the grades, and by a shortening of the curves, of $3,181,900. Now, the House will remember that this reduction must have been effected, not over the whole 621 miles, but upon the 300 miles which is under construction, or which is not yet let. Had the plan now adopted by the Government been decided upon at the beginning, it would have effected a reduction by a very much larger sum, perhaps double the sum now given as the difference between the estimates of April last and the estimates of to-day. The Union Pacific, as it was when first constructed, has been taken as a standard for the construction of the middle section. Upon it we know the grades are still very high indeed—in many places eighty feet to the mile, in one ninety feet, and in one stretch of nine and a half miles, one hundred and sixteen feet grade to the mile. It would be difficult to estimate the amount of saving that may be effected upon the construction of this central section by undertaking to compare a line untouched with one upon which a considerable progress was made towards completion. I choose, therefore, to compare the reduced estimates of British Columbia, upon which little has been done, with the cost of the central section to be built by the Company. The Government have agreed to complete 215 miles in British Columbia. They have submitted estimates this year to cover cost of construction $1,796,900 less than those they submitted in April last. Now, the same reduction per mile over the 1,335 miles to be built by the Company, would make the cost of building the central section $17,342,551, or, if we take a percentage of the expenditure the cost will be, in round numbers, $24,500,000. For this the Company are to receive $15,000,000 in money and 18,750,000 acres of land. If we take the valuation of the land as fixed by the Minister of the Interior last year, the Company will receive for this section of the railway lands to the value of $59,625,000, or in land and money $74,625,000. The expenditure on the degraded plan of construction will be $24,500,000. Now, what are the Company to receive this excess of $50,125,000 for? According to the statement of the Minister of Public Works, they will have to provide on the Lake Superior section rolling-stock to the value of $745,000, on the British Columbia sections rolling stock to the value of $430,000, and on the Pembina Branch $183,100, making a total of $1,358,100. So far the subject is clear; but what is the tremendous excess for? Is it to cover losses for working the eastern and western sections of the road? Is it to enable the Company to build a network of railways in the North-West Territory? This subject must have been considered by ministers, and this excess must have been intended for some purpose, which Ministers have not had the frankness to communicate to the House. We have had, ever since this discussion began, a studied attempt on the part of Ministers to depreciate the value of the lands in the North-West Territories. Now, Sir, we are not left in the dark upon this subject, we can form a tolerably accurate conjecture of the sum that picked lands, such only as this Company are obliged to take in the North-West Territories, are likely to bring. When the subject was before the country on Sir Hugh Allan's contract, I took occasion to address an article to the *Canadian Monthly*, in which I said:

"That the Illinois Central was one of the first to be aided by a grant of land. By an Act of Congress passed in 1850, 2,595,000 acres were granted to aid in the construction of a road from Cairo to Chicago, and also to Dunleith, 707½ miles of road in all. Up to this time (November, 1872) 2,178,390 acres have been sold from which the company have realized the sum of $25,000,000; and the 415,910 acres unsold are held to be worth $12.50 per acre. The company are likely to realize from the sale of these lands a sum greater than the cost of the railway. Congress granted to the Kansas Pacific Railway 6,000,000 of acres in Kansas and Colorado; within three years 115,625 acres have been sold for $1,675,059 and 3,000,000 more have been mortgaged for $5,500,000. * * * Every year the price of land in the districts ceded to railways is enhanced, and, after the settlement of a sparse population has been secured, the railway companies do not make haste to sell, unless their financial circumstances force them to put their lands in the market. There can be no doubt, then, that a bonus of 50,000,000 acres is an immense contribution towards the construction of a railway. Assuming that, of this vast area, but one-fourth is fit for settlement, these 12 500,000 acres at the price for which the school lands of Minnesota sold seven years ago, would bring $87,500,000."

I call the attention of the Minister of Railways to the fact that this statement was made eight years ago. My conclusions were not based upon vague and uncertain estimates of unoccupied lands in the vicinity of railways, but upon the conclusions which a careful induction of facts afforded Since then experience in the adjoining Republic has not modified the conclusions based upon the observations of an earlier period. Let me invite the attention of the Minister also to some of the returns for the past year; the average price of the lands sold by several of the railway companies of the United States. I will now give, and I will mention first, the sale of lands in Texas, the region, the mention of which has so greatly disturbed Ministers and their supporters during the last two years The sales of the Missouri, Kansas and Texas Railway averaged, per acre, $2.11; of the Texas Pacific Railway, $2.16; of the St. Louis, Iron Mountain and Southern Railway, $3,66; of the Iowa Falls and Sioux City Railway, $3.36; of the St. Louis and San Francisco, $3.81; of the Winona and St. Peters Railway, $3.90; of the Southern Minnesota Railway, $3.34; of the Burlington and Missouri River Railway, $4.30; of the Still Water and St. Pauls Railway, $4.55; of the St. Pauls and Pacific Branch Railway, $4.29; of the Cedar Rapids and Minnesota Railway, $4.79; of the St. Paul and Sioux Railway, $5.26; of the Sioux City and Paul Railway, $5.84; of the St. Paul and Pacific Railway, $6.83; of the Hannibal and St. Josephs Railway, $7. These sales taken together will average upwards of $5 an acre. Now, I may say that none of these railways were privileged to do what the Syndicate, under this agreement, is authorized to do. This Company is authorized to select every alternate section for twenty-four miles on each side of the line. They may reject any section that is unsuited for settlement, they may roam through a space of five hundred miles in width, and a thousand miles, in length, out of which to make their selection for what the railway belt will not furnish. We may state in general terms that the railway belt will extend a thousand miles through the prairie region, one hundred of which are already occupied. The remainder of the forty-eight mile belt, will contain 43,200 square miles, one-ninth of which may be taken to represent the land reserved for schools, and belonging to the Hudson's Bay company, which will leave 38,400 miles. Of this at least twenty per cent. may be considered waste. This will leave 15,360 square miles, or 9,830,400 acres available to the Company; so that they will have 15,169,600 acres to select elsewhere. Does anyone doubt that they will select the most valuable portions of the North-West Territories. If they cannot find lands suitable to their wants south of the Saskatchewan they can go into the Peace River District. The agreement provides that if they select lands where the Indian title has not yet been extinguished, the Government is to extinguish the title. This provision clearly points to that district. What then are these lands worth? Not at this moment when they are inaccessible, but when they are made accessible out of the resources of the nation. Are they less valuable than the railway lands of the United

States? Are they less fertile? Will they yield less to the industry of those who occupy them? Ministers dare not say so. This is not a proposition to a company of capitalists in which we say to them our lands are fertile, but inacessible, take your own money, build a road, make them accessible, and we will give them to you at a merely nominal valuation. It is not the money of the Company, but of the people of Canada, by which the road is to be built. They have received from the public Treasury a sufficient sum to build more than two thousand miles at the Government estimate of cost. The value given to these lands by the construction of the road, is a value which should accrue to the benefit of the public. In 1875, the Minister of Railways said:

"The Committee will remember that when we occupied the Treasury benches we valued the lands of the North-West which were to be appropriated for the Pacific Railway at a minimum price of $2.50 per acre. For the purpose of removing any question, I will assume that those lands shall be valued at $2 per acre, and I may say that if the construction of the Canadian Pacific Railway will not result in giving that value to our magnificent land in the North West, so glowingly described by the Premier, then there is no person in the House that will say that it is worth while to make the road at all. When I place the value of these lands at $2 per acre I place it below rather than above the mark."

After some further observations by Dr. Tupper, in the same vein—Mr. Holton asked the hon. gentleman, "Why not make it $5 an acre?" Dr. Tupper replied:

"I could safely make it $5 per acre, provided I have the selection of the land. The whole character of the land rom the eastern limits of Manitoba to Fort Pelly is worth $5 per acre, as well as it is worth one, and will fetch that sum If the construction of the Canadian Pacific Railway will not render these lands in the North-West, of which we have more than 100,000,000 of acres of magnificent prairie and wooded lands, worth $2 an acre when the railway is built, they are worth nothing. No person would undertake to say that the lands would not be worth that amount—or why undertake the construction of the line. The hon. member for Chateauguay knows that the Northern Pacific Company's land along the length of the line is sold at from $4 to $10 an acre, $4 being the minimum."

I have stated enough to show the House, that, in taking the valuation put upon the lands by the Minister of the Interior, we are doing what is perfectly fair to the Government. We are taking a valuation less than that put upon them by the Minister of Railways, and a valuation less than that which the sales of the American railway companies will warrant us in fixing, as they receive larger sums for lands which gentlemen on the Treasury benches have declared, again and again, are much inferior to our own. I say the case is wholly different. When the Government have contributed a sufficient sum of money to build the railroad, from the case where a company simply receives a grant of land inaccessible to settlement, and which becomes accessible by a road built in the first instance with money furnished by the company. In such a case, the land derives its value, in a large measure, from the expenditure of the company's capital, but that is not the present case. Here the country furnishes in cash nearly sixty millions of dollars, and it is by the expenditure of this money that the lands are made marketable. If this burden could have been kept from the shoulders of the people, and had the money been furnished by the Company, they might very well have claimed the lands at a nominal valuation; as it is, it is a fraud upon the country to estimate the lands at a lower price than the one which I have mentioned as the value given by the First Minister last year. I know very well that we shall hear again of the area offered by the late Government; but gentlemen who support the Government appear to forget that those lands were to be taken from all along the line from Lake Nipissing to English Harbour; three-fifths of the line stretch through the country east of Manitoba and west of the Rocky Mountains, and are not to be compared to one-half the quantity of picked lands taken from the fertile belt of the North-West. When the Minister of Railways, in 1875, valued those lands at $5 an acre, and when the First Minister, last year, valued them at little more than $4, their supporters voted they were right on both occasions. It is, no doubt, advantageous to a Minister, however disadvantageous it may be to the country, to have supporters so impressionable. "What o'clock is it?" said Louis XIV. to one of his courtiers. "Whatever o'clock your Majesty pleases," was the accommodating reply. The hon. member for Richmond and Wolfe (Mr. Ives), is equally versatile in accommodating his views to the necessities of the Government. There can be no doubt that in the caucus, as in the House, the hon. gentleman would stand by his leaders. When they say $5 he says $5; when they say $3 he says $3; and when they say the country is rapidly improving, and is very much better than any of the territories to the south, and is, therefore, now worth $1 an acre, he enthusiastically says $1. The hon. gentleman is a real Polonius. Hamlet says to his courtier:

Do you see yonder cloud
That's almost in shape of a camel?
POLONIUS.—By the mass, and 'tis like a camel, indeed.
HAMLET.—Methinks it is like a weasel?
POLONIUS.—It is backed like a weasel.
HAMLET.—Or like a whale?
POLONIUS.—Very like a whale.

The Minister of Public Works declares that there is no monopoly created by this contract. That there is nothing in this arrangement to prevent other railways being constructed, but let me read to the Committee Section 15 of this contract. It is as follows:—

"For twenty years from the date hereof, no line of railways shall be authorized by the Dominion Parliament to be constructed south of the Canadian Pacific Railway, from any point at or near the Canadian Pacific Railway, except such line as shall run south-west, or to the westward of south-west—nor to within fifteen miles of latitude 49—and in the establishment of any new Province in the North-West Territories, provision shall be made for continuing such prohibition, after such establishment, until the expiration of the said period."

If this does not create a monopoly it will fail in the object aimed at by the contracting parties. The trade of the North-West must seek an outlet towards the Atlantic seaboard, and this contract says that there shall be no other outlets than the outlets controlled by this Company. It goes further. If anticipates charges so enormous that the traffic of the country would bear to be carried westward for hundreds of miles until it could cross the border and escape eastward through the territories of the United States, and this contract says this shall not be done, for no road extending to the westward shall approach within fifteen miles of the border. Could any arrangement be more atrocious? Is it not as clear as noon-day, that you propose to place all the avenues of commerce in the hands of this Company, and that they may charge such rates as they please, so long as they do not destroy the trade that you authorize them to plunder. The Minister of Railways has said, that the late Administration went further, for they proposed to authorize any one who pleased to get up a company to build a railway wherever they pleased. Yes, Mr Chairman, we went further, but we went in the opposite direction. I do not say that you can regulate freights perfectly by open competition; but you can do something towards it. What we proposed was what experience has shown to be a safe thing to do. We proposed to leave capitalists who desired to invest money in railways to judge for themselves, as to whether the line they projected would prove a profitable investment or not. We provided that when any number of persons, not less than fifteen, chose to form themselves into a company to construct a line of railway they might sign articles of association, and when they had fifty per cent. of the stock subscribed, and ten per cent. paid into the Finance Minister, they should, upon filing those articles at the office of the Minister of Public Works or the Minister of the Interior, become a railway corporation. They could build roads in any direction they thought prudent, and the Government took power to aid them by moderate bonuses of land, subject to the approval of the House of Commons. This was the very reverse of the policy now

proposed. It placed no restriction upon those who wished to open up the country by railway construction. It is in my opinion the most beneficial way that railways as private enterprises can be carried forward. We know at present that charters are sometimes sought for the purpose of blackmailing existing railway lines. We know, that, however much a railway may be needed, if it comes into competition with one already constructed, its promoters have to fight their way inch by inch through Parliament, not without great difficulty and sometimes not without great expense. It is said, that when a railway scheme is fairly launched it finds many friends, engineers, car-builders, builders of locomotives, the proprietors of rolling mills, professional contractors, traders in railway stocks, and contract brokers, all treat it with friendly regard, because all hope to profit by its bounty. Now, where there is afforded the opportunity for free incorporation, very many of these mischiefs are got rid of. A large sum of money must be deposited with the Government before there is any charter. The payment is an evidence of the sincerity of the undertaking. Railway companies are not likely to keep in view other than commercial considerations in the construction of their lines. The best and most direct lines or location is likely to be chosen as a protection against future disaster caused by new competing lines. The mischiefs which experience demonstrates as certain to grow out of railway legislation, are, in this way, altogether avoided, or reduced to the narrowest limits. It was from these considerations that I, as a member of the late Administration, favored the Colonization Railway Bill which we submitted to Parliament. I am aware there is much to be said against, but there is also much to be said in favour of, the Government ownership of railways—so much, that in my opinion, in a great enterprise like this, so largely aided by the public, it would be in the last degree unwise not to reserve to ourselves the power to resume possession upon reasonable terms. If such power were retained, should resumption take place, compensation would have reference to the actual investment of the Company, but, under present arrangement, they would be governed by the absolute value of the road. I say it has generally been conceded that it was desirable to construct a railway by a private company rather than through the agency of the Government. I need not go into a discussion of all the reasons for this view. Amongst others, is the one with reference to political appointments in the management of the road; the pressure brought to bear upon the Government, to fix the tolls at such rates, as would be unremunerative. The difficulty of direct and efficient oversight. But hitherto the Government have not finally disposed of the question; it has, until now, reserved to itself, in case the roads were transferred to a private company, the right of resumption whenever it was thought that the public interest required such a course to be pursued. The question of ownership was thus kept open for future determination, and I think it of the last importance that this should still be done. The public do not stand in the same relation to railways that they do to other private corporations. Railways possess many powers and franchises which belong to the State itself. They can take the property of others and apply it to their own use. They are, in spite of the keenest competition in many sections of country, practical monopolies. If the Government of the country desire to impose a few per cent additional taxation to meet the public exigencies, the people's representatives are required to vote the necessary aid; but railway companies that have large political franchises, amongst which is this right of eminent domain, can exercise their own discretion as to the tax they will impose upon the property entrusted to them for carriage. We know right well that they often charge sums far beyond what is necessary to pay a fair dividend upon the capital actually invested. It has been stated that during the past season that railways between Chicago and New York have charged upon the property *in transitu* $45,000,000 in excess of the sum which would have been yielded by their previous rates upon the same property. In 1844 the subject of the ownership of railways was very fully considered by the Government of Sir Robert Peo, who did not come to any positive conclusion on the subject other than this:—That they provided after the expiration of twenty-one years the Crown might, with the sanction of Parliament, buy up the railways of the United Kingdom, and Parliament has there, down to this time, reserved to the Crown this power. I have already said, that I regard our present system of bringing individual railways to Parliament for charters, as very objectionable. They are resisted by existing lines. They are put to heavy charges in obtaining their charters, and they indemnify themselves at the expense of those who use them. There are few railways, like the one now proposed, which have a monopoly by law. Their monopoly arises from the superior excellence and rapidity of their conveyance. In many respects they supercede the use of the rivers and canals. Their only competitors are other railways. A private railway corporation is a despotic power when it has not active competition. It charges its patrons with the cost of its maintenance, with interest upon the capital invested, with extra expenditure on account of its own extravagance, and with any impositions practised upon it by rival lines. When you are charged exorbitant rates and remonstrate against these charges, you are told that you are not compelled to travel by their line; that the road is private property, and ought to be managed for the benefit of its owners. Now, this would be undoubtedly true if a railway was like an ordinary corporation, but this is not the case. A railroad may compel a private person to part with his lands upon granting him reasonable compensation. It has this power conferred in the public interests, on public grounds: and having extraordinary powers given it, it is subject, in consequence, and rightly subject, to special restrictions. The effect of high rates is a disposition on the part of Parliament to allow of unrestricted competition, and there has been a strong inclination in the public mind to give no consideration to the interest of existing companies. We know that competition at the points where it exists prevents over-charge, but in many places there are no competitors; in many places where competition is possible. there are combinations. No one can doubt but that it is a great waste of capital to build two roads, when one could easily do all the work. A railway in the hands of the Government is a wholly different thing from a railway in the hands of a private corporation, Monopolies by the Government, under a system of popular government, are wholly different in their aims from monopolies by private companies. There are instances of States monopolies that are found compatible with the public interest. The Post Office is a Government monopoly. Does any one believe that the public could be better served, if the Government should withdraw, and the postal service became an ordinary commercial undertaking? The postal arrangement is the very opposite of the commercial system; but few would hold on that account to throwing open the service and leaving it to commercial competition. Monopoly and free trade have each a distinct sphere of action, and when there is important work to be done we must ascertain to which department the work can most conveniently, in the public interest, be assigned. The hon. member who undertakes to prove that it is the undoubted function of the Government to carry newspapers and letters, but that it is no part of their duty to carry coal or wheat, will have some difficulty in establishing his proposition. Monopoly by the State to do a public service is wholly different from monopoly by private parties to do a similar service. We know that a real monopoly, even under a system of unrestricted trade, may exist, by

which the commerce of the country may be burdened by exorbitant charges. Railways are at but few points touched by rival railways. Every where else their tendency is to become monopolies. Now one great advantage of the Government ownership of railways is, that charges could be made uniform and all parts of the country placed, in this regard, upon a footing of perfect equality. If the railways were public highways, and the different trains running on the same road were run by different corporations, then there might be general competition. At present we know, that, under the existing system, the charges for freight and passengers are uncertain; that they are different in different places; that they are different, at different times, in the same place. It is the interest of the public to have a maximum amount of work done at a minimum cost. The reverse of this is the interest of a private railway corporation. For these reasons I hold that railways do not stand in the same relation to the State as ordinary private corporations. They are as much highways of commerce as the canals, the lakes, the rivers, or the ocean itself. I believe, too. that it is a great mistake to suppose that such a work necessarily possesses more influence for mischief in the hands of the Government than in the hands of private proprietors. I had hoped before this scheme was submitted, if the Government did not choose to adopt the system of free railway corporations, that they would, in a country so favourably situated as the North-West Territories, have had that country carefully examined with a view to laying out commercial lines, and would have provided an organization whose interest it would have been to promote traffic, communication, and the settlement of the country. I have not made these observations in favour of State ownership, to prove that after duly protecting the public interests the roads should not for the present be handed over to private companies to construct and work. But I do so to show you that even on commercial grounds the question as to the ownership of railways is still upon its merits an open question. It is so regarded in England. It was so here until now, and it should have remained so. But there are other than commercial considerations. Great care should be taken here not to create a powerful corporation, which will stand a fair chance of becoming not only the proprietor of the railway, but also the proprietor of the Government. We know right well that the modern tendency of representative government is in the direction of democracy. We know that the effort of the Stuarts to establish feudalism upon this continent wholly failed. The Hudson's Bay Company in the wintry regions of the north lived on, but it degenerated into a great mercantile corporation, and continued its sway over the shores of the Bay for 150 years and over nearly half this continent for nearly fifty years. But wherever feudalism has come in contact with those vital forces which mark the characteristics of modern society, it has gradually given way, The class legislation, the special privileges, the laws of primogeniture, which are necessary to the permanency of feudal institutions, are slowly yielding to the influences of our age. I am not arguing whether this will prove beneficial or otherwise, I am simply stating a fact. I have no doubt with many evils it has brought some compensating advantages; but what of the good, and what of the bad, it would be beside my purpose now to speak. We have now something before us much more objectionable than a privileged class, we have a proposal to create a privileged corporation, upon which the hand of time can make no impression. Notwithstanding the peculiar views put forward by the First Minister, representative government here derives its power and influence from the people, and nothing but the people; and as the Government of the people by the representatives of the people, we on this side of the House of Commons shall do our best to preserve it. But we have now before us a scheme which contains within itself, elements dangerous to honest government and to popular liberty. We know that private railway corporations may become new political forces. We know, from the history of the Erie Railroad in the State of New York, and from the history of the Grand Trunk here, that they may make even the Legislature subservient to their interest. We have now before us a scheme of far greater magnitude than either of these: one which will possess powers and franchises greater than those possessed by the Duke of Burgundy or the Earl of Warwick. This corporation may not be a kingmaker, but it is likely to be the proprietor of the Government of Canada. It is given, in effect, authority to make and unmake Ministers. It will compel industry, under the provisions of this contract, to pay to it the tribute that it once was compelled to pay to the sword. I say but what we all know, that great railway corporations are the most dangerous enemies that modern representative government has, and a Government will be wanting in its duty to the people, which does not earnestly set itself to work to provide the necessary checks and guarantees—to mark out clearly the limits within which great corporations like this must act. We know that such corporations are not restrained by public opinion. They are not influenced by many considerations which restrain the actions of men. We know that they have elsewhere tampered with the administration of justice; that they have interfered with the freedom of elections; that they have undermined the authority of Ministers, and there are many other political considerations which make it extremely questionable whether so stupendous a corporation as this will become should be created at all. I do not say this by way of finding fault with the Government for undertaking to construct and work the Pacific Railway by the aid of a private corporation, but with a view of pointing out the evils, both commercial and political, which are likely to arise. I am not only opposed to taking a leap in the dark, but I am still more opposed to taking a leap where the danger is distinctly visible, and where I see not a single guarantee taken to prevent incalculable mischiefs. I see in this contract restraints upon trade. I see enormous burdens imposed upon industry. I see impediments and prohibitions placed in the way of improvement. I see the whole population of the country in matters which vitally concerns its future welfare, made dependent upon one powerful corporation. I see the real seat of Government transported from Ottawa to St. Paul's, while the semblance of authority is allowed to remain here. In this contract the interests of stockholders and bondholders have been duly considered; but the interests of the people who travel, and the general public who will send their merchandise and their farm products over this line of railway, have not been considered, and it is all the more necessary that the Parliament should reserve to itself the power to resume this road upon the payment of a reasonable compensation. The hon. Minister of Public Works was very indignant because it was suggested that the terms of this contract could not endure, and he charged us with holding to the views of Proudhon, "that property is robbery." The hon. gentleman seemed to forget, or, perhaps, I would be more accurate if I were to say, seemed not to have considered that he was at this moment proposing, by the measure under consideration to take what, according to his own estimate, would be eighty millions of the money of the people of this country from the private fortunes of the people—for every dollar of public money is private property before it is appropriated by the State—I say he proposes to take, according to his own view, eighty millions of dollars, and according to mine, much more than that sum, and by an Act of Parliament make it the property of a few gentlemen, some of whom are citizens of foreign States. What name do you give to the Act by which, without any adequate compensation, you take one man's property and give it to another?

Does he not see that, when such an Act is accompanied by oppressive powers and unreasonable franchises, that men may by revolutionary measures come to their own again? The Minister of Public Works refuses to reason now, but I can tell him that what is to-day denied to reason, will at some subsequent period be most assuredly granted to force. We have had many schemes since Confederation for the construction of a trans-continental railway. We have had two from Ministers during the past two years, which boded no good to the North-West, but this is one, which, seems to have been framed upon the maxim of Jack Cade,—"The good old rule, the simple plan, that he should take who has the power, and he should keep who can"—is, if possible, the worst of all. And since we have come to adopt his sentiments in legislation, we must cease calling him Jack, and give to him a more respectful name in the future. The hon. Minister of Public Works spoke of the leader of the Opposition as a "cunning fox." My hon. friend informed him that these digressions into natural history for illustrations, at once elegant and apposite, did not in the least disturb him. The Minister was welcome to all the pleasure he could derive from such a mode of discussion. The Minister of Public Works seemed quite annoyed to think that the hon. leader of the Opposition did not confess himself hurt by what the Minister had said in so playful a manner. While the Minister of Public Works half apologised for what he obviously considered his graceful and luminous thrusts of wit and sarcasm, he was not by any means pleased to discover that they were not felt. The hon. Minister reminds me very much of an incident that occurred at a religious meeting many years ago among the colored people of Boston. One penitent arose to confess what a dreadful sinner he had been. A friendly neighbor arose immediately after, and, with the utmost candor, confirmed what had been said. The penitent, while quite willing to speak in very strong terms of his own failings was not willing to have them discussed with equal freedom by a friend. He at once dried his tears, laid aside his coat, and invited his neighbor to the common behind the church in order that he might vindicate his piety. The hon. Minister of Public Works, while declaring that no wrong was meant, was very much disappointed to find that no wrong was felt. The Minister of Railways told us how much pleasure it gave him to support this contract. I think the Minister is somewhat mistaken. It may be so long since the Minister has been called upon to act in consonance with his convictions of public duty that he has quite forgotten the sensations of pleasure which spring from such a source and is not very sure what it is like. Lord Beaconsfield has drawn in Endymion a person—St. Barbe—of whom I am reminded by this observation of the Minister of Railways. St. Barbe speaks of having "felt a glow about his heart, which, if it were not indigestion, he thinks must have been gratitude." I am very sure that the Minister's pleasure must have partaken of a similar ambiguity. The hon. member for Richmond and Wolfe (Mr. Ives) spoke of the terms of Union with British Columbia and of the policy of the late Administration. Now let me tell him this: If a mistake by the late Government was made, it was in the direction of doing too much and not in the direction of doing too little. Let me notice one or two facts in reference to those terms of Union, which the patriotic ardor of the hon. member has caused him to overlook. British Columbia, in the first instance, did not ask to have a railway constructed. It never was agreed to be undertaken in her interests alone. It was a mutual agreement for a common object, a common benefit. British Columbia was to contribute towards the undertaking a strip of territory forty miles in width along a line of railway from her eastern to her western border. This land was to promote railway construction, to be nearly adequate to build the road west of the mountains. For it British Columbia was to receive a hundred thousand dollars annually, which was computed to be the difference between British Columbia's large contribution to the railway and the actual value of the lands. Parliament was assured that the lands were worth upwards of $15,000,000; that the annuity to be paid British Columbia when capitalized, represented $2,000,000, leaving more than $13,000,000 as the contribution of that Province towards the railway. I would like to ask, Was this an honest transaction? Was it a transaction so sacred, so inviolable that the contemporaneous resolutions of Parliament count for nothing? Let me ask the attention of the Committee to what was said upon this subject at the time by Ministers of the Crown. I assume they spoke from the information which they received from the delegates of British Columbia during the negotiations. I do so because it shows what the moral obligation of the two parties to this great, and, I fear, in some respects disastrous, enterprise is. Sir George E. Cartier, in supporting the resolution for the admission of British Columbia into a Union with Canada, said:

"It was not the intention of the Government to construct the road, but it would be undertaken by companies, to be assisted mainly by land grants. It was not the intention of the Government to burden the exchequer much to obtain this railway. While this clause was under discussion between the delegates and the Government it was proposed by the Dominion that the Colonies should hand over a forty mile strip of land toward the construction of the railway. That would be 24,000 square miles of land, or 50,360,000 acres of land, not merely agricultural, but mineral land. Placing that land at $1 per acre it would be equal to a grant of $50,360,000 toward the construction of the railway. It was proposed to give the company $100,000 per annum, which, placing the interest at five per cent., would be the annual interest on the value of 2,000,000 of acres of land, leaving the remainder to be used by this Government."

No doubt the 50,000,000 of acres and the $50,000,000 is a reporter's mistake. The quantity of land was estimated at 15,360,000 acres; but, after making this correction, Sir George Cartier led his supporters to believe that British Columbia was contributing means sufficient to construct the road in that Province. The representation by British Columbia delegates, as to the character of these lands, does not rest upon the statement of Sir George Cartier alone. Senator Compbell, who was also a member of the Government, in referring to that part of the arrangement relating to the British Columbia land grant, said:

"In Ontario, it is expected that the alternate sections of twenty miles will be given for the construction of the road, whereas British Columbia gives a continuous grant of 20 miles on each side. Therefore, the quantity of land given by that Colony is two fold that given by Ontario and Manitoba."

And, in reference to the construction of the road, Senator Campbell said:

"The language of these resolutions is not that the Government will build the road themselves, but that Canada will secure the construction of it."

It is too clear to admit of contradiction, that the British Columbia section was to have been constructed mainly by means of the ample contribution of most valuable land, which she placed at the disposal of the Federal Government, for the purpose.

Mr. DECOSMOS. I would like the hon. gentleman to read further in Senator Campbell's speech, and see what more he says on this subject.

Mr. MILLS. I must read what I purposed to read with the view of giving an exact idea of the condition of things upon which, and the statements upon which Parliament relied when it gratified this particular portion of the Union.

Mr. DECOSMOS. If the hon. gentleman would do justice to this House and country by reading the full statement made by Mr. Campbell when he introduced the address in relation to British Columbia, it would be very appropriate. The statement he now puts forward conveys a wrong impression and is incorrect, except so far as he states it.

Mr. MILLS. I must be allowed to put this case in my own way. My hon. friend will be allowed an opportunity of putting the case as he sees proper. I have a good deal to say on this subject, and feel it will be all I can do to say it, without making a speech for the hon. gentleman. He will have his opportunity, and will be better able to state his case than myself. Mr. Chapais, then a Minister, relying on the representations of the delegates from British Columbia, said:

"By the construction of the railway now, the value of the lands will be increased, and by this means they will suffice of themselves to provide for its construction. British Columbia has agreed to grant 15,000,000 of acres of land along the route, and this will be sufficient, or nearly so, for the construction of their part of the road."

Mr. Chapais went on to confirm his view, by reference to the Illinois Central Railroad which had received for the construction of upwards of 700 miles of railway, but 2,595,000 acres of treeless and waterless prairies, for the sale of part of which they had up to that time received $23,723,255, and had still remaining 526,690 acres on hand. Mr. Chapais further said:

"As for the climate and the nature of the soil of British Columbia I can prove that they are most favorable to colonization * * * The same isothermal line passes through Chicago, Cleveland, Harrisburgh and Pennsylvania on this continent and through Southern France, Lombardy and the great wheat growing districts of Southern Russia. These valuable Canadian Territories which, for the want of adequate investigation, have hitherto been regarded as valueless are destined within a reasonable period to perform an important part in the progre2s of agriculture and commerce on this continent."

The British Columbian delegates were at Ottawa at the time these discussions took place; the adequate information afforded by Ministers was derived from them. The disinterested and reliable representations of the delegates of that distant Province were implicitly trusted, and Parliament believed that a country more delightful than the happy Valley of Rasselas, or than the Eden of which Mr. Chuzzlewit went in search, was about to be acquired. Mr. Senator Mitchell, another member of the Government, and a party to the negotiations with British Columbia, said:

"The Government have not gone into this matter without the best information that could be obtained, and they have the assurance from an engineer of standing, which gentleman is very conversant with British Columbia, and is now within hearing, and who himself had made an exploration of the line of railway across our North-West possessions. * * That gentleman further states that 213 miles of the land through which it passes is of good quality, and a considerable portion of it far above the average of settled lands in Canada."

It was with such information as this, and with such assurances as these, that Parliament agreed to the admission of British Columbia into Confederation and to the construction of the Canadian Pacific Railway. It is apparent to every one that the impression sought to be made was, that the lands to be conveyed by British Columbia to Canada were adequate or very nearly so to build a railroad through that Province. Now we are brought to this conclusion, either, that Ministers were grossly deceived by the misrepresentations of the British Columbia delegates, or that they had conspired with them, by the most unwarrantable misstatements, to mislead Parliament in order to obtain its sanction to the eleventh article in the terms of admission to the Union. In private transactions where one party to a contract relies upon the representations of another, and is deceived, he is not held to his agreement; and there would be no breach of faith, taking the most favorable view of this article for British Columbia, did we say your lands are not what you represented them to be. They are not suitable for colonization. They will not prove a substantial contribution towards the construction of the road. We decline to accept them for such a purpose, and this part of the pact is at an end. I do not admit that British Columbia has anything of which to complain. We know at present that her people do not entertain very cordial feelings of friendship for the rest of the Dominion. I regret that it is so, but the fact remains. They seem rather to be actuated by that kind of sentiment which was expressed by the indignant creditor who had been forgiven much, but who insisted upon being paid to the utmost farthing. There is no real union between British Columbia and other parts of Canada. Nor is a real union possible in the present condition of things. British Columbia's nearest neighbors are the settlements upon the Pacific coast, and they must continue to be so for many years to come. The time may come when there will be a little trade across the mountains. There will be more, however, flowing westwards towards the Pacific coast than in the opposite direction. The tea, the coffee, the sugar, the dry goods, consumed in the Peace River district, when that country comes to be inhabited, will, if the railway communication is not so planned as to prevent it, will reach that country through British Columbia, and its products will find an outlet on the Pacific coast. They can reach Europe by sea as cheaply as they can reach Montreal by rail. But that district is still uninhabited, and the great plains of the Peace River are likely to remain a lone land for some time beyond the close of this century. It does seem to me, therefore, an act of very great folly to burden ourselves, at present, for a population which will have no existence for two or three generations to come, while the great wants and necessities of the hour are neglected. Hon. gentlemen on the Treasury benches and their supporters, however, seem wedded to this course of waste and folly. British Columbia is a Province of the Union, and as such should be dealt with. Her wants should be respected. Her interests as an integral part of the Union ought to be fairly considered. If she is as well treated as any other Province; if she has more done for her than she could have done for herself, she has no just cause of complaint. The hon. member for Victoria has frequently reminded us, that the Union is a compact—that the obligation to build a railway is a treaty obligation. But what does the hon. member say as to the quality of the lands, and as to the representation of the delegates? I may also observe that all treaties which are perpetual in form, are not so in fact. Let me ask the hon. member, and those who agree with him, to note how treaties are disregarded when they stand in the way of a nation's interest, embarrass its finances, or give rise to unforeseen dangers? How did France observe the Treaty of Vienna? How has Russia observed the Treaty of Paris, in reference to her naval force in the Black Sea? How has England observed her treaty with the Ameer of Afghanistan, when she wanted a more scientific frontier to the west of India? She asked for a European resident to represent her at Cabul. She was bound by treaty not to ask it—she nevertheless did ask it. She expected a refusal. The Ameer was about to yield to her demand, and the negotiations were broken off to prevent compliance, because the real aim was a change of frontier. So that treaties do not possess that enduring and unchangeable character which some hon. gentlemen suppose. In the case of a Federal union the power and the rights retained by each individual member are, no doubt, perpetual. They have not been parted with. As to these each Province remains after the union as distinct an autonomy as before; but as to what is to be done in the future by the Central Parliament and Government is for that Central Parliament or Government to decide. In the case of the union between England and Scotland, many things stipulated for by the Scotch Parliament have been changed by the Parliament of Westminster. Lord Campbell has observed that however inviolable the compact between the two kingdoms may have been, the Parliament of the United Kingdom can do anything which before the union could have been done by the Parliament of either. The junior member for Victoria,

in 1876, proposed a resolution, in which, among other things, he stated :

"The public faith and honor of Canada were pledged in the most solemn manner to British Columbia to secure the commencement simultaneously within two years from the date of Union the construction of a railway from the Pacific towards the Rocky Mountains, and from such point as might be selected east of the Rocky Mountains towards the Pacific to connect the seaboard of British Columbia with the railway system of Canada; and, further, to secure the completion of such railway within ten years from the date of Union."

The right hon. gentleman, now the First Minister, expressly repudiated the statement of facts in this resolution. He denied that the construction of a railway was to be undertaken on behalf of British Columbia. He said :

"This was not a mere arrangement by which British Columbia agreed to enter Canada. It was a mutual agreement and partnership by which the Dominion and British Columbia joined hands, and became one Dominion. British Columbia was pledged to the rest of the Dominion to the construction of this railway, just as much as the rest of Canada was pledged to British Columbia. It was not merely for the benefit of British Columbia, but for the common benefit. If it had been otherwise no such an agreement could have been made. All parties recognized it as a political expediency for both Colonies. It was in a spirit of perfect equality the compact was entered into. It was not only for the sake of spending money in British Columbia, but for the purpose of rendering what would be merely a Union on paper, one in reality. Therefore it was agreed that the road should be constructed in British Columbia, and also in other parts of Canada at the same time."

I would commend the views expressed in this quotation to the consideration of the hon. member for Richmond and Wolfe. I accept them as generally sound, and the constitutional view presented is in exact accord with the opinions of Lord Chancellor Campbell, upon a measure involving exactly the same principle. I would make but one observation further upon this part of the subject: it is frequently said that unless we have a railway we have but a Union in name. Now this is a most misleading statement. If a large interprovincial trade was possible, and was only prevented by the want of railway facilities, then a railway would be most desirable, and the bond of union would no doubt be strengthened by such trade. But when there is little or nothing to be done, when little or no trade is likely to spring up across the mountains, when the population is still wanting on both sides, between whom the supposed trade is to be carried on, it does seem to me most preposterous to speak of hastening forward this transmontane railway in order to convert a Union in name into a Union in reality. Hon. gentlemen opposite have spoken of the aid proposed to be given towards the construction of the Canadian Pacific Railway by the project of 1872 and under the Act of 1874, and the most unwarranted comparisons have been instituted between this contract and those projects, in favor of the present arrangement. Both in the contract with Sir Hugh Allan and the Act of 1874, the lands were to be taken along the whole line in alternate sections. 550 miles of the present line are west of Jasper House and more than a thousand miles are east of Red River. More than three-fifths of the railway belt were outside of the North-West Territories. A large portion of these three-fifths were waste lands wholly unfit for settlement, and the very best of them of an inferior character. What lands were required beyond the quantity the railway belt afforded were not to be picked lands of the North-West, but lands of average quality; so that I do not hesitate to say that a larger area fit for settlement is to be given to this Syndicate than would have fallen to any company under the Act of 1874 for the construction of the entire line. The most onerous part of this arrangement is not the enormous bonus given, but the impediments put in the way of commerce, the prohibitions on railway construction, and the tremendous and unwarrantable powers given over the whole trade of the country from the great Lakes to the Pacific. Gentlemen opposite seem to have forgotten what this North-West country has cost us. We in the first instance paid the Hudson's Bay Company $1,500,000, and converted a precarious license to trade into a proprietory right to one-twentieth of the country. We paid $1,760,000 to establish communications with the North-West. We have extinguished the Indian title to a part of the fertile belt, which, together with the maintenance of the police as an incident, represents a capitalized sum of $18,200,000. Our land surveys have, during the past nine years, cost us about $1,800,000, and represents a capitalized sum of $4,168,000—in all, $25,628,000. We have expended, or are about to expend on railway construction, about $17,250,000. We grant to this Company in cash $25,000,000, so that, without considering the land appropriation, the North-West will have cost us, should this contract be approved of, $67,878,000 in cash. This is to be our expenditure for the present to open up the country for settlement. I do not stop to ask whether it has been wisely or well made. There can be no doubt of its magnitude. It represents $85 a family to every family of the Dominion. But the country is not free, not open to settlement after all this. One twentieth is in the hands of a foreign corporation, and you propose to place at once one third of the best lands in the hands of another company. The expenditure of these $69,878,000 makes these lands worth at least $75,000,000. Instead of opening up the country to settlement, you propose locking it up in the hands of a great and powerful monopoly, at a cost to the country of $143,000,000. The expenditure is immense and the results are as disgraceful as they will be disastrous. For what you propose to give for sixty miles of the eastern section you can complete your connections with the North-West, and bring the grain trade of the northern States down the Valley of the Ottawa. For one-fifth of the land, or one-half of your proposed subsidy in money, you can go to the Rocky Mountains with your road; and beyond this neither duty nor prudence requires us to proceed for many years to come. Here we should rest, and our resources should be directed to give value to the country; to the North and to the South, by encouraging railway construction, and furnishing facilities for settlement. We can do much in this way to husband our resources and to acquire additional strength. A small outlay will do much to secure settlement within the fertile belt. We have spent all on unprofitable undertakings, which a poor country like this should be called upon to bear for many years to come. When that country is fairly filled up we can safely extend our connections. We cannot do it before; and we ought not to attempt it. The hon. member for Niagara (Mr. Plumb) defends the perpetual exemption from taxation. He refers to cases in the United States. But the hon member is mistaken, and has perhaps also misled the Minister of Railways. The cases to which the hon. member has referred the House in Wisconsin and Minnesota are cases in which the Governments of those States have adopted a charge in lieu of taxes. They have exempted the railways from taxation because they take a certain percentage from the gross earnings in place of rateable taxes—the fairest way, perhaps, of collecting a tax upon the capital invested in railways. What is done in the case of this railway should be done in the case of every other. A railway is chartered from Winnipeg to the Souris River. It is not exempt from taxation. What chance has it of successful competition with an untaxed road? What chance is there for any company to build a line in the directions permitted when they will be subject to taxation, while the branches of the Company will be exempt? The hon. member for Niagara read a long list of American railways, giving the amount of stock subscribed and the amount of bonds issued, and he adds these two sums together to show the amount of capital invested in railways. He has given us the cost per mile; ascertained in the same way. Of course, he found the amount of capital invested very large, and the cost per mile very great. The hon. member seemed never to have heard

of the manipulation of railway stocks. He never heard of stocks being watered. Let me take a few instances for the information of the hon. member. The Erie Railway of New York, according to the hon. member's arithmetic, has invested in it capital to the amount of $153,000,000, but it was shown before Mr. Hepburn's Committee that a road like the Erie could be built and equipped in the same manner for $40,000,000, just $113,000,000 less than the hon. member would place upon it. It was shown that its stock had been watered to the extent of $70,000,000. The New York Central is a valuable road, but it is very far from representing the value of its stocks in bonds. Its traffic is very great, but instead of allowing the stocks to rise, they have been watered to the extent, at one time, of upwards of $44,000,000. The hon. member refers to the cost per mile of the Union Pacific. He says that it cost $102,700 per mile, and that the total cost of the road was $115,214,583. Has the hon. member never heard of the Congressional enquiry? Never heard of the frauds brought to light? Never heard of the Credit Mobilier? We know that the cost of the road was not half the sum mentioned by the hon. member. The roads of Minnesota have been built at much less than half the cost given. It is not by such an array of wholly inaccurate and wholly irrelevant statistics that this most improvident and most mischievous contract can be defended. The hon. member has referred to the state of feeling in the country. If it be as he has represented, let the Government and their friends consult the country in the most constitutional way, by seeking the confidence of the country at a general election. The hon. member refers to the success of the friends of the Government at recent meetings, and he predicts success for his friends should an election be had. We say, let it be tried. The hon. member had not much to boast of. A single case of measles among his friends would have cost him his election. The hon. member figuratively did a good deal of whistling to keep up the courage of those about him; but he will find it has been done to no purpose. The terms of the contract are too easily understood for the country to be imposed upon. The hon. member, like his leaders, is no doubt anxious to have an end of this disagreeable business, like Macbeth's crime; being resolved upon, they are in a hurry to have done with it; but when it is voted on here. it will not be done with. The consequences cannot be trammeled up by any vote in its favor which this House may give. The mischief will have only been begun when the labor of this House is over, and hon. members will find this to be the case, even though the people shou d be denied an opportunity of pronouncing upon it—they will remember its authors. I have not one word to say against the gentlemen of the Syndicate. They are able, enterprising and trusty men. What they undertake I believe they will endeavor to do. There are no men into whose hands I would rather see the work fall; but they are acting for themselves. They are seeking to promote their own interests, and for this I do not blame them. To them was not committed the public trust, but to gentlemen opposite. In their hands the public interests have suffered, and every member of this House who sustains them by his vote, who sacrifices the public interests to help Ministers out of their present discreditable position, will find himself a marked man when he again seeks the suffrages of the electors. It is impossible to serve the country and to sustain the Government in this transaction. Either road is open to gentlemen opposite, both cannot be taken. That Ministers have blundered, that the bargain is a very bad one, is the conviction of gentlemen on that side of the House as well as upon this. It is the opinion of the country, and it is not more certain that the winter shall be followed by spring than it is true that those who support this calamity will be driven from public life.

Mr. MILLS.

Mr. McCALLUM. It is late, but I will not detain the House long. This is no new question to me. I had the honor of sitting in this House when British Columbia was admitted, and I was then in favor of this work being constructed and operated, for all time to come, by a company. I may say that I am in favor of it to-day, and I am in favor of having an all-rail route through our own country, from the Atlantic to the Pacific. I have gone to my people several times since then, and I have tried to explain this question to them. I believe, to-day, that that work can be constructed and operated for all time without adding materially to the indebtedness of this country. I believe we have got land enough in the North-West to build this railroad. There have been at least three schemes before this country. There was the Sir Hugh Allan contract; then there was the offer of the late Government, made to the whole world to tender for building this road; and then there was the policy adopted by the hon. gentlemen opposite, of doing it as a Government work. I stand here to-night and feel satisfied that a large majority of the people of this country regret sincerely that Sir Hugh Allan failed to raise the capital necessary to carry on that work. If that had been done, the road would have been built to-day. I say to hon. gentlemen opposite that the electors of this country will hold them responsible, so far as they contributed to the defeat of that scheme. In 1874, after the hon. member for Lambton (Mr. Mackenzie) had assumed the reins of Government, he announced that he was going to carry on that work as a Government work, and was going to save to this country the profits which the Company would have made out of the contract. Let us see what profits the country derived from the carrying out of this work by the Government so far as it went. We know what the country gained from the Georgian Bay Branch and the water stretches. Sir Hugh Allan offered to build this railway for thirty millions in money and fifty million acres of land. He failed. When my hon. friend from Lambton found, in 1876, that he could not do the work as a Government work, he advertised to the world that he would give $10,000 and 20,000 acres of land per mile for the construction of the whole road, besides guaranteeing the interest on the bonds to be issued. Well, Sir, taking all these different arrangements into consideration, I consider that the contract before the House to-night, is the best offer the country has received, even estimating the land at a dollar an acre, and the higher you value the land the better this offer appears. If we value the land at $2 an acre, we make this contract better than the proposition of the hon. member for Lambton, by $32,000,000; if we value them at $3 an acre, we make it better by $55,000,000; if at $4 an acre, we are $90,000,000 better off. That is a simple way of showing how the matter stands. The hon. member for West Durham (Mr. Blake) the other day said that it would be a great hardship that the road-bed of the Canadian Pacific Railway should be exempt from taxation, that it would be ruinous to the country and would prevent the settlement of the North-West. Well, Sir, I live in a municipality through which the Grand Trunk Railway runs. We gave that railway a bonus of $20,000, and what taxes do you suppose we collect for the road-bed? Though the road runs through the municipality for eight miles, we get from the company the magnificent sum of $12 a year. I believe the townships in the North-West are six miles square; suppose the railway takes for its road-bed a strip six rods wide, it gets 72 acres, and if you value that at $10 an acre, and put the rate at ten mills on the dollar, you get the magnificent sum of $7.20 a township. I do not think the townships will suffer much from that exemption. I would like to see this Company pay taxes the same as the settlers in the North-West; but if they did not get the privilege of exemption, they would have to get something

else, we would have to give them more money; and would we be doing justice to the older Provinces if we taxed them for that purpose? I have listened attentively to the debates on this question, and I consider it most important that we should have a railway through this country, from the Atlantic to the Pacific. The hon. leader of the Opposition said the other night that the Sault Ste. Marie road was the key to a great position. I want it to go forth to the world to-night what position we should be in if that hon. gentleman's policy were carried out. It is not long ago that we had to send troops into the North-West. Who had the key then? Had we the key at that time? No, Sir, Brother Jonathan had the key. Brother Jonathan would have the key of the Sault Ste. Marie line, and that is the reason I am in favor of building the road north of Lake Superior and getting an all-rail route through our own country. Why, suppose at the termination of the Washington Treaty, the United States Government chose to do away with the bonding system, I should like to know how that would affect us. In one year, including the period of the close of navigation, of course, we should have no such settlement as at present, we should suffer more than the whole cost of the Canadian Pacific Railway. This is the most important question ever brought before Parliament. We are laying the foundations of an empire, and should not dread the expenditure of a few dollars. Of course, I differed probably on this question from some of my friends here, and said I wanted delay, and wanted the people of this country to know all about it. I do not now want to go to the country, because the people have already sanctioned the scheme and decided the railway should be built as a Government work, approving also of the Allan contract. Now, I do not think it necessary to again go to the country upon this question. I feel perfectly satisfied the people would say that they are in favor of this scheme, not merely the Conservatives, but the Reformers as well. The member for West Durham (Mr. Blake), the other night, voted for further delay; I voted with him. But on another occasion in dealing with a railway question he went with lightning speed. When I wanted delay, he could not stop. I had the honor of a seat with him in another Legislature when he turned out the Sandfield Macdonald Government with a majority of one. At that time power had been taken to assist railways in the thinly settled districts of Ontario, by appropriating as much as $1,500,000 of the public money to that object. He held that each grant should be submitted to a vote of Parliament, but on turning out the Sandfield Macdonald Government, what did he do? Well, he took $1,900,000 which he did not need, except to control the House—to buy it, I should say, if it was not unparliamentary—certainly to demoralize the whole House by turning a majority of one into a majority of thirty in a few days; but he did not simply demoralize it, but also a member of the out-going Government. He even sent a note across the floor to instruct one of the Ministers thus: "You had better speak now." I want, in recalling these events, to show who was consistent, myself or the member for West Durham, on that occasion. He asks for delay now; he would not give it then. He brought in Orders in Council, appropriating $3,900,000 to aid railways in Ontario, and gave the House four hours to consider them. The House was, time and again, divided against him, until there were only three of us to oppose him at last. So far as that is concerned, I will show you that I speak by the book. An amendment was moved by Mr., (now Judge) Cameron, seconded by Mr. Rykert, as follows:—

"That while this House is willing to make all just provision for railways, and assents to the said resolution, it feels bound to express the opinion that the said Order in Council, together with nine other Orders in Council, involving an aggregate appropriation of one million and a half of dollars, having only been placed on the Table of this House at its Session yesterday, and the Government to repeat requests, having refused to give information as to the undertakings they intended to pass Orders in Council in favor of, till this House had voted an additional subsidy of four hundred thousand dollars, and a further appropriation of one hundred thousand dollars a year, for twenty years. The Government has not given this House sufficient time for the consideration of the Order in Council, to enable it to give an intelligent and just judgment upon the claims of the several enterprises, and that in future Orders in Council, requiring the ratification of this House should be submitted at an earlier period of the Session, and should not be taken into consideration by this House until the same had been before the House for, at least, five years."

Well, the only members who voted for the amendment were Messrs. Cameron, Gifford, Hamilton, Lauder, McCallum, Macdonald (Leeds), Merrick, Richards, and Rykert. The rest were all demoralized; and now I accuse the hon. member for West Durham of having struck a blow at constitutional government, by sanctioning that measure, by not giving the House time enough—they only received four hours—to consider the proposal; and the evidence respecting the railways and the Orders in Council would, together, have made a book larger than the Bible. The House, at his call, voted the money; they were all getting a share. Well, suppose that any or a large portion of the money had been misappropriated. When the members got back to Parliament, who could have been held responsible? Was the Government responsible? No; but the members of the House were responsible. Would those members vote non-confidence in themselves? Certainly not. The member for West Durham was, I know, powerful in getting the Treasurer of Ontario to vote non-confidence in himself by that letter telling him to "Speak now." Of course, I was very anxious the people of this country should be considered in this matter. In fact I would like to consult my constituents. But I think, on the other hand, that if I did not support this present scheme they would say to me—go about your business. I understand a meeting is to be held in Montreal, to-morrow, for which I confess I have not got a ticket of admission yet. This shows certainly a spirit which I should not have expected on the part of the hon. leader of the Liberal Opposition, who is announced to address it Perhaps, considering all my claims for past support, he will have the kindness yet to send me a ticket; I may get one as late as to-morrow morning. My hon. friend from North Norfolk (Mr. Charlton), whom I respect very much, says it is all right, go on. It is all lovely until he goes over to the other side of the House, when he says put on the breaks. To show you his inconsistency, I cannot do better than read what the hon. gentleman said in reference to this subject in 1878. The hon. gentleman very often answers himself. He makes a speech to-day only to contradict what he said previously. On the 28th March, 1878, the hon. member for Bothwell (Mr. Mills) brought in his railway bill, appropriating lands to build railways in the North-West. The hon. member for North Norfolk (Mr. Charlton) then said:

"He considered this measure, notwithstanding the unmeasured denunciations it had received at the hands of the hon. member for Northumberland, was a statesmanlike measure and embodied a wise policy. It was essential to the development of the North-West that that country should be furnished with railways. The rivers flowing through that region all flowed to the northward, and thus this region had no natural highways to market as was furnished to the western States by the Mississippi and the Great Lakes; and if railways were essential to the development of the Western States, they were ten-fold more essential to the development of the North-West. It was useless to think of opening up and settling this country without furnishing it with railway facilities. Now, it had been said that the American railways were subsidized to a greater extent than necessary; perhaps that had, in some instances, been the case. Reference had been made to the Illinois Central Railway. At the time the road was projected, nearly the whole interior portion of the State was a wilderness; farmers living fifty miles from Chicago were in the habit of teaming wheat to the market often, when the roads were bad, at a cost of one-half the value of the wheat. The country had a few struggling settlements in the interior, but there was no extent of population. The country would never have been opened and settle as it has been, but for the construction of a system of railways of which the Central was the chief. That railway had populated the vast prairie region in the centre of the State, and had contributed in an important degree to make Illinois the third State in the American Union, with a population of over three millions. He recollected paying a visit to Iowa about twenty years ago. Then, it had but a few miles of railway, and but a sparse population,

chiefly located along the line of the Mississippi; yet by means of a liberal railway policy, by subsidizing several lines crossing the State from east to west, it had suddenly risen into an important State, with a population of nearly, if not quite, 1,500,000. Some of the railways had perhaps been subsidized more than was necessary, perhaps more land had been given than was advisable, but capitalists would not embark their money unless they had a prospect of a fair return, and it was folly to haggle with them about an unimportant difference when important interests were at stake."

Sir LEONARD TILLEY. Hear, hear.

Mr. McCALLUM. What are hon. gentlemen on the other side doing now if not acting contrary to the policy here defended. He said further:

"The United States Government held the alternate sections which were reserved within the limits of railway land-grants at double the price of lands outside the limits of railway grants, and more distant for railway communication. These lands were denominated double minimum lands and sold as readily at $2.50 per acre as other land did at $1 25; and the result of railway land grants, so far as land sales were concerned, was that Government had actually received as much for its lands as it would have been likely to have done if the whole area had been sold at the ordinary Government prices. Now, in the North-West, there were untold millions of acres of land. They were told by the hon. member for Northumberland that this was the heritage of Canada, that it had been bought by the people's money; but, in its present shape, of what value was this great wild, lone land to us? The question was how that land should be utilized, and for that purpose the Minister of the Interior had devised a Bill which in its conception was admirable, and which, in his opinion, would, if carried out, attain the object of populating this vast country. The Bill provided that these roads were to receive ten sections to the mile east of a certain point; twelve sections to the mile west of that point; and twenty sections to the mile in the Peace River region. The maximum rate but very slightly exceeded the minimum of the United States railway grants, and they must bear in mind that, if railways were essential to the opening up of Illinois, Iowa and Wisconsin, they were far more essential to the opening up of the territory on the upper waters of the Saskatchewan or in the Peace River region; and Government could never properly utilize that country or get any adequate return for the money it had expended without adopting a policy of this kind. They had committed themselves to the building of a trunk line through that country; were they going to do that and make no provision for feeders to bring traffic to that line? This Bill proposed to open up railways in the North-West, and the Government cared not whether they ran east or west or north or south; they would run in any direction the wants of the country required. If it was necessary to construct lines through the Peace River valley, the Mackenzie valley, the valley of the Saskatchewan, or any other valley, these lines would be built there, if the aid offered by the Government proved a sufficient inducement to capitalists to embark in these various enterprises They were told by the hon. member for Northumberland that this was an iniquitous Bill; that the Government were bartering away the heritage and rights of the country. Why, under this Bill, the Government were providing for the growth of Canada as a nation; they were providing for peopling that vast region which now lay in a state of nature, and for developing its resources. They had already lost too much time in developing the resources of Canada. Under the Administration of the hon. gentlemen opposite, this country had remained like a ship at anchor, without making progress."

Well, a ship at anchor is not in a very bad state. Her position is safe. But no sooner was the craft boarded by a crew composed of hon. gentlemen opposite, than she was sent adrift, and was going on the rocks until the people of this country said to her crew: "Get out of this, and make way for more competent men," and now the ship is working to windward again. The hon. member for North Norfolk continued:

"While the population of the United States had increased nearly twenty-five per cent. in the last decade, this country had increased only about twelve per cent during the same period. The energies of this country were arrested until the hon. gentlemen went out of office, and it now devolved upon the present Government to people and develope the country with the utmost celerity. If they were to increase the prosperity of this Dominion, they must increase the number of its inhabitants. In the North-West they had lands which would give sufficient sustenance for fifteen or twenty millions of people; let them get inhabitants for it as soon as possible. If they could pour 50,000 a year into it, those settlers would pay into the coffers of this country, in the shape of customs duties, $250,000 per annum, and the Government would derive a far greater revenue this way than from the sale of these lands."

Now, Sir, we want to people this country. If we can double the population, we can easily pay the national debt and have, I believe, a margin left after building this railway

If I am not greatly mistaken, the hon. gentleman who leads the Opposition, stated at his Toronto meeting in reply to an interruption, that he would rather like to be a member of the Syndicate himself. I should like to hear from the hon. gentleman whether I am correct in making that statement. Well, silence gives consent; and since unfortunately he cannot have a share in the present Syndicate, I am glad to tell him that there is one Syndicate which he may have the opportunity of joining, I refer to the Sault Ste. Marie Syndicate—one which, I think, will suit him exactly. Here are some resolutions by the Duluth Chamber of Commerce, which, I think, will interest the hon. gentleman. At a special meeting of the Chamber of Commerce of Duluth, Minn., held on the 29th day of December, 1880, the following preamble and resolutions were unanimously adopted:—

"Whereas, we learn from the reports of debates in the Dominion Parliament, that it is proposed to grant the future control of the Canada Pacific Railroad, and all its connections, to a Syndicate, and thus enable such Syndicate to monopolize the trade and commerce of the North-West, seeking an outlet through Canada; and, whereas, while we feel great delicacy in making any suggestions as to the course that should be pursued by the Canadian Government, in the matter of such contract with the Syndicate, we believe that the advantages of the great trans-continental routes should be free and open to all roads, both in Canada and the United States, and that it is contrary to the enlightened spirit of the age that the commercial interests of two great nations should be hampered by boundary lines; and, whereas, the Northern Pacific Railway Company, and other corporations, have already made surveys, and are now building a line of road from the present eastern terminus of the Northern Pacific, along the south shore of Lake Superior, to the Sault Ste. Marie, there to connect with the Canadian system of railways, and pour the immense traffic of the New North-West from the Pacific Ocean to Lake Superior, through Canadian territory and Montreal, to the Atlantic seaboard and European markets; Therefore, Resolved: That we observe with regret that the Canadian Government has contemplated a plan for the construction of the Canadian Pacific Railroad, which will, if approved by Parliament, deprive a large portion of the North-West of the benefits which would accrue by the operation of this great trans-continental route as a grand competing line, and we would express our profound conviction that it should be the aim to make a road of the length and character of the Canada Pacific Railway one of international importance, and to invite and secure an active competition over its lines for the whole carrying trade of the North-West, from the Great Lakes to the Pacific Ocean. Resolved: That the project of the Northern Pacific Railroad and other companies, to build a line of road down the south shore of Lake Superior to connect with the railway system of Canada at the Sault, and thus form a great international competing trunk line to the eastern seaboard by a route at least one hundred and seventy-five miles shorter than any other proposed route, demands, and should receive, the active co-operation of the people of the North-West of Canada, and the earnest and zealous support of the Canadian Government, and of the State Governments of the several States through which the proposed line passes. And further Resolved: That the people of the North-West most heartily sympathize with the opposition made by that party in Parliament, opposed to the endorsement and ratification of the proposed contract with the Syndicate, and earnestly advise that such opposition be continued until the terms of said contract shall be so modified that the Canada Pacific Railroad shall be for all time open to free competition by all roads that may connect with it either in Canada or the United States, and thus add to its own business, and to its importance as a factor in the growth and development of the whole North-West without regard to boundary lines."

So it appears that these gentlemen are anxious to wipe out international boundary lines; and, perhaps, there are members of this House who would desire to see these boundary lines obliterated, but I can assure them that I, for one, do not. The hon. member for Bothwell (Mr. Mills) said that by by passing this scheme we would be transferring the seat of Government from Ottawa to St. Paul. I generally attach a good deal of credit to what that hon. gentleman says, but I noticed that he smiled when he made that remark, and it is possible that some hon gentlemen would be gratified if such a change were made. It is said that the ratification of this contract will create a powerful corporation in this country. It undoubtedly will; but the power of this corporation, so far as the political system of the country is concerned, must be entirely in proportion to the manner in which they use the people they will have to deal with. If they attempt to harass the people of the North West, what influence could they ever hope to obtain

in Canada; but if, on the other hand, they give the best possible accommodation to the people in carrying their products to market, if they assist them in building up the country, they will acquire that interest in the welfare of the country which every honest man should have. There are two or three clauses of this contract regarding which I freely admit there may be a difference of opinion—especially the 16th, concerning the exemption from taxation—though they may be all right. They may be right or they may be wrong, but I have every confidence in the Government; and if I do not vote for the contract, what shall I be doing? I shall be aiding to turn the Government out of office and put back the affairs of the country for twenty years. I certainly do not intend to do that. I need not go home and meet my constituents if I did. But speaking of the corporation of the Syndicate, I do know how it would be if the hon. member for West Durham (Mr. Blake) had the management of this contract. I do not wish to indulge in insinuations, but I do say that I have no confidence in him, and I am quite satisfied that the people of this country have no confidence in him. They tried him and they found him wanting. Look at the expense which would be incurred by this country if His Excellency should order a new election, and that in face of the fact that this Government are deeper in the affections of the people than any other Government we ever had in this country—a Government which has redeemed every pledge it ever made with regard to the National Policy; and even in regard to this Pacific Railway, they are now proposing to build the road upon a scheme which is out of the arena of politics. I had every confidence in the manner on which the work upon the railway was progressing, under the direction of the present Minister of Railways. I know how largely the country is indebted to him, in connection with his management of other Government railways — his reduction of the expenses on the Intercolonial for example. I believe that nine-tenths of the people of this country are desirous to hand over this work to a Syndicate and defining the liability, and then we shall know what we have got to pay. There are many advantages in giving it to a Syndicate. I am satisfied it will help us to settle up that country. I know something about this in my locality. The agents of the St. Paul and Minneapolis Railway have even come into my own county and seduced the inhabitants to go and settle in Minnesota. I am satisfied that hereafter the Syndicate will use its influence in sending emigrants to the Canadian North-West. I believe that if not next Parliament the Parliament after that I can shake hands with my hon. friend from North Norfolk and congratulate him upon the success of this enterprise. A good deal has been said about excepting the rails from duty. I do not see that there can be anything said about that, because there is no duty on steel rails now. Does any man in his senses suppose that these men will go into that country and spend millions of money to build a railway on stilts? In the first place, it is true they may, in some instances, lay a cheap track with sharp curves and steep grades for the purpose of transporting earth for grading, but after that it will be to their interest to make it good permanent road, with as low grades and as small curves as possible. It will be to their interest to make a good road just as it is to the interest of a shipbuilder to build a good vessel that will carry as much freight as possible. I ask the people of this country to consider this as a business matter. Suppose a man has $1,000,000; does any one think he would be willing to invest his money in a far off work of this kind unless he had reasonable guarantee of a fair return? Besides that, they will have to wait a long time before they can get any return from this road. These gentlemen are good men enough, no doubt, but they are not patriotic enough to come to Canada and build the railway, unless they can make money out of it. I can tell hon. gentlemen that if they think there is any re-action in the country on this question, they never were more mistaken in their lives; they are even more mistaken now than they were in 1878 on the trade question. In conclusion, I may say to my hon. friend from West Durham (Mr. Blake) that if he will be kind enough to send me a ticket I will go to Montreal and hear him speak on the Syndicate question.

Mr. COURSOL moved the adjournment of the debate.

The Committee rose and reported.

House resumed; and (at 11:45 o'clock, p.m.,) the House adjourned.

HOUSE OF COMMONS,

FRIDAY, 7th January, 1881.

The SPEAKER took the Chair at Three o'clock.

PRAYERS.

PUBLIC ACCOUNTS.

Sir LEONARD TILLEY laid on the Table the Public Accounts for the year ending 30th June, 1880.

THE PACIFIC RAILWAY DEBATE.

Sir JOHN A. MACDONALD moved that, from and after this day, the Order of the 21st December, for the consideration of two resolutions for granting certain moneys and lands in aid of the construction of the Canadian Pacific Railway, shall have precedence next after routine proceedings. He said: I have already informed the House of the reasons why these propositions of the Government, if they are adopted at all, should be adopted as soon as possible, and I desire, with the will of the House, that this subject should take precedence of all others after routine proceedings. The House was called specially, at an early date, for the purpose of considering this subject, and the whole question depends very much upon the will of Parliament in respect to it. It is obvious that there should not be one system of immigration promoted by the Government and another system adopted by the Syndicate, if it should be incorporated. It is necessary, therefore, that there should be concerted action by the Government and by this Company on the question of immigration. I believe that the settlement of the North-West will be greatly retarded by delay, and I think that, allowing, of course, full and ample opportunity for the discussion of this subject, that it ought to be discussed to the exclusion of all other matter until it is finally settled, and the policy of the Government either adopted or rejected by Parliament.

Mr. BLAKE. I very much regret that the hon. gentleman has thought proper to propose this motion. As I said, when the debate on the Address took place, my opinion is that our first duty in this matter is to give ample time for deliberation and the formation of opinion on this question, as well outside as inside of this House. The forms of this House have been well and wisely chosen, so as to prevent, as a rule, a too hasty decision of the House upon public questions. They provide for intervals, which are to be devoted to other business, and thus to give that time, which I believe, in this case, of all others, is essential for discussion and deliberation in the House, and in the country, before we reach a conclusion. I observe that the Legislature of the United Kingdom has been called, and that the Prime Minister has given notice of a motion similar to that which, the hon. gentleman has given. I quite admit there are circumstances which would justify such a notice, and those circumstances exist in the United Kingdom, one part of which is in a condition which requires immediate action, and in which measures at once repressive and remedial

are to be brought before the consideration of Parliament, and where society is almost in a state of anarchy. But that is an occasion quite different from this. The hon. gentleman proposes, to-day, to reproduce in this country that condition of things which has given rise to the condition of things in Ireland. Therefore we have got a proposition before us to produce, by immediate pressure, a state of things which it is sought in England to remove by immediate pressure. Of course, I am well aware that the hon. gentleman can carry this motion, to the exclusion of the ordinary rights of a discussion of his own proposals, and to a demand for papers and other information to which the House is entitled. To-day I desire to record, under these circumstances, my protest and dissent. I would therefore submit to the hon. gentleman—since I know the fidelity of his followers in this matter—that, without prejudice to his fell purposes, we should have a little relief, and that it would be a great convenience if a few minutes were allowed each day during which we might, at any rate, ask questions and receive such answers as the hon. gentleman might vouchsafe to us. I am also of opinion that the notice paper should be called at convenient seasons, so that those motions which can be submitted without debate, and to which the Government are willing to accede, should be disposed of from time to time. These proposals are obviously for the convenience of the House, and are not in disaccord with the hon. gentleman's views practically, and I hope he will see the propriety of assenting to them.

Sir JOHN A. MACDONALD. I am very glad my hon. friend has alluded to the Queen's Speech of which we have received information to-day; for it seems to me if one wanted a support for the motion I have made, one would find it in the precedent which has just been set in England. The hon. gentleman says there are occasions on which such a course is permissable, but this is not one of those occasions. Why, Sir, if there is one question more important in a free country than another it is whether the right of *habeas corpus* shall be suspended, whether the personal liberty of the subject is to be attacked by the Government of the day; and I take it there will be stronger opposition to the hastening of a decision on that question than the opposition which the hon. gentleman offers to this matter. This is no new matter, Sir. It is one of very great importance I admit; it has engaged the attention of the country since 1872. The grand question whether we are to have a Pacific Railway at all, and whether it is to be built by the Government or by a Syndicate, may probably be considered by the people. But they have considered that question; it has been the burning question for eight years, and we all came here charged with the construction of the Pacific Railway. But the details must be settled by a body of experts such as this House, elected by the people of Canada for this purpose. With respect to the hon. gentleman's suggestion that an opportunity be given for questions, after routine, I shall accede to that, and I would say that the right of no private member is affected by this resolution. It simply provides that this, being a question of the very greatest importance, requiring immediate settlement, should be discussed first. After it is disposed of, Parliament will have every opportunity of discussing and deciding upon every question which is submitted to it for its consideration.

Mr. CASGRAIN suggested that all papers having a direct bearing upon the matter in question should be laid before the House as soon as possible, in order that they might be used in its discussion.

Sir JOHN A. MACDONALD. The Government will give every opportunity, not to the delay of this question, but at the conclusion of each sitting, for motions to be made. It can, I think, be arranged with my hon. friend

across the floor that immediately before adjourning, those motions requiring no discussion can be made.

The motion, amended by the addition of the words, "and the disposal of questions put by members," was carried on division.

CANADIAN PACIFIC RAILWAY.

House again resolved itself into Committee on certain proposed resolutions for granting and appropriating twenty-five millions of dollars and twenty-five millions of acres of land in the North-West Territories, according to the terms of the contract relating to the Canadian Pacific Railway transmitted to this House by His Excellency the Governor-General by his Message dated December 10th.

Mr. COURSOL. It will soon be ten years, Mr. Chairman, since the question that now occupies the attention of the House was first brought under the notice of the country. This question has been the object of the researches and reflections of all our most eminent public men; the national mind has, so to speak, concentrated all its energy upon this Pacific Railway scheme, which has been submitted to all sorts of trials, and for the execution of which all sorts of means have been attempted. After ten years of researches and trials of all kinds, we are coming back, for the execution of this undertaking, to the plan drawn up and submitted by Sir George Cartier in 1871, to wit, that this undertaking be executed by means of a Government subsidy and land grant. This return to the original plan, after all the groping about, all the hesitation, all the costly experiments of latter years, shows us how well Sir George and his colleagues, the promoters of this great undertaking, had matured their scheme before submitting it to the public. It shows how thoroughly they were masters of the great idea they had conceived; it shows that in order to arrive at a plan so vast in its details, at a mode of execution so sure and so simple, they must have been animated by broad views of public interest, of national welfare, and that they were not controlled by the narrow ideas of party. The country which has paid the expenses of the experiments of latter years, the public that has gone through all the stages of anxiety, can to-day freely approve of this scheme; the people are satisfied, for justice has been done them. To-day the House and the country at large are obliged to come back to this same measure and will adopt it. The great highway of communication constitutes the question of the hour. We have the example of Europe that is constructing, or will soon begin, a tunnel between Dover and Calais. We have the example of France who, after having given to the world the Suez Canal, is going to cut through the Isthmus of Panama; and we would be unworthy of living in the nineteenth century, as a nation, if we could not follow the example of others. We must, like those nations, take the lead, because we are nearer the spot towards which they have turned their attention. We are going to take the means of succeeding and of constructing a great highway that will rival with the great American lines, and Canada will have her Pacific Railway, for, thank Heaven, there are no longer, as there were formerly, newspapers of the description of the *National;* there are no more Liberal newspapers like there were then, warring against this great enterprise, and maintaining that, physically and financially, it was impossible. So true is it that our opponents have adopted our plan, and if there were no party spirit to divide us, or if party spirit could for a moment cease, the Opposition itself would join us in ratifying this contract; the Opposition itself would find the means of promoting the Pacific and of completing it, because not one of our opponents has questioned its importance, but on the contrary all have admitted the necessity of building this great highway on Canadian territory. Now, Mr. Chairman, I can understand that fault may be found with certain details of the contract, but at least we have the satisfaction

of seeing that the plan proposed in 1871, and which has always been the plan of the Conservative party, is to-day the plan adopted by the whole country. People may make objections to it, they may make war against it from time to time, but it can only be harmless war; they may endeavor to cast discredit on the undertaking; they may call insignificant meetings; they may go to Montreal in order to hold meetings with picked audiences. I understand all that. But we, in our public meetings, have no need of inviting hearers by sending them tickets; we hold open meetings, we hold public meetings. With us there are no tickets of admission. The discussion which took place yesterday evening in Montreal, contrived as it was so as to allow the leader of the Opposition to make a speech, is not the ordinary way of holding meetings, especially in a country over which waves the British flag. Those who, like the hon. member for Quebec East (Mr. Laurier), are so proud and so jealous of the liberties under the British Crown, should be the first to say that under a Government like ours, under a constitutional Government, there ought to be none of these small things, none of these hole-and-corner meetings with admission tickets. One could understand a man's buying a ticket to hear Sara Bernhardt, but that any one should pay a considerable sum in order to listen to the hon. member for West Durham (Mr. Blake), that astounds me. Next Saturday—notice of it has been given—Saturday next, to-morrow evening, there will be a meeting of the citizens of Montreal, alike favorable and unfavorable to the railway and the contract; all will be admitted, all are invited, and I regret that the hon. member for West Durham does not intend to come to-morrow evening. There will be a car at his disposal if it is needed. We will listen to him with pleasure, but at least he must give our leader, the hon. Minister of Railways, the opportunity of making his voice heard as it has been in the Province of Ontario, and Montreal will, after to-morrow evening, present the spectacle of a free meeting, where every one will hear the reasons that have been urged in favor of the contract, and which have induced the House, and will induce it, to vote for the contract. A great many plans have been tried since 1871. After the motion made by Sir George E. Cartier, after what was said in the House, after the plan had been submitted to the people, the so-called Pacific Scandal was brought out; a moment of surprise, a moment of weakness, a moment of stupor in our ranks caused the Conservative flag to go into Opposition; but at the present time, those who, a few days ago, desired and hoped to get up a new Pacific Scandal, those who hoped to again take the good faith of the people by surprise, those who thought to intimidate us by threatening us with approaching elections will be greatly deceived. We will vote for the contract, we will render justice to him who first proposed this plan, we will avenge his memory, we will avenge his character, and we will avenge his colleague lately attacked by the hon. member for Centre Huron. The hon. ex-Minister of Finance, (Sir Richard J. Cartwright), with an incredible cynicism that bears witness to his spite but not to his courage, insulted, on the very floor of Parliament, that which we respect the most—he came and insulted the character of our leader, he insulted the character, above reproach, of the hon. member for Three Rivers (Mr. Langevin); but he cannot prevent us from respecting him, and we do respect him. All the abuse that can fall from the lips of the heretofore Minister of Finance falls to the ground and remains there. With regard to the memory of Sir George Cartier, which has been equally attacked by the hon. member, public opinion has avenged it, and the vote of this House will avenge it, and his name will be inscribed in history as that of one of our greatest patriots and one of the greatest benefactors of his country. But, Mr. Chairman, let us look at the objections that the Opposition seem to make to the scheme. The Opposition is not hostile to the construction of the road. The Opposition desires the Pacific to be built, but what do they say? They say: If you had pushed forward the line to Sault Ste. Marie, and had abandoned the Lake Superior section, we would have been satisfied; we would have nothing more to say. I understand that these gentlemen would like to annex us to the United States immediately; that is their policy. When our friends abandoned that route, it was to build the great national highway which is to reach from the Pacific to the Atlantic; that was our policy then. That is our policy now; and by assuring the construction of the railway to the north of Lake Superior, our friends have proved that they understood the interests of the country. How could we profit in the future by a road built especially in the interests of the United States. I understand that in the interest of Montreal, to which I am heartily attached, and in the interest of the Province of Quebec in general, the building of the Sault Ste. Marie Railway is indisputable, and it will be done. The Province of Ontario cannot get along without it. I wish, and we all wish the Province of Ontario all possible success; the present plan gives her a very large share, and I do not understand how the members from Ontario on the other side of the House can so strongly oppose the construction of the Lake Superior Branch. The country builds 1,200 miles of railway for which they do not give a single acre of land, for which they do not subscribe a single penny in the midst of a population that will become strong and powerful; the whole line passes over their own territory from Lake Nipissing to the boundaries of Manitoba. The first and principal aim, when the question was raised of building the great national highway from the Atlantic to the Pacific, was to build on our own territory a road that might truly be called a Canadian road. Well! that is the kind of road we still want to build. There is also another reason, and this reason is that they who, like the hon. member for West Durham (Mr. Blake), are proud of being British subjects, and would be proud, as he said, to die in the folds of the glorious flag of old England, they should be glad to see a road necessary to the empire built upon Canadian territory. We, also, have duties to fulfil towards the Mother Country; if we wish to establish a great empire to the north of the United States, we must think of the British Empire. Our road will be of great utility to England. Undoubtedly it is not from this point of view that we must look at the undertaking to judge of its worth, but since we have judged it necessary in our own interest, this consideration of British interests becomes important. In the advent of a war between England and some continental power the necessity of revictualling a fleet in the waters of the Pacific may make itself felt at any moment, and it is sufficient to make the statement that I have just submitted to the House, in order that everybody should admit without hesitation that from this latter point of view our route by the the north is of an uncalculable advantage for Great Britain; and is not the sympathy with which the Liberal English Government seems to surround our great national scheme an indication that this point of view has struck the Gladstone Government? Now, I know that on the other side of the House it is thought that we have not done enough for the Sault Ste. Marie Branch. I readily understand why members of the Opposition often speak of the Sault Ste. Marie Branch, and why they say: If we were in power we would build this branch; if we were in power the road would not cost half so much; if we were in power we would do a great many things. But we know these gentlemen's history. We know that they were once in power during five years that the country found too long, and we know that if they were in power their declarations of friendship for the Province of Quebec would soon cease. Must we remind the members of the Left of what their political friends said during the debate on the Budget at the last session of the Ontario Legislature? They said that the Government of the Dominion or no other Government should give one penny's worth of help to the North Shore Railway, or to

the Province of Quebec. For our part, we are not jealous of the progress made by the Province of Ontario; on the contrary, we desire that the Province of Ontario should profit by the Pacific Railway, for whenever trade is prosperous in one Province the others profit by it. The Province of Quebec has given the example of a boundless and perhaps an exaggerated patriotism in building a line of railway to Hull. This line will connect with the Canada Central, and extend to Pembroke and Lake Nipissing, and thence we will get the trade of Lake Superior. The country to the north of Lake Superior is not known, and those who speak about it do not know it any better than I do. The reports of engineers upon the subject are so vague and so scarce that we know nothing about it, except through travellers, and especially missionaries. We know that there are thousands and thousands of acres of well-wooded lands that, later on, will support an immense population, for it must be borne in mind that this road is not built for fifteen or twenty years, but that for all time to come it will be a means of communication. Now, it is said: But the Government has not even reserved the mining rights; there is, perhaps, gold, or copper, or silver there. According to surveyors, considerable mines will be found on the shores of Lake Superior. These mines will be worked, people will go there, and the transportation of the freight by this road will necessarily be profitable. Later on, we will have a trade in fish and meat. It is to be supposed that there will be cattle dealers, who will bring all kinds of stock from Manitoba, and that this will give a considerable traffic in the future. Now, Mr. Chairman, can we sacrifice the interests of the country by refusing to vote for the contract? The question is an important one for us. I have studied it as well as the means at my disposal would allow me. At first, like many others, I found a great many objections to it; but the more I studied the question, the more the objections disappeared. I am sure that if our leaders, if the delegates who went to England, could have taken a pen or a pencil, drawn up themselves the contract, put in it the terms that they liked and then said to the Syndicate: Sign and accept our conditions—I am sure, I say, that the Government could have obtained better terms. But they were not alone in passing the contract. It was necessary to find a company,—men rich enough, powerful enough, enterprising enough, to undertake so great a work as the building of this road. It has been said that these men would make a fortune. So much the better. Gentlemen on the other side ought not to complain, for the members of the Syndicate are their friends. People do not embark in great enterprises without risking a great deal, and, I must admit it myself, I do not know what will be the result of this undertaking. Time alone can tell. Those who to-day seem to be millionaires, because they are to receive twenty-five millions of acres of land and twenty-five millions in money, may be ruined to-morrow. If immigration does not take this direction they will be sufferers and the Dominion will also be a loser. Who can look into the future? We must judge of it by what we have before our eyes, and we are entitled to hope that America, especially North America, will prosper. With regard to the details of the contract, it is said: You have given too much to the Syndicate; you give them a road-bed a hundred feet wide, to the Pacific Ocean, exempt from taxation; you allowed them to have depots without paying anything. But does the contract do anything more than private individuals do in business transactions? In the Province of Quebec, in the Province of Ontario, in the Maritime Provinces, everywhere that railroads are to be found, how were these railways built? They were not built at the expense of the contractors. They were built because the municipalities furnished the means of building them. It was done everywhere. It was done in the Province of Quebec. Millions were voted, even by the city of Montreal; it was done in the Eastern townships. Everywhere bonuses were granted. One has just been granted here in Ottawa. One was granted, not long since, for a railway to Toronto. Well, the Government have lands, they give a part of these lands, and that is quite natural. A private individual who has ten acres of land, knows very well that he will lose a third if he builds. However, he is obliged to make some sacrifice in order to increase the value of his property. The Government does the same thing. By giving a hundred feet in width, the Government increases the value of its own property at the same time it increases the value of the Syndicate's property. It must be observed that if the increase in the value of the lands is considerable for the Syndicate, the increase is necessarily the same for the country. We have a road to build, and it cannot be built without cost and without work. The drainage alone will considerably increase the value of our lands. When the Company has drained their road, and they will have to do it, for no railway can be built without drains, this drainage will increase the value of the land. I believe, Mr. Chairman, that it is a wise policy for every Canadian Government to endeavor to promote immigration, which must of a necessity take the direction of the West, the North, and the North-West in our country, and to have it pass over our own territory as much as possible. It is well known that immigrants go through the United States and that they are stopped there very often, for great promises are made them and they are deceived in every possible manner. Now, when we have our railway, immigrants landing in Montreal, or elsewhere, will be taken directly to our western provinces, where they want to settle, without passing by American lines. Why do the French Canadians flock in such numbers to the United States? It has been said that it was on account of the National Policy. The National Policy, against which the Liberals have spoken so much for the last three years, and which has merited the confidence of the people, as have those who defended this Policy,—the National Policy has been for the French Canadians a source of wealth that keeps them at home by causing a great number of factories to spring up. The Liberals are in the bad habit of over-praising the United States. They speak of that country as enjoying all liberty, and as if Canada were a country under despotic sway. Such is not the case. There was never any despotism in the administration of Canada, whether the Liberal party were in power with the hon. member for Lambton, or whether the Conservatives were in power; and never did either Canadians or immigrants complain that they had in any way been oppressed by the administration. Now, Mr. Chairman, I think that we have fortunately left the period of uncertainty. We have done with the *régime* of the past. Formerly we heard people talk of a road here and a road there. Here a railway was being begun there we had our water stretches, now again it was an all-rail route, and then there was another change; during five years the public was kept in suspense, and this unlucky question of the Pacific Railway was always being discussed. Now the hour of hesitation has gone We know where we are. We know what we will have to pay. We know when the contract will be fulfilled, and we know that in ten years from now, those who will then be alive will thank the members of the Right for having supported the contract. In spite of what is said on the other side of the House, I am ready to meet the electors, and I think that all the members on this side of the House are ready to meet them. It is said in Montreal that at a meeting it was proposed to submit the question to the people. It was two Aldermen who proposed it. They thought, no doubt, that it was the North Shore Railway that was still at stake. The question was submitted to the people at two different elections. The same principles were proclaimed, and the same success always followed. The last elections did not turn upon the

National Policy alone; we had upon our banner Protection, but we had also Pacific Railway. Now, for these gentlemen to say that the people have not been consulted, to say that the people are not familiar with the question of the Pacific Railway, is to suppose that the electors are very ignorant. The people are better posted on this subject than hon. gentlemen imagine. The people know that the Pacific Railway is a necessity, and they are ready and willing to make sacrifices. The representatives of the people have been sent here for that purpose; they are perfectly free to vote upon this question. I deem it my duty, Mr. Chairman, to conclude by saying that I am convinced that the Government will do all that it is bound to do. I am convinced that the Governmsnt will protect the interests of the Province of Quebec, and that later on, when the time comes for speaking of the interests of the Province of Quebec and of the North Shore Railway, the recognized leader of the Province of Quebec, the hon. member for Three Rivers, speaking for the Government, will be at his post, as he always has been. We are satisfied that he will do his duty, and the Province of Quebec has confidence in him. Now, Mr. Chairman, I hope that later on, when I have heard all the reasons and arguments for and against the contract, another opportunity will be afforded me of expressing my views more at length, but until this opportunity arrives I will be allowed to thank the House for its kind attention.

Mr. CHARLTON. This question is one that should be discussed in an impartial spirit, with a desire, not to advance the interest of one or other political party, but with a desire to secure the best possible scheme for the construction of a railway across the continent. The Reform party has been charged upon the floor of the House and in the Conservative press of the country with having condemned this scheme now before the House before it was made public, with having, in advance, signified their intention to oppose this scheme whatever its character or nature might be. This is not only unfair, but incorrect. The press and the public men of the Reform party only criticised the features of the scheme that the Government saw fit to make public before the meeting of the House of Commons. What the scheme in its entirety was, of course, we knew not; and I think I may say for all the members of the Reform party that they came here disposed to treat this scheme upon its merits. I for one, would have felt pleased if it had been a scheme that commended itself to my support. I would have felt pleased could this matter of arranging for the construction of the Canadian Pacific Railway have been placed upon a basis such as would have commended itself to my judgment and reason. Such a scheme would, certainly, have been more satisfactory to me than one brought down by the Government which was sure to prove ruinous to the country, and for that reason sure to secure the downfall of the party responsible for it. I would rather have sacrificed the interests of party than the interests of my country in this matter. In treating this question to-day, I shall endeavour to do so temperately. I shall, no doubt, discuss it earnestly, for I have very earnest and decided opinions as to the character of the measure under our consideration. It is a noticeable feature in the discussion of this measure thus far, that the hon. gentlemen who have spoken on the Ministerial side of the House attempted to show that the Reform party was committed to a scheme equally as bad as this, and that, if consistent, they would be unable to condemn this scheme. That ground was taken by the hon. Minister of Railways, and by his supporters who followed him. Now, whether the Reform party in the past committed itself to schemes as bad as this one or not, is not pertinent to the question. If the Reform party ever committed itself to bad schemes, that certainly would not justify the Government of the day in propounding and supporting a scheme bad in itself. Their scheme should be judged, not by antecedents as to the conduct of one party or the other, but upon its own merits. If the scheme is good in itself, it should receive the support of every hon. member of the House; if, on the contrary, it is a bad one, it should receive the condemnation of every hon. gentleman. The discussion on the Canada Pacific Railway question necessarily involves, if gone into fully, a brief consideration of the chief points in our past history in reference to it; and I may say that the history of this Canadian Pacific Railway agitation will be considered in future ages, no doubt, a very singular one. We seem to have been possessed with a species of fatuity which determined us to have a trans-continental line, regardless of its cost, of our ability to accomplish its construction, of the prospect of its paying or not, and of the question whether it would prove to be a source of strength to Canada. The Reform party cannot certainly be held convicted of complicity in the treaty with British Columbia. They protested against the objectionable features which admitted British Columbia into Confederation It is in consequence of the features of that agreement that most of the difficulties which from time to time have come upon us have originated. But even the British Columbia Act was accompanied by a provision for limiting the expenditure on the Canadian Pacific Railway within certain bounds. It contained a provision which fixed the scope of requirements of the country. That provision was a resolution moved April 12, 1871, by Sir George Etienne Cartier, seconded by the Hon., now Sir, Leonard Tilley, which reads as follows, as entered in the journals of the House for that year:—

"That the railway referred to in the Address of Her Majesty concerning the agreement made by British Columbia, and adopted by this House, on Saturday, 1st Apil next, should be constructed and worked by private enterprise, and not by the Dominion Government; and that the public aid to be given to secure the undertaking should consist of such liberal grants of land and such subsidy in money, or other aid, not unduly pressing on the industry and resources of the Dominion, as the Parliament of Canada shall hereafter determine."

That principle was equally affirmed in the preamble of the Bill passed in 1872, providing for the construction of this railway. That preamble contains the following language:—

"And that the public aid to be given to secure that undertaking, &c., should consist of such liberal grants in land and such subsidy in money, or other aid, not increasing the present rate of taxation, as the Parliament of Canada should thereafter determine."

The same principle was reaffirmed in the Act passed in 1874, under the administration of the hon. member for Lambton (Mr. Mackenzie). The language used in the preamble of that Act was as follows:—

"Whereas, the House of Commons of Canada resolved in the Session of the year 1871, that the said railway should be constructed and worked by private enterprise and not by the Dominion Government, and that the public aid to be given to secure its accomplishment should consist of liberal grants of land and such subsidy in money, or other aid, not increasing the then existing rates of taxation, as the Parliament of Canada should thereafter determine."

The same principle was again reaffirmed by this House, in 1876, on the motion of the hon. member for West Middlesex (Mr. Ross). Upon four distinct occasions the principle was affirmed by the House. In his speech of the 25th February, 1876, the hon. Minister of Railways used the following language:—

"Another step of the Ministry was entering into an engagement to build the Pacific Railroad in fifteen years, without the qualification—if the resources of the country would permit that to be done without increasing taxation. There are fourteen years left for carrying out the contract binding us to construct that road without any regard to the resources of Canada, or how severe the taxation may be which it may involve. That was the next step—a step calculated to shake the confidence of the people of Canada as to the ability of those who occupied the Treasury benches to manage the affairs of the Dominion."

I wish that the hon. Minister of Railways had been in the year 1880, as cautious, as fearful as to the consequences that would befall Canada, if a measure calculated to increase taxation were carried, as he seems to have been in 1876. I think, then, we may safely assume that the fixed policy of the House, of this Government, of both the party now in power and the party in opposition, is clearly defined in these resolutions which I have cited, that the requirements of the British Columbia Act were that this road should be proceeded with and constructed as fast as the resources of the country would permit without adding to the taxation of the people. As time passed on, it was inevitable and natural that many modifications of views should take place in regard to this question. The fact that the stipulations of the British Columbia Act in 1871 provided that this road should be commenced in three and completed in ten years from that date proved conclusively that the people of this country were in possession of but a very slight amount of knowledge of the character of the country through which that road was to pass, and as the knowledge of that country increased, all the difficulties to be encountered in the work became more apparent. As the knowledge of the route became greater, it became more and more apparent that the undertaking to which the Government of 1871 had pledged itself could not be carried out. It was found impossible to ascertain in three years what was the most feasible and proper route to be selected; in fact, we are not to-day in possession of the exact absolute knowledge as to the best line for the construction of the road from Lake Nipissing to the Pacific Ocean. The idea that we could build that road in ten years was a preposterous one, and with the lapse of time, the realization of the difficulties to be overcome has become more clear and complete. These obstacles being known and appreciated to a certain extent in 1874, it was found impossible to organize a company for the construction of this road. The parties appealed to to undertake the enterprise were aware that the lands in the North-West were unapproachable, and possessed little or no value. Whether a large emigration could be sent into that country or not, was a matter of pure speculation, and the character of the country itself was in dispute, as it was not definitely known whether the climate was such as to admit of the growing of grain. As time has progressed, our knowledge on these points has become more full and more satisfactory. The country has been rendered accessible, the fact that the North-West contains a vast extent of arable land suitable for settlement has become known, and the conditions for the construction of a railway have become much more favorable. The Government of the day should have been alive to these changes, and to the fact that our knowledge as to the character of the North-West Territory has largely increased, that to-day that country has a tangible value to a much greater degree than it had in 1874 or in 1872. If we contrast the condition of that country in 1874 with its condition in 1880, what do we find? In 1874 the country was the centre of a great wilderness. It could be approached by ox carts from St. Paul, making a long and tedious journey. It was practically shut out from the world. It could not reach the markets of the continent. But to-day the Government had expended the money necessary to bring that country, or at least the settled portions of that country, into communication with the outer world. It has completed a line of railway from Selkirk which connects with the railway system in Minnesota, and is completing a line from Thunder Bay to Red River. These facts change altogether the condition of things. The country which, in 1874, had comparatively no commercial value, has, to-day, access to the markets of the world, and offers inducements to the population of the world to make it their home. It may be that we have made mistakes in the past. It would be very singular if we had not. But it would be an act of folly for us to bind ourselves by our mistakes. It would be absurd to urge that we must in everything be consistent with our past record.

Some hon. MEMBERS. Hear, hear.

Mr. CHARLTON. Hon. gentlemen say "hear, hear," but it is only the fool who refuses to learn. If, in 1874, we estimated that the North-West was to a great extent worthless and in 1880 it was proved that this was incorrect, that there is a much greater amount of good land than we then supposed, and that that country is now accessible to the markets of the world, and if in consequence of these changed relations we believe that country has a value which we did not believe it to possess in 1874, we should all agree to rectify mistakes we may have made in the past. If we do not act on that knowledge and rectify those mistakes, we are dishonest; and gentlemen who insist on acting consistently, and require our assent to a measure which is, at all events, as bad as the measure of 1874 or that of 1872, are not acting in accordance with their duty to their country. As the Government party make a strong point on the supposed resemblance between the policy of 1874 and that of 1880, and hold that we are committed to this policy, in consequence of having supported that of 1874, I propose to contrast, briefly, the policy of 1874 with that of 1880, in order to show that the measure now before the House of Commons is infinitely worse, and imposes far greater burdens upon the country, in proportion to the expenditure of money involved, than the policy of 1874. First, I will refer to the land grant. The measure of 1874 provided for the granting of 20,000 acres of land to the mile, to a line of road extending from Lake Nipissing to the Pacific Ocean. That proposal contemplated the granting of land through British Columbia, through the fertile belt, and through the Province of Ontario, within a belt of twenty miles on each side of that road from Lake Nipissing to the Pacific. It had been estimated that the grant of land in British Columbia would amount to 13,250,000 acres of that sterile, rocky region. That land certainly would possess but little value. Then from 18,000,000 to 20,000,000 acres would be granted from the section between Lake Nipissing and the fertile belt. That also would be of little value. This amounts to from 31,000,000 to 33,000,000 acres of land, while the total land grant would have been some 54,000,000. Deducting from 31,000,000 to 33,000,000 acres of worthless land from that, you have from 21,000,000 to 23,000,000 acres to be taken from the fertile belt. Under the conditions of selection made in this contract, I contend that the grant of this 25,000,000 possesses as much value as the grant of 54,000,000 which, under the act of 1874, was to be made along the line of the road from Lake Nipissing to the Pacific Ocean.

Some hon. MEMBERS. Hear, hear.

Mr. CHARLTON. Hon. gentlemen say "hear, hear," but I say that this can be demonstrated as surely as a mathematical problem. If there was the quantity of land I have stated in British Columbia and between Nipissing and the fertile belt, and if only from 21,000,000 to 23,000,000 acres were left to be taken in the North-West—a great portion in swamps and alkali belts, for they had to take the good with the bad—if these premises are correct, the land grant of 1880, comprising 25,000,000 acres of selected land in the fertile belt is equal to the land grant proposed in 1874, extending from Lake Nipissing to the Pacific, and covering good and bad land alike for the whole distance. Then as to the mode of selection. The measure now under consideration provides that the Company shall take alternate sections with the privilege of rejecting those not fairly fit for settlement, or water stretches and so on. This practically gives the Company power to take such lands as they choose. They are the judges of the matter. The Act

of 1874 provided that the location should be made in alternate blocks of twenty square miles. The result of that would have been that settlements could have a sufficient contiguous population to support a church, to create a village with its blacksmith's shop and its schools, and whatever else civilization required, and in all these respects it was superior to the scheme now under consideration. Counting the Hudson Bay reserves, twenty-two fortieths of the land is withheld from settlement, except by purchase from the Hudson Bay Company or the Syndicate, and eighteen-fortieths whibh is retained by the Government, is so disposed and arranged that the greatest possible degree of isolation and separation from each other is secured to the settlers on these lands; I hold that the provision made by my hon. friend at the head of the Government in 1874, so far as the arrangement of the blocks of land is concerned, was infinitely better in the interests of the people than the provision made under the contract now under consideration. Then there was another provision, another evidence of the care with which my hon. friend guarded the interests of the people. Under the arrangement of 1874 this land was not to be passed over to the hands of this railway corporation without the Government retaining in its hands any power to check them in their desire to impose upon the people by high prices. The Government retained in its hands two-thirds of the lands, and was to fix the value on them and sell them, and pass over to the Company, not the lands, but the proceeds of the sales. Here was a safeguard imposed, a safeguard which was calculated to secure the rights of the public and to prevent the corporation from charging prices unduly high. Now, Sir, whether the scheme of 1874, which, in the respects in which I have made a contrast, was infinitely preferable to that of 1880, would be an advisable scheme to adopt at the present time, is an unimportant matter. Nevertheless, I propose to contrast the features of these two schemes still further. I think I have shown that the land grant of 1880, under the provisions of selection made, will prove equal in value to the land grant under the scheme of 1874, that land grant being apportioned in alternate blocks from Lake Nipissing to the Pacific ocean. I propose to contrast some of the financial features of these two schemes, as I propose to show that the scheme of 1880, so far as cash subsidy is concerned, is amuch worse scheme for the country than the scheme of 1874. I propose to cite some figures that may, perhaps, prove startling; and I may say, before proceeding to do this, that these figures, carefully compiled, are submitted to the House with the expectation that they will be criticised, and that if they are not accurate then their fallacy will be shown. If these figures were correct, and were stated as affording a comparison between these schemes before an impartial audience, it would not be necessary to say anything more to secure a verdict against this scheme. First of all, it is proper, at this point, to remark that the scheme of 1874 contemplated and provided for a first-class railway, which was to cost $120,000,000. The scheme of 1880 contemplates and provides for an inferior railway; a railway with grades and alignments inferior to the road that was provided for by the scheme of 1874. Now, Sir, taking these two points: the estimates of 1874 for a first-class road, and the estimates of 1880 for a second class railway, as the basis for our calculation, let us see what the result will be. At this point I ask, will any hon. gentleman challenge the fairness of the basis of comparison? Will any hon. gentleman challenge the fact that the road of 1874 was to cost $120,000,000, and that it was to be a superior road? Will any hon. gentleman challenge the assertion that the road of 1880 is estimated to cost $78,000,000; that it is to be a colonization road, a road very much inferior?

Mr. PLUMB. Yes; it will be challenged.

Mr. CHARLTON. My hon. friend from Niagara challenges it.

Mr. PLUMB. No; I said it will be challenged.

Mr. CHARLTON. My hon. friend from Niagara is not usually in conflict with his colleagues. However, he is in conflict with the Minister of Railways, who called the road a "second class road, a cheap road, a colonization road to be built rapidly and cheaply for present wants."

Mr. MACKENZIE. A tramway.

Mr. CHARLTON. Well, Sir, by this table the lowest possible cost for a first-class road from Lake Nipissing to the Pacific, as contemplated by the scheme of 1874, was $120,000,000. The hon. Minister of Railways estimated the cost on the same basis of the class selected by the Government in 1880, that is, a second class road, at $78,000,000. Now, the amount to be expended by the Syndicate upon the road is $50,000,000. The amount expended and to be expended by the Government, not including cost of surveys is $28,000.000, the two sums make a total estimate cost of $78,000,000. Now, Sir, taking these as a basis of comparison, these $120,000,000 to be expended by contractors in 1874, and $50,000,000 to be expended by contractors in 1880, what do we find? We find on this basis a bonus of $25,000,000 in 1880, upon an expenditure of $50,000,000 is relatively equal to a cash bonus in 1874, of $60,000,000, on an expenditure of $120,000,000. Does my hon. friend from Niagara challenge these figures?

Mr. PLUMB. They will all be challenged.

Mr. CHARLTON. The hon. gentleman says they will all be challenged. These figures are not capable of being challenged. Here is a road which will cost the contractors $50,000,000, which receives $25,000,000 bonus. This is equal to a bonus of $60,000,000, upon a road costing the contractors $120,000,000. I lay the figures before the House, and I challenge any person to controvert them. Then, Sir, this scheme to-day is sub-idized to an extent equal to a cash subsidy of $60,000,000, according to the scheme of Mr. Mackenzie in 1874, and it has a land grant, as I have shown under the terms of selection, equal in value to the land grant of the road in 1874. On this same basis a land grant of 25,000,000 acres, on an outlay of $50,000,000, is equal to a land grant in 1874, of 60,000,000 of acres upon an outlay of $120,000,000. Can any man challenge that? So that this line is subsidized equal to what would have been the case if the line of 1874 had received a cash subsidy of $60,000,000, and a land grant in the fertile North-West of 60,000,000 acres of land upon the same terms of selection as under the scheme of 1880. Now, then, we will make some other comparisons. This is a very rich field for instituting comparisons between the two schemes. It is like the contract itself, the more you turn it over the more new features you see. I shall institute a comparison upon the basis of the entire cost of this line and the line of 1874, as contemplated by the estimates. The entire cost, as per the Minister of Railways' estimate, is $78,000,000 for this line. The cash bonus is $25,000,000; cash bonus and work performed and turned over to the Company as per the Minister of Railways estimate is $28,000,000. That, Sir, is a cash bonus, in cash paid and cash expended, of $53,000,000 for the benefit of the Syndicate. Well, Sir, this is relatively equal, on an expenditure of $78,000,000, the cost of the entire line of road, to a bonus, in 1874, of $81,538,000. or a first-class road costing $120,000,000. Yet we are told that this scheme is justified by that; that if this scheme is objectionable, that scheme was equally so. Now we will make another comparison. The cost of the surveys of this road should be included as properly embraced in the whole cost. Take the cost of the road by the latest estimates at $78,000,000, add the cost of survey, $3,000,000,

total, $81,000,000. We will make an estimate upon that basis, and the corresponding basis of $120,000,000 for the road in 1874. We have the bonus given to the Company in cash of $25,000,000, the money expended on the railway, and to be handed over to the Company, $28,000,000; cost of survey, $3,000,000; total bonus paid to the Company, $56,000,000, which is equal to a bonus to be paid in 1874 upon a road to cost $120,000,000, of $82,963,000. If my hon. friend from Lambton, when at the head of the Government, had proposed to subsidize the road, which his Bill provided for, to the extent of $82,963,000, and 60,000,000 acres of land, selected in the North-West upon the same conditions as are provided for in this contract, the two schemes would have stood upon the same basis, the one as bad as the other, and no worse. But we have reason to believe that the case is even worse than that. We have reason to believe that these portions of the railway, and handed over to the Company, will cost more than the estimated sum of $28,000,000, and if we take the probable cost of those various sections, we will have a larger bonus which the Company receives. We will suppose the Company receives $25,000,000—that is a fixed quantity. Suppose the road from Thunder Bay to Selkirk, unequipped, cost $15,500,000; that the Pembina Branch costs $500,000; that the section from Yale to Kamloops, 127 miles, cost $9,000,000; that the section from the Kamloops to Port Moody costs $3,500,000; include the costs for surveys, $3,100,000, and we have a bonus of $57,600,000 given to a railway, which, upon the estimate, will cost the contractors $82,600,000. We have upon this basis a comparison of the amount given to this Company in cash, which, if the hon. member for Lambton had proposed to give a bonus of $83,680,000 upon his road, would have made the scheme stand exactly upon the same basis. I think it very unnecessary to dwell at greater length upon comparisons between these two schemes. I recapitulate briefly by saying, that upon the basis of actual cash expenditure made by the Syndicate, as compared with the expenditure that was to be made by the company to be organized in 1874, this road is as heavily subsidized as would have been that road if it had received a cash subsidy of $60,000,000, and a land subsidy of 60,000,000 acres. If we take the total cost of the road without surveys and make the comparison, it would have required a subsidy of $82,963,000 to make the line contemplated in 1874 as heavily subsidized as the line now under consideration is. Now, let me call the attention of the House to a difference in effectiveness between a first-class railway, such as was contemplated by the Government in 1874, and a second or third-class railway, such as is contemplated by this scheme under consideration. We all know that heavy grades and bad alignment add to the cost of transportation. We all know it is of great advantage to the country to possess a first-class and thoroughly equipped road, because the business of the country can then be done more expeditiously and at smaller cost. I noticed the other day a comparison in the earning capacity of locomotives upon two railway lines in the United States, one with light grades and good alignment and the other, although otherwise first class, with heavy grades over the Alleghany Mountains. I refer to the New York Central and the Baltimore and Ohio roads. Upon the New York Central a locomotive can earn $57,000 per annum, while a locomotive on the Baltimore and Ohio road earns but $13,000, at the same rates of freight. This illustrates fairly the difference in the effectiveness of a road with low grades and a road with high grades. The hon. member for Lambton is well aware that a line such as contemplated, with easy grades, especially from the east, would be much more effective, and serve the purposes of the North-West much better than the line it is now proposed to build. The contrast I have entered into between these two schemes is made, not because it is absolutely necessary, not because it is necessary to show that the scheme of 1874 is as relatively a better scheme than the scheme of 1880, as it certainly is, but it is made more for the purpose of vindicating the character and judgment of a gentleman upon whose character and judgment aspersion has been cast in this matter. I trust that in the statement and the figures I have laid before the House, I have succeeded in proving to the satisfaction of every individual man that the scheme of 1874 was a better scheme than the present one, that the scheme of 1874, judged by the present one, was lightly subsidized both in cash and land, and would have been infinitely preferable, as far as the interests of Canada are concerned, to the scheme of 1880.

The building of a railway should be considered as a business transaction. It is unfortunate, as I stated in opening my remarks, that we should bring a matter of this kind into politics, it is unfortunate that we should make a political issue of what should be a business matter. It is unfortunate that the hon. gentlemen on the Treasury benches should bring their supporters into line by the operation of a party caucus to support a measure, which many of them, I am confident, unquestionably condemn, should bring the machinery and the influences that are brought to bear in party exigences to secure the support of members who must, many of them, condemn this measure except for party ties. If we were treating it as a business matter, if this matter was discussed in the House without it having been made a Government measure, and without the existence of a Government being staked upon it, it would be much better for the interests of this country, present and future. I may say that the hon. gentlemen who occupy the Treasury benches are deserving of severe rebuke for their course in this matter; I must say that, in my opinion, this matter should have been left an open question, so that the discussion which this scheme has raised in the House might have its true weight and effect. As it is now, the result of this matter is probably a foregone conclusion. It may be shown, as it will be shown to be a most absurd measure, one inimical to the interests of this country; but no matter how clearly this may be shown, these hon. gentlemen have staked their reputation on the result, and they are bound to put it through, no matter whether the consequences may be ruinous to the country or the reverse. Now, my speeches are very often quoted in this House. It is a pastime I do not often indulge in myself. I propose, however, on this occasion to adopt the *role* of my hon. friend from Niagara (Mr. Plumb), and quote from one of the speeches of the member for North Norfolk. I was looking over it the other day, and it seemed so pertinent to the case, and so clearly expressed my views at the present time that I take the liberty of reading a short extract. In the course of this speech, delivered on the 28th March, 1876, I used the following language:—

"If we were on the threshold of this great enterprise, and were governed by the dictates of reason and by the extent of our ability and our resources, what would be the course we would take with regard to the Canadian Pacific Railway? At first, in his opinion, we would build a line of road from Lake Superior to Lake Winnipeg, and there we would pause, as we would have afforded communication from the Winnipeg Basin to the great lakes of America, and would have given the entire valley of the Saskatchewan an outlet to the markets of the world. Then it would be natural for this county to wait until settlement had increased in the country, and its resources had developed, and until further communication was required for the people of the North-West. When that time had arrived, if it were ten, twenty, thirty or fifty years, he would then proceed with the construction of the road to the interior of the continent, and not before. It was a mistake, a fallacy, to suppose that the construction of railway lines made a nation great or added to its wealth or prosperity, unless they were constructed for a legitimate purpose, to afford the population and produce of the country egress and ingress and the means of communication; otherwise that which was invested in a railway was lost until it began to make returns for the investment."

These were the views I held in 1876. These are the views I hold to-day. I still hold that all that was necessary in

the premises was to give that country an outlet as fast as it was settled. In pursuance of that view the late Government made provision for the construction of a road from Lake Superior to Winnipeg, and a line from Winnipeg to Pembina, to connect with the American system of railways. The line to Pembina is already completed; the line to Thunder Bay approaches completion. When these are completed, the next thing to be done, as I intimated in 1876, is to push the line westward as fast as the country settles; it is unnecessary to push it faster. If three hundred miles are needed this year, build them; if that length is found to be sufficient, pause. Afford the settlers all necessary facilities to reach the market; send in more immigrants, and give them the facilities they require; but it is useless to go beyond this rate, and to lavish millions of dollars in the canyons of British Columbia where there is no population and where there will be no business. Now, before considering the Syndicate bargain, let us for a moment examine the situation as it is to-day. The situation is briefly this: The Government is providing a road from Lake Superior to Red River. What is the bearing of this road upon the case? It will be a line with easy grades and curves; it will be 406 miles in length; it will terminate at a good harbour on Lake Superior, and it will afford easy access to the Red River country and add largely to the value of the land in that valley. The Government have also provided a road from Selkirk to Pembina, which affords access to St. Paul, to Chicago, to the ports on the Gulf of Mexico, to the Atlantic coast; affords, in short, a connection with the entire system of American railways. The settled portions of the North-West being provided with these two outlets to market, what follows? It follows, as I said a moment ago, that the prairie region should be furnished with transportation facilities as fast as they are required, and I think it follows that the British Columbia section should not now be undertaken. It is unnecessary to spend money in British Columbia in advance of the road reaching that Province from the east. I think it also follows naturally that the eastern section should not be undertaken until the necessity for its construction becomes apparent. If these premises are correct, the British Columbia contract should be set aside, especially as the experience of a few years may dictate a different route through that Province.

Hon. members may not be aware that the Northern Pacific Railway terminates within something like 140 miles of the Canadian Pacific Railway terminus, at Port Moody. They may not be aware that the Northern Pacific Railway, by means of its extension from Duluth eastward, and by means of its connection with the Sault branch, which will inevitably be built some time, will furnish a shorter route from the waters of the Pacific to Montreal, by some seventy miles, than the Canadian Pacific Railway, as located at present. The Northern Pacific Railway is now located to terminate at Tocoma, on the Puget Sound; it will probably be extended to Seatle, about twenty-eight miles nearer the Straits of Fuca. But Tocoma, as a harbor, has decided advantages over Port Moody. From Tocoma, eastward, the railway runs 1,797 miles to Brainard, on the Mississippi River, and the distance from Brainard to Lake Nipissing is about 740 miles, making the distance from the Pacific to Lake Nipissing 2,537 miles, as against 2,600 miles of the Canadian Pacific Railway to the same lake. So that it appears that the Northern Pacific possesses an advantage of 63 miles over our own road in point of accessibility to the sea-ports of Canada, while in the character of its grade and its capacity for doing business it has very decided advantages. I say that it would be an act of folly to construct a line of railway across this continent, and diverge that line from Jasper southwards to the very point which would give the Northern Pacific an immense advantage over it in competing for business. I think it will be found after millions have been spent in building the road along the valley of the Fraser that a mistake has been made, that the wrong route has been selected, and it may be necessary to divert it to the northward, in order to compete successfully with the American road, which, besides the advantages I have enumerated, possesses a better terminal harbor. If we were to wait until it became necessary to construct the British Columbia section of the road, we would have fuller and better information as to the proper route than we now possess, and I repeat that it would be an act of folly to squander all these millions in advance of the time when the road will be needed.

I propose, to-day, to indulge in some speculations or calculations as to possibilities or probabilities in connection with the construction of the railway. The man who has $1,000 in his pocket can reasonably calculate that he can purchase $1,000 worth of property with that sum—that he can get something which would sell for more than $1,050. If he did not the transaction might not be considered a very good one in some quarters, though hon. gentlemen opposite, who act the part of the unjust steward mentioned in Scripture, might so regard it. I will endeavor to show that we are paying too much for this Railway; and I will deal first with the prairie section. The estimated cost of this road from Selkirk to Jasper, a distance of 1000 miles, was $13,000,000 according to the estimate of the Minister of Railways last year, though the hon. gentleman informed the House that very likely it could be constructed for less—for $10,000,000. I will however take the larger figure. The estimated expenditure upon the Pembina Branch, and what I will designate the Thunder Bay section—that is the section between Thunder Bay to Selkirk, according to the latest estimates is $15,048,000. These estimates contain allowances for miscellaneous payments $302,000, and engineering work on construction $1,600,000, items which are common to these sections and the section from Kamloops to Port Moody. Dividing these amounts *pro rata*, the proportion for the Pembina Branch and the Thunder Bay section would be $1,096,000, making the total cost of these two lines, $16,144,000, or, in round numbers, $16,250,000. I wish to ask the hon. the Finance Minister if he supposes that if a company received these 491 miles of railway, costing 16¼ millions, as a free gift, they could not raise $13,000,000, by way of bonds, on the entire 1,491 miles, costing from $28,000,000 to $31,000,000, to build a portion costing from $10,000,000 to $13,000,000, in five years. And would not the 1,000 miles to be built westward pass through a section of country that would furnish a paying business from the start. Supposing that a company could do this, the line so built would have upon it a bonded debt of $8,700 per mile. But, supposing they required in addition, a land grant, and that the Government proposed to secure the construction of a line from Selkirk to Jasper, by giving the company a road, costing 16¼ millions and 2,000,000 acres of land selected in the fertile belt along the line of the railway. Such land could not be considered to be worth less than $4 per acre, or in all $8,000,000. Does the hon. Minister of Finance regard such a project as a feasible one? Its feasibility, I fancy, would depend upon whether such a road would be likely to pay. If it would pay, then the scheme appears to be a reasonable one; if it would pay moderately well, perhaps the land grant would not be required; if it did not pay at all, the project is not a feasible one. Let us make a comparison with another road

that is of a similar character to the one with which we have been dealing hypothetically, and that is in actual operation. The St. Paul, Minneapolis and Manitoba Railway, with its branches, is 560 miles long. Its earnings for the year ending June 30th, 1879, were $2,009,940; its running expenses for the same period, $1,003,466, and its net earnings, $1,006,480. For the six months ending December 31st, 1879, its gross earnings were $1,612,528; its expenses $757,888, leaving its profits for that period $854,640. The net earnings for the year ending June 30th, 1879, represent the interest on $16,774,666 at 6 per cent. I think that when the prairie section was completed to Jasper, when a company having a grant of two million acres of land owned a road 1,491 miles in length, and that a productive line, the company would be able to extend that line further, that a company in possession of a paying line being or to be built would be anxious to secure connection with the Pacific Ocean, and that that line would be continued on to the Pacific Ocean on terms much better than those proposed to-day. As to the probable cost of the British Columbia section, we have the estimates of the Minister of Railways last year before us. He estimated that the cost of the road from Jasper House to Port Moody would be $29,000,000. Suppose this supposititious company has been formed, that Jasper House has been reached, that the company has 1,491 miles in operation, and has received its land grant of 2,000,000 acres, and this extension to the Pacific is to cost $29,000,000, what aid would be required? Do you suppose, Sir, that it would be necessary to give to the company more than the cost of the line of railway in order to secure its construction? I think not. If the Government offered to that company 8,000,000 acres within the fertile belt, it would secure the construction of the line from Jasper to the Pacific, and the result would be that we would have a line from Thunder Bay to the Pacific Ocean costing the Government only 10,000,000 acres of land, which is evidently far less than the cost of the present scheme. If this were done we would have a railway line from Lake Superior to the Pacific with eastern connections as follows:—(1) All water to Montreal or water and rail to Montreal from Fort William; (2) all water or water and rail from Duluth to Montreal; (3) rail from Selkirk to Pembina and thence by the American system of railways to Chicago, New York, or any point in the United States; (4) rail by the south shore of Lake Superior by a Sault Ste. Marie connection—rail to Montreal, rail from Montreal to Jasper, rail from Montreal at the end of ten years to the Pacific Ocean, rail by the best route and at the least cost, all for the grant of 10,000,000 acres of land. I believe that by the management of this scheme, in this way, the grant I have spoken of is amply sufficient to secure the construction of the railway.

Now, Sir, as to the line south of Lake Superior, and as to the question whether or not it is necessary to build the eastern section of this line at all. I think that any gentleman who will examine carefully all the circumstances bearing on this question, cannot fail to arrive at the conclusion that a line south of Lake Superior is, for commercial purposes, far preferable to one north of Lake Superior. It runs through a country possessing a milder climate than the region north of Superior. It will have easier grades, and will form a better route to the sea-ports of Canada than the other. At all events it cannot be denied that it is at least equally good with the line north of Lake Superior for commercial purposes. There are other considerations in favor of this line. We have constructed canals at a great expense with a view to securing the American trade. We have been desirous to divert to our own ports as much of the western trade as possible. This line south of Lake Superior will not only give a commercial outlet as good as a line to the north for our own North-West, but it will attract to our own ports and markets a large amount of business outside of the Northwest altogether. If you draw a line from Duluth to San Francisco, you will find that all of the country north of that line is nearer to Montreal than to any other port on tide water. St. Paul is 320 miles nearer to Montreal than to New York, and if the Sault Ste Marie line were built, its connection with Montreal would be secured without delay. The State of Wisconsin, the State of Minnesota, the territories of Dakota, Montana, and Washington would then seek to reach Atlantic ports by the nearest line, which would be the line south of Lake Superior. If, then, this line could be constructed for the grant of land and for a small expenditure of money—if it would give a better outlet than a line to the north of Lake Superior—if it would bring to our own ports the products of a region in the United States that now had a population of 1,200,000 souls, and had capabilities for a population of twenty or thirty millions,—if this road could be constructed years before the line to the north of Lake Superior can be built, surely it was an act of the greatest folly to squander $22,000,000 or $23,000,000 for a line to the north of Lake Superior, if one can be obtained to the south at an indefinitely less cost. If you draw a line from Duluth to San Francisco, every acre of land north of that line is nearer to Montreal than to any other port upon tide water. The north part of Wisconsin, almost the entire State of Minnesota, a considerable portion of Michigan, the entire territories of Dakota and Montana, and the entire territory of Washington, which seek a seaport on the Atlantic coast, would use this route south of Lake Superior, if the line were constructed. Then, if this line, which can be secured without the expenditure of public money, or by a trivial expenditure of public money, will afford to the Canadian North-West a better outlet than the line north of Lake Superior would, and if, in addition, it would bring to our seaports the trade of the region I have described, having a population of 1,200,000 souls, and a capacity of supporting a population of twenty or thirty millions of souls—if this line secured at this moderate cost, and which can be had years before the line north of Lake Superior can thus be built, and by its construction we can secure all those advantages which I have represented, surely it would be an act of the greatest folly to spend twenty millions in constructing a line north of Lake Superior for the purpose of securing something which can be had for the expenditure of at most $2,400,000 on the Sault Ste. Marie Branch.

As I said before, this is a business matter we are talking about; I am treating it on the basis of a business matter. I wish now to direct attention to the hypothetical statement as to what the condition of the Government would be, and as to what the condition of the Company to be organized would be under certain contingencies. I assume that the line from Sault Ste. Marie to Lake Nipissing can be secured for a subsidy of $1,500,000. We know that the line can be secured for a subsidy of $2,400,000, but taking into consideration the fact that the desire to secure this connection is growing daily, and taking into consideration the fact that the American Northern Pacific road and St. Paul desire this outlet, I think it is reasonable to assume that the construction of this line could be secured by a subsidy of $1,500,000. The line from Selkirk to Jasper secured by a gift of the Thunder Bay and Selkirk division and the Pembina Branch, estimated to have cost up to the present time $16,150,000, and a land subsidy of 2,000,000 acres, as I have previously said, are sufficient to secure the construction of the line from Selkirk to Jasper. The road from Jasper to Port Moody, if that line is maintained, it is assumed

could be secured by a subsidy of 8,000,000 acres, the line to be completed by the year 1891. This would cost the Government, if the scheme should be worked, the Thunder Bay and Selkirk line and Pembina Branch, costing $16,150,000; subsidy to the Canada Central extension, $1,500,000; a total of $17,650,000. It would cost the Government in land grants, for the prairie section, 2,000,000 acres, and for the British Columbia section 8,000,000 acres; total cost to the Government, cash $17,650,000, and 10,000,000 acres of land for a line of railway from Thunder Bay to the Pacific Ocean. Well, Sir, what would be the saving to the Government provided this scheme could be worked, and we will see shortly what would be the position of the company under this scheme? The saving to the Government would be the cash subsidy of the central section, $15,000,000, less grant to Sault Ste Marie Branch, $1,500,000, balance $13,500,000; and the cost of that portion of the road from Kamloops to Port Moody, amounting, according to the estimates laid a short time ago before the House, to $11,850,000, or a total saving of $25,350,000. The saving in land would be the difference between 18,750,000 and 10,000,000 acres, or 8,750,000 acres. Taking the line from Selkirk to Jasper, and estimating the saving upon that section, without its connection with the British Columbia section, the amount would be for the first 900 miles $9,000,000, and for the next 100 miles, included in Sir Charles Tupper's last years estimate—Jasper to Kamloops—$1,330,000 or a saving in cash subsidy appertaining to the line from Selkirk to Jasper, of $10,333,000. The saving in land grant upon this section would be as follows: the proposed land grant to the first portion of 900 miles is 11,250,000 acres, and to the 100 miles, 1,666,000, making for the 1,000 miles 12,916,000 acres. The saving in land grant, if 2,000,000 acres would secure the construction of this line, would be 10,916,000 acres. Now, this is the statement as regards the Government in this hypothetical calculation. Now, Sir, if a company were formed to undertake the construction of the road on these terms, let us see what their condition would be. We have seen what the Government would save provided this scheme was a practical one and could be worked: it would save on the whole line from Selkirk to Port Moody cash to the amount of $25,350,000 and land to the amount of 8,750,000 acres as compared with the present scheme; or would save if only that portion of the line from Selkirk to Jasper were constructed, $10,330,000 in cash and 10,916,000 acres of land as compared with the present scheme. Now let us see what the condition of any company would be that was organized to carry on the work under the conditions stated on this hypothesis. Well, Sir, a company organized to build the prairie section would invest $13,000,000 in building 1,000 miles, and after that was built, their assets would consist of the line from Thunder Bay to Selkirk, and the Pembina Branch, costing $16,150,000, also the cost of the line from Selkirk to Jasper, costing $13,000,000; also 2,000,000 acres of land, valued at $4 an acre, amounting to $8,000,000; total amount of assets, $37,150,000; total investment, $13,000,000; balance outside of investment, $24,150,000; or an excess, in amount of aid received, over the cost of the road, of $11,150,000. Now, is that a showing, Mr. Chairman, that ought to be satisfactory? If the company, for an expenditure of thirteen millions of dollars, can show available assets to the extent of $37,150,000, if the company can secure aid, actual aid, to the extent of $24,150,000, for the purpose of enabling them to spend $13,000,000, ought there to be any difficulty in organizing a company under that basis? I assert that there ought not. I assert that it is perfectly feasible to organize a company for the purpose of building the road from Selkirk to Jasper, by giving them the $16,150,000, that the road from Thunder Bay to Selkirk and the Pembina Branch cost; and giving that company, in addition, two millions acres of land worth eight millions of dollars. I believe, Sir, that the prairie section would be a good speculation, even without the land grant. I believe, in fact I know, that it would be a magnificent speculation with the land grant. I believe that two millions of acres of land and the line from Thunder Bay to Selkirk and the branch line to Pembina, are ample to secure the construction of the line from Selkirk to Jasper, and that the company undertaking it would have $11,150,000 to show as surplus from this grant, in addition to the amount expended in the construction of this road. If this calculation be a correct one, we are offering to pay too much for the construction of this line. Surely, we are going too fast. If this thing can be done, we had better organize a company for building this 1,000 miles first, and then decide what our future course shall be.

We will suppose the company has undertaken the building of a line from Selkirk to the Pacific Ocean, for a grant of ten millions of acres of land. Let us see what their condition would be, and or which side the balance would probably be when the road was completed. Cost of line from Selkirk to Jasper $13,000,000, Jasper to Pacific Ocean $29,000,000, total $42,000,000, to be expended by the company. Their assets would consist of the line from Thunder Bay to Selkirk, and the Pembina Branch valued at $16,150,000; Selkirk to Jasper $13,000,000; Jasper to Port Moody $29,000,000 and 10,000,000 acres of land located in a belt of 24 miles along each side of the railway, worth $4 per acre, $40,000,000; or in all $98,500,000 for an expenditure of $42,000,000. At $4 an acre their aid would exceed their investment by $14,500,000; at $3 per acre, the aid they receive would exceed their investment by $4,500,000, and at $2 an acre their entire line from Thunder Bay to Port Moody would have cost them but $5,500,000 more than the aid they received. I hold that if this statement is correct that that amount of aid is ample. If 10,000,000 acres of land will enable that company after the road is completed to make a statement that they have received $14,500,000 in excess of the total cost of the road, at $4 per acre for this land, the scheme is a feasible one; and that if we are paying more than this, we are paying too much, we are making a poorer bargain than we ought make. I wish, Mr. Chairman, again to advert to the point I made a few minutes ago, that five years hence the scheme for building the British Columbia section can be carried out much easier than it can to-day. I wish to impress upon the House the fact that when the road is constructed and in operation to Jasper, when the whole stretch of country through the prairie region is filling up with population, when the road is doing a large amount of business and paying dividends on its cost, then will be the time to make arrangements for the prosecution of the Pacific Railway further westward. I hold that the construction of the road can be secured in British Columbia eventually on better terms than it can be to-day, that at the expiration of five years an arrangement could be made for the ultimate completion of the road at as early a date as is contemplated in this contract. I hold that in five years an arrangement could be made to finish it by 1891, on terms much better than any that could be made to-day. You recollect, Mr. Chairman, that the Northern Pacific, with a grant of 47,000,000 acres of land, went into bankruptcy in 1873. You recollect that the scheme was considered worthless. As time rolled on, capital accumulated, and capital does accumulate very rapidly—it accumulates four or five times faster than population—as time rolled on capital increased and sought investment, and only a few months ago that bankrupt concern was put upon its feet. On the basis of the land grant they were enabled to make arrangements for money to prosecute their line. Their line will be completed without difficulty by bonds raised upon their land grant and the road that is built. Seven years ago they could not have raised a dollar upon

that security. Our position would, in all probability, be found to be the same with regard to the British Columbia section. If we endeavored to construct it to-day we would pay under this contract very heavily for it; but if we wait for five years our situation will be changed in the same way, and perhaps to the same extent as was that of the Northern Pacific. And with regard to the eastern section, if we wait five years we will find that the land grant will possess more tangible value then than it does now, and that the construction of the road within the time provided for in this contract could be secured on much better terms than it can be to-day with regard to the eastern section. After the expiration of five years, when the section of the line from Selkirk to Jasper was completed and that whole prairie region furnished with an outlet to market, with towns springing up from Red River to the Rocky Mountains, and centres of industries established, if it was found necessary, in the light of the experience we would have acquired, to proceed with the construction of the line north of Lake Superior that could be done at that time to much better advantage than to-day. When that time comes the grant of 6,250,000 acres of land and $5,000,000 in cash will be ample to secure the construction of the line, and in that way you would save, perhaps not so much as on other sections, but at least $5,000,000 in cash. The value of the land, if fixed at $4 per acre, would be $25,000,000, and this, with the cash grant, would be in round numbers $7,000,000 more than the cost of the road, and at $3 per acre $18,750,000, or with cash subsidy in round numbers $1,000,000 more than the cost of the section. I believe the scheme is perfectly feasible and that the construction of the road can be secured in the manner and upon the terms I have indicated. Let us see, Sir, what the condition of the Company would be if the scheme was carried out as I have foreshadowed. This section, which I assume to be 683 miles to its junction with the Thunder Bay Branch, will cost $33,333 per mile, or a total of $22,766,000; for this the Company receives, by the terms of the contract under consideration, in cash $10,000,000, and 6,250,000 acres of land at $4, $25,000,000, which, with the cash subsidy would amount to $35,000,000, leaving a surplus, in round numbers over the cost of construction, of $12,000,000; or, at $3 per acre for the land, a surplus of $5,750,000. Now, let us see, Sir, what would be the position of the Company if the construction of the entire line from Lake Nipissing to the Pacific should be proceeded with and completed upon the terms and conditions that the hypothetical scheme I have presented proposes. The cost of the line would be, from Selkirk to Jasper, $13,000,000; Jasper to Port Moody, $29,000,000; eastern section, $22,766,000; total investment, $64,766,000—and the assets of this great Company would be as follows:—eastern section, $22,775,000; Thunder Bay and Selkirk division and Pembina Branch, $16,150,000; Selkirk to Jasper, $13,000,000; Jasper to Port Moody, $29,000,000; total railway property, $80,926,000 and 10,000,000 acres of land within the twenty-four mile belt, worth $40,000,000; 6,250,000 acres appropriated to the eastern section, which as it would fall outside of the twenty-four-mile belt we will consider worth $3 an acre, $18,750,000; cash appropriation in the eastern section, $5,000,000; total assets in land and cash, $79,900,000, besides the road built by the Company, so that the aid granted to the road, including gift of Thunder Bay section and Pembina Branch, would exceed the cost of all the portions constructed by the Company by the sum of $15,134,000. Now, I want to ask if a line from Lake Nipissing to the Pacific Ocean, constructed in this manner and upon these terms, ought not to be built without the aid given exceeding its total cost by the sum of $15,134,000? I believe it can; I am certain it can, if the matter is managed on business principles. If it can, it ought to be done, because there are $30,000,000 at stake, and 8,500,000 acres of land. If we place the entire land grant at $3 per acre, the aid would exceed the cost of the road by $15,134,000. This crude, unbusiness-like scheme, presented by the hon. gentlemen on the Treasury benches, requires reconsideration. It is enough to excite the risibility of any business man, and its promoters will some day be ashamed of it.

It being Six o'clock the Speaker left the Chair.

AFTER RECESS.

PRIVATE BILL.

Mr. BEATY moved the second reading of Bill (No. 11) to incorporate the Saskatchewan and Peace River Railway Company of Canada.

Bill read the second time.

CANADIAN PACIFIC RAILWAY.

House again resolved itself into Committee on the proposed resolutions granting $25,000,000 and 25,000,000 acres of land to aid the construction of the Canadian Pacific Railway.

Mr. CHARLTON. When the House rose at six o'clock I had shown that the eastern and British Columbia sections were not likely, when constructed, to pay running expenses, and that it would therefore be folly to construct them. We have already too much money invested in unproductive enterprises, and the work of constructing railways, aided largely by Government money, especially when such railways will not pay running expenses, might as well be dispensed with. I have now arrived at the point of considering the terms of the contract itself. Before, however, entering upon that branch of my subject I will take occasion to refer to some remarks of a personal nature made regarding my own course. The *Mail* newspaper, the hon. members for Monck (Mr. McCallum), and Niagara (Mr. Plumb), have thought me worth of notice. I should not venture to obtrude this matter upon the attention of the House, had it not been that I have been referred to both upon the floor of the House and in the press. I shall briefly notice the remarks made concerning the position I took in 1878 with regard to the Bill introduced by the hon. member for Bothwell (Mr. Mills), for the promotion of railway construction in the North-West. The attempt is unfairly made, I think, both by the speakers and the newspaper referred to, to make it appear that to-day I occupy a position of antagonism to all railway aid; that inasmuch as in 1878, I supported a measure which proposed to grant certain degrees of aid to certain railway companies upon certain conditions and under certain circumstances; and that inasmuch as in the year 1880 I am opposed to a certain scheme laid before this House, therefore I have stultified my record; that while professing to be in favor of Government aid to railways in 1878, I am opposed to any such thing in 1880, and it is thus attempted to place me in a false position. I advocated a measure in 1878, introduced by the hon. member for Bothwell, which proposed to grant aid to railways in the North-West, to the extent of ten sections of land per mile in certain sections of that country, 12 sections per mile in certain other sections, and 20 sections per mile in the northern and eastern portions of the Peace River Valley. I oppose the measure now under consideration, not because it proposes railway aid, but because, in my opinion, it proposes to grant it far in excess of the requirement of the case. If the Government will bring down a measure proposing to grant the Canadian Pacific Railway the maximum amount of aid which the Bill of the hon. member for Bothwell in 1878 proposed to grant, to wit, 20 sections of land per mile, I will support that Bill to-day. I will be very glad to support a bill granting 10 sections per mile through the region where that road is to run. I would even support a bill granting 20 sections per mile.

But it does not follow that, because I am in favor of granting a reasonable amount of aid, an aid adequate to the construction of the road it is now sought to promote, that I am bound to advocate a measure such as that under the consideration of this House, a measure granting 12,500 acres of selected land per mile for the road that is to be built, or within 300 acres per mile of the amount contemplated in 1878, and in addition to this grant $12,500 in cash per mile for the portion to be constructed by the Company, a measure, which in addition to the grant of land and of cash per mile, grants $31,000,000 in a bulk sum expended already upon 706 miles of railway and the surveys of the whole line. The two measures are entirely different in their character and their nature. The measure I supported in 1878 was reasonable and conceived in the interest of the country. The measure before the House to-day is unreasonable and not conceived in the interest of the country, but in the interest of certain railway speculators. For that reason I oppose this measure, and I claim that an attempt to make it appear that because I was in favor of the measure of 1878 and am opposed to the measure of 1880, therefore I place myself in a false position, is unfair and eminently characteristic of the source from which it emanates. Now, with regard to the first contract. The field, of course, has already been traversed and iteration will be necessary in this matter if anything is to be said, as all the points in connection with this contract have already been largely dwelt upon. It requires a good deal of ingenuity to elicit a single new idea on this subject. Presentments of the same points with variations will have to be considered admissible. I pointed out before, first of all, that, from the earnings of the St. Paul and Manitoba Road we have reasonable grounds for supposing that the railway line from Selkirk westward for the thousand miles would pay more than sufficient to cover running expenses and interest on its cost. I pointed out that if the road from Selkirk to Jasper House were subsidized by a grant of 2,000,000 acres of land, a saving of $6,333,000 cash and 10,916,000 acres of land as aid for the construction of that portion of the Canada Pacific Railway would be effected. I showed that if the line from Selkirk to the Pacific Ocean were subsidized to the extent of 10,000,000 acres of land, a saving of $26,850,000, and of 8,750,000 acres of land would be effected. I showed that if the line from Nipissing to the Pacific, with the Sault connection, were subsidized by an additional grant of $5,000,000, and 6,250,000 acres of land, a saving in the construction of the whole line from Nipissing to the Pacific Ocean of $31,850,000 and 8,750,000 acres would be the result. I think we have every reason to believe that if delay were resorted to in the construction of the entire road, if only that portion immediately wanted, the prairie section, were proceeded with, the result which I pointed out, if the hypothetical statements I laid before the House be correct, would be substantially secured. I have dealt pretty largely in figures to-night, and figures are neither poetical nor romantic, although the hon. Minister of Railways, who, I regret, is not in his seat, comes as near making them romantic as any gentleman I have yet heard. I shall now proceed to enquire what would be the *pro rata* adjustment of the cash bonus of $25,000,000 and the land grant of 25,000,000 acres, with which it is proposed, under this contract, to endow this Syndicate scheme. As stated by the hon. Minister of Railways, last Session, in his speech, which will be found in the *Hansard*, pages 1,420 and 1,421, Mr. Fleming estimated the cost of the line from Jasper to Kamloops at $15,500,000. I may remark here, there seems to have been a discrepancy in the hon. gentleman's statements. He gave the cost of this portion, 335 miles in length, at $43,660 per mile, which would amount to but $14,726,000; and in another part of his speech he gives the length at 350 miles. He, however, gives the block sum at $15,500,000, to which, adding the share of lump allowance, $1,000,000, for contingencies, for the entire British Columbia section, half of which it would be proper to apply to this section, we obtain, as its estimated, cost $16,000,000. From Selkirk to Jasper, the estimated cost is $13,000,000; and Mr. Fleming estimated the cost of 600 miles of road, north of Lake Superior, at $20,000,000, which would make the cost of the eastern section, from Lake Nipissing to the junction at Thunder Bay, estimated at 683 miles, $22,766,000. These three sections were then estimated to cost $51,766,000, which is somewhat in excess of the estimate given this year. If we take this estimate of the cost of these three sections, and proceed to ascertain what the amount of the subsidy in cash is, per dollar, on the estimated cost, we have the *pro rata* apportionment of subsidy. I find the *pro rata* apportionment would be cash for every estimated dollar cost 48·14 cents, and the apportionment of land per dollar cost 48·14 acres, or within a fraction of one-half acre. If I assumed this to be just the cash apportionment, the cash *pro rata* apportionment would be as follows: for the eastern section, $11,000,000; for the section from Selkirk to Jasper, $6,275,000; from Jasper to Kamloops, $7,250,000; total, $25,000,000; and the *pro rata* apportionment of land would be as follows: Eastern section, 11,000,000 acres; from Selkirk to Jasper, 6,275,000 acres; from Jasper to Kamloops, 7,725,000 acres, total 25,000,000 acres. This is the *pro rata* apportionment of cash and land upon those sections of the road, based upon Mr. Fleming's estimate of last year. Let us see the actual apportionment, and judge whether there is any discrepancy between the fair *pro rata* apportionment and the actual apportionment of cash and land grants to those various sections. I take the statement of last year, which embraced in the prairie section the 1,000 miles from Selkirk to Jasper. 900 miles of those 1,000 receives under this scheme, in cash, $9,000,000, and the balance, 100 miles, which receives a higher rate, is aided to the extent of $1,333,333, making a cash grant for the 1,000 miles from Selkirk to Jasper, of $10,333,300. The section from Jasper to Kamloops, 350 miles, receives aid to the extent of $4,666,700. The eastern section receives cash to the extent of $10,000,000. Now, the actual apportionment of the land is as follows: from Selkirk to Jasper, the first 900 miles, receives 11,250,000 acres; and the remaining 100 miles, 1,666,666 acres; making a total of 12,916,666 acres of land for this section. The section from Jasper to Kamloops, 350 miles, receives 5,833,334 acres; and the eastern section, 6,250,000 acres, making a grand total of 25,000,000 acres. Now, you will perceive there is a serious discrepancy between the actual apportionment and the *pro rata* and honest apportionment. Let us see what this discrepancy is, and what amount of cash and land is taken from the eastern and applied to the prairie section of 1,000 miles, the most easily constructed, the first to be constructed, and which, when constructed, will pay a dividend over running expenses, if any portion will. The *pro rata* subsidy in cash of the eastern section is $11,000,000, the actual subsidy is $10,000,000. The surplus taken from this to give to the prairie section is, therefore, $1,000,000. The *pro rata* subsidy of the eastern section, in land, is 11,000,000 acres; the actual subsidy, 6,250,000, or 4,750,000 acres taken from the eastern section and given to the prairie section. This land, if worth $4 an acre, represents $19,000,000 in value; thus the eastern section is deprived of this amount for the benefit of the prairie section. If the land is only estimated at $3 an acre, the eastern section is deprived of $14,250,000 in land, and $1,000,000 cash for the benefit of the prairie section. Let us see how the comparison stands with reference to the western section. The *pro rata* subsidy, in cash, of this section—that is from Jasper to Kamloops—is $7,725,000. The actual subsidy, in cash, is $4,666,700; thus, that section

is deprived of $3,058,300 cash for the benefit of the prairie section. And with reference to the land grant the *pro rata* amount for the section from Jasper to Kamloops is 7,725,000 acres, the actual grant 5,833,334 acres, the balance taken from where it legitimately belongs and appropriated to the central section being 1,891,866 acres, which at $4 per acre, represents $7,566,660; and this, added to the cash misapplied in the same way amounts to $10,624 964. Or if we calculate the land at $3 per acre, the total amount taken from the Jasper-Kamloops section and applied to the prairie section will be $8,733,298. If we summarize these figures we find that the total amount *pro rata* taken from the eastern section is $1,000,000; from the Jasper-Kamloops section $3,058,000, or a total of $4,058,000. The total amount of land taken from the eastern section is 4,750,000, which, at $4 per acre, would be worth $19,000,000 or at $3, $14,250,000. The quantity of land taken from the Jasper-Kamloops section for the benefit of the central section is 1,891,666 acres, which at $4 per acre would be $7,566,664, or at $3 per acre, $5,674,998. The total value of the land taken from these two sections for the benefit of the intervening portion of the line would be at, $4 per acre, $26,566,664, or at $3 per acre, $19,924,998. At the low rate of $3 per acre the eastern section is despoiled for the benefit of the prairie section of, in cash and land, $15,250,000; or, at $4 per acre, of $20,000,000. At $3 per acre the Jasper-Kamloops section is despoiled for the benefit of the prairie section of, in cash and land, $8,733,998; or at $4 per acre of $10,624,964. The total amount in cash and land taken from both these sections in excess of its *pro rata* adjustment, would be, if we charge the lands at $4 per acre, $30,624,000, or at $3 per acre, $23,982,000. The excess above the *pro rata* adjustment taken from these two sections and applied to the third, even at $3 per acre for the land, is nearly enough to build the prairie section twice over; it is more than double the estimate of the Minister of Railways, namely, $10,000,000. I would ask you, Mr. Chairman, what you conceive to be the meaning of this taking from the eastern section $15,250,000, if we value the land at $3 per acre, or $20,000,000 if we value it at $4 per acre, for the purpose of aiding the intervening prairie section. I could explain it on this supposition: that perhaps the Syndicate imagine that the Government will adopt the common-sense course of abandoning the construction of the eastern section; and were they to do that, the Syndicate would be the better off by the $15,250,000, or the $20,000,000, accordingly as you value the lands at $3 or $4. Or, perhaps the Company themselves may build the prairie section, and then rest from their labors, by which they would also be largely the gainers. The sum which the Company would forfeit would be by no means equal to the amount which, as I have shown, is taken from the eastern and applied to the prairie section; and there is the additional fact that they would have the use of the money for four or five years before the work is performed on the sections to which the land and money legitimately apply.

I have another table which is still more suggestive, and I hope I may have the attention of hon. gentlemen opposite while I read the figures. They bring out very clearly, I think, the enormous amount of the actual subsidy to the prairie section of 1,000 miles. The actual subsidy is cash upon the first 900 miles, $9,000,000; for the other 100 miles, $1,333,330—total, $10,333,330. Land subsidy for the first 900 miles, 11,250,000 acres, for the next 100 miles, 1,666,666—total land subsidy 12,916,666 acres, the cash value of which would be, at $4 per acre, $51,666,664. This with the cash subsidy would amount to $61,999,994 for a section of the road which has been estimated to cost $13,000,000. Or, if the land be calculated at $3 per acre, the total subsidy would be $49,082,998 to enable the Syndicate to construct a line which is to cost $13,000,000. At $4 per acre the land grant and the cash grant will amount to four times the cost of the 1,000 miles and $10,000,000 more; and at $3 per acre to three times the cost of that section and $10,000,000 more. At $4 per acre the Company will build their 1,000 miles of road and have a surplus of $49,000,000; at $3 per acre the Company will build their 1,000 miles of road and have a surplus of $36,000,000. Do you think such a bargain as this was ever before made by sane men? The idea of granting to a company four times the cost of a work, the construction of which is to be undertaken, and giving them a little surplus of $10,000,000 besides! Why, I think the terms of this contract are perfectly astounding. We say, then that this prairie section is very munificently subsidized. I think there can be no question that the Syndicate will be able to build that prairie section. With $62,000,000 aid for the purpose of constructing a $13,000,000 railway, I have no doubt that there is financial ability enough in the Syndicate ring to fulfil the task. Let us now enquire whether, after this incredible endowment to the prairie section, the grants for the eastern section and the Jasper-Kamloops section are sufficient for their construction. Having given more than four times what was required for the construction of the prairie section, we may possibly find that there is a deficiency for those sections. The cost of the eastern section, of 683 miles, I estimate at $22,776,000. For this the cash subsidy is $10,000,000 and 6,250,000 acres, which, at $4 per acre, would realize $25,000,000, making a total subsidy of $35,000,000, or an excess of subsidy over the cost of construction of $12,224,000. If we estimate the land grant at $3 an acre, there would still be a surplus of aid granted over the cost of construction, of $5,974,000. With respect to the Jasper-Kamloops section, of 350 miles, which was estimated by the Minister of Railways, last year, to cost $16,000,000, the cash subsidy pertaining to it is $4,666,700, and the land grant 5,833,334 acres, which at $4 an acre, would be equal to $23,533,336, making a total subsidy of $28,000,036, or a surplus, over the cost of construction, of $12,000,000. If we place the land grant at $3 an acre, there would be a surplus, after paying for the construction of the Jasper-Kamloops section, of $6,166,000. So the three sections, in the matter of subsidy, differ not in kind, but in degree. They are all subsidized to a greater extent than is necessary to pay for their construction; but the section which is constructed first is the most largely subsidized, probably to give the Company the use of the larger sum of money, and probably to give them an advantage if the eastern section is abandoned, as it is likely to be, and as it will be if reasonable counsels prevail. In analysing these statements, let us see what the Company receives from the Government. In the first place the Government gives 708 miles of completed railway, costing, with $3,119,000 for surveys, $31,119,000. It gives in cash and lands value at $4 an acre, the cost of constructing 1,000 miles from Selkirk to Jasper, and a surplus of $49,000,000; or, placing a value of $3 on the lands, it gives the cost and a surplus of $36,000,000. It gives in cash and lands, valued at $4 an acre, the cost of constructing 350 miles from Jasper to Kamloops, and a surplus of $12,000,000, or, placing a value on the land of $3 an acre, a surplus of $6,166,000. It gives in cash and lands, valued at $4 an acre, the cost of constructing the eastern section, and a surplus of $12,224,000, or at $3 an acre, a surplus of $5,974,000. At $4 an acre for its land grant, it gives the Syndicate in cash and land the entire cost of the road from Lake Nipissing to the Pacific Ocean and $73,224,000. At $3 an acre for its land grant, it gives the entire cost of the road and $48,224,000. The grand practical result for the Company, then, is that they will have 2,708 miles of railway free of cost—worth at cost,

including surveys, $81,119,000—and, in addition, money and land, at $4 an acre, to the extent of $73,224,000, or a total of $154,343,000; or, if we place the land at $3 an acre, the Company will have 2,708 miles of completed railway free of cost and money and land to the extent of $48,224,000, or a total of $129,343,000. And all this is secured by the expenditure temporarily of small amounts of capital, which will be recouped to them. The cost to Canada, then, of this road is to be as follows:—Expended upon 708 miles of road, $28,000,000; expended on surveys, $3,119,000; cash bonus, $25,000,000; total cash outlay, $56,119,000; together with 25,000,000 acres of selected lands at $3 an acre, $75,000,000, or, at $4 an acre, $100,000,000. Hon. gentlemen will observe that in these calculations I have not taken into account the matter of interest. It is, under the circumstances, a comparatively small item, and the balance would probably be in favor of the Syndicate, for this reason, that the Government furnish the money and means faster than they are needed for the first five years—furnish money and land to the extent of $49,000,000 in excess of the wants of the Syndicate in the first five years, and the Syndicate will do well if they offset this advantage in the next five years, by expending money faster than they will receive Government aid. They will not do it. The freedom from taxation and the advance in the value of their lands I take to by other offsets. The hon. member for Richmond and Wolfe (Mr. Ives) the other day entered into a calculation with reference to the question of interest. I do not think the Syndicate will suffer in interest charges if the Government furnish the funds, at they propose to do, and the Syndicate I presume, will not embark on the building of the unproductive portions of this road, the eastern and western sections, if they are not likely to pay running expenses. Well, Mr, Chairman, here is the financial scheme. I have briefly outlined some of its salient features. It is a very fine scheme, truly! I am sorry we do not see the First Minister in his place to-night. I would like to enquire of that right hon. gentleman if he expects to rest his claim to the admiration of posterity on this question. He is a gallant knight. His shield may not be a spotless one, but it is as tough as the brazen studded bull's hide targe of Roderick Dhu. The right hon. gentleman is an old public man, and we are told—I do not know how truly—that he expects to retire from public life with a blaze of glory surrounding him as the result of this Canadian Pacific Syndicate contract. It is said the hon. gentleman anticipates at some future time looking from the sunlit hills beyond the cloudy battlements where night never comes, upon this railway in operation. He anticipates seeing trains moving from Nipissing to the Pacific; he anticipates from that higher sphere looking down upon the work which his genius has created for Canada. I hope it may be a long time before the hon. gentleman is placed upon these serene heights. With all his faults we wish to retain him somewhat longer, and I hope when his time comes to go, there will be no question about his passport to that happy land. When, however, he does reach that region, he will have a clearer view of the field, I trust, and possibly he will be able to fathom and solve the scheme of these railway magnates who have betrayed him into such a foolish and extravagant bargain. Perhaps he will be able to see half a continent handed over to a soulless monopoly and ground down by their exactions. Perhaps he will be able to see a company that, for the expenditure of $50,000,000, has received from that heritage, of which he was the custodian, $130,000,000. Perhaps he will be able to see a Syndicate of six or eight individuals revelling in the possession of perhaps $10,000,000 a piece that they have acquired by this transaction. Perhaps he will be able to see that he has made the most foolish and extravagant bargain that any public man of this century has made with reference to the construction of an important public work. I imagine he will see all these things. I imagine that when that hon. gentleman comes to understand the nature of this contract, as I hope he may some day, that he will see he has made a great blunder; that he will see that his hope to go out of public life in a blaze of glory, with his reputation established as a man who brought this great undertaking to a successful accomplishment will be inevitably dashed to the ground. And my hon. friend the Finance Minister, whom I am happy to see in his seat, does he expect to give this to posterity as a specimen of his foresight? I very much fear posterity will class him, as a financier, with the old Irish woman who was selling potatoes at 18 pence that she had bought at 25 pence, and gave as a reason for doing so, that on the margin she had she could only hope to make a living by doing a wholesale business. This is a wholesale business, I think, with a vengeance; but unfortunately the Finance Minister is not the person who loses the margin upon the public lands and the property of this country. Does the Minister of Railways expect that the future will honor his memory and wonder at the amount of knowledge he possessed with regard to railway matters? If he does I apprehend he will find himself mistaken, that the future will pronounce this bargain to be a monstrously foolish one, to be a mistake so grave as to be but one degree removed from a crime.

Mr. Chairman, in these estimates I have estimated the land at $4 per acre, a gentleman near me suggests to place the estimate at $10. I do not say that that estimate would not be much nearer the truth than this is under the conditions in which this land is selected, under the nature of this grant, under these circumstance that the country is to develop these lands in putting a railway through them; and considering the fact that the area of public lands on this continent for settlement is diminishing day by day, that the great tide of emigration to this continent is rapidly absorbing the land, I would not say that that sum, although the remark was made in irony, is not much nearer the truth than the sum I mentioned. But I will give my reasons why I consider $4 an acre a moderate estimate of the value of this land. The Government itself, by their land regulations, have said that these lands are worth $4 an acre. They place the value of the railway lands within the first belt at $5 an acre, in the next belt $4, and in the next at $3. Their own estimate of the lands within twenty-four miles of the railway land is $4 an acre; the provisions of selection say that the lands are worth that. The Company are allowed to go into the fertile belt and select the choicest lands and to reject those not fairly fit for settlement, they themselves being the judges of their fitness. The Company can make a selection of lands which, under the circumstances attending this case, will be cheap at $4 an acre. The exemption from taxation for twenty years is another element in its favor, and is an additional reason why these lands may be fairly considered cheap at $4 an acre. As I stated a few moments ago, the diminishing area of land susceptible of settlement that is offered for sale on the American continent, will speedily prove that these lands are cheap at $4 an acre. The quantity of land fit for settlement west of Dakota is not very considerable, and when Dakota, Nebraska and Kansas are filled up, where is the tide of emigration to go? It may go to Texas, but a great many northern emigrants do not like a warm southern climate. When the lands in these western States and territories are settled, the tide of emigration must, at some time, be turned upon the plains of our North-West, and when that day comes, this problem will be solved and those lands raised rapidly in value. Then there is another reason why these lands may fairly be considered worth the price I have named. They are now accesible,

six years ago they were not accessible; they were away in the heart of a wilderness but little known and seldom visited, and with a sparse population. To-day they are accessible, or will be soon, by a railway line partly constructed which it is proposed to run through the very heart of this country. Provisions are made for the running of branches from this main lines the country will be rapidly developed, it is already developed, and I hold that all these reasons warrant me in saying that these lands are worth $4 an acre. I have facts that bear upon this case that tend to strengthen the position I have taken. Take the adjoining State of Minnesota, a State similarly situated to this country, similar to its character to the North-West, a State which is rapidly filling up with population. We find that railway lands in this State are worth more than $4 an acre. I have returns here of five of the principal railway corporations in the State of Minnesota. The Southern Minnesota, which received a land grant, has sold its lands at an average of $7.04 per acre; the St. Paul and Pacific has sold its lands at $6.09 per acre; the Minnesota Central has sold its lands at $6.33 per acre; the St. Paul and Sioux City, at an average of $5.67 per acre; and the Northern Pacific at an average of $5.49. I might multiply quotations as to the sale of American railway lands. I might take the rates in various States but I confine myself to the State of Minnesota which is similar in character to the North-West, which is adjacent to the North-West, and where the circumstances which govern the case will be very similar to those which occur in the North-West. I have shown that the average for railway land in that State is over $6 an acre, and I feel warranted in saying that the Syndicate will get at least as great a price for these lands in a few years. If that estimate of the price of the lands then be true, I think I am justified in saying that their value to-day may fairly be estimated at $4 an acre. I suppose the supporters of the First Minister will not object to his estimate last Session as to the speedy settlement of these lands in the North-West.

I now ask the attention of the House to a contrast between the terms accorded under this contract to the Canadian Pacific Railway Syndicate and the terms received by the largest subsidized lines in the United States, that is the Union and Central Pacific and the Northern Pacific. It will be recollected that in the year 1862, when the charter was granted to the Union and Central Pacific for the construction of a road from the Missouri River to the ocean, the construction of that road was considered to be a matter of imperious necessity. The South was in revolt, fifteen States of the Union had seceded. The North was grappling with a gigantic rebellion. The statesmen of the North felt that it was essential to retain, in the Union, the Pacific slope, which was separated from the Atlantic States and the States of the Mississippi valley by a wide stretch of intervening wilderness. They had no interests in common, and it was plain that the people on the Pacific slope would be likely to secede. It was then determined that at all costs a railway should be built which would bind together the two ends of the continent, and in order to secure the construction of that railway, the North were prepared to give, and did give the most liberal terms. This company was chartered in 1862. The land grant made to them in the first instance, as shown by the Act of 1862, was ten sections to the mile of alternate lands, or 6,400 acres of land to the mile. In 1864 the provision as to the land grant was amended, and the grant was doubled, so that the company received twenty alternate sections, or 12,800 acres per mile. This extended along the whole line of the railway, from the Missouri River to Sacramento. It included the Platte valley in Nebraska, the barren territory generally known as the Western Desert in Western Nebraska; the lands of the Rocky Mountain range; and the sterile and worthless country from Salt Lake

to the Sierra Nevadas; the land across the Sierra Nevadas, and a small stretch of good land in the Sacramento valley. I assert that this grant of 12,800 acres a mile, which included all kinds of land, was not worth half as much as the grant of 12,500 acres a mile to the Canadian Pacific Railway Syndicate, which are to be selected in the fertile belt, with the privilege granted to the Company of rejecting any lands "not fairly fit for settlement." The Union Pacific also received aid from the Government in the shape of bonds, which were issued at the rate of $16,000 per mile for the easy portion of the road, $48,000 a mile for the difficult portion, and $32,000 a mile for the rest, which amounted to an average of about $26,500 a mile United States bonds, which were handed over to the company in addition to the land grant. This average grant in United States bonds exceeded the cash grant made to the Canadian Pacific Syndicate by $14,000 a mile. But, Sir, at the time this grant was made, and during the years that this expenditure was made, from 1864 to 1869, gold bore an average premium of 52 per cent. This premium was equivalent to a discount of 34 per cent., without counting fractions. Now these bonds for $26,500 per mile, these currency bonds, negotiated and reduced to gold, would amount to $17,400 per mile, and the Union Pacific Company never realised even that in gold purchasing value for these bonds. But allowing that discount, the sum would amount to an excess over the cash grant to be given to the Syndicate of $4,900 a mile. If the Syndicate's land grant is, as I assert it is, worth double the grant of land per mile made to the Union and Central Pacific, then we have an advantage for the Syndicate of 6,250 acres of land per mile, which, at $4 an acre, amounts to $25,000 per mile, or, at only $2 an acre, to $12,500 a mile. Then the advantage to the Syndicate over the Union Pacific, giving to the latter credit for the $4,900 excess in cash aid, is, if the lands are worth $4 an acre, no less than $20,100 a mile. The advantage to the Syndicate over the Union Pacific Railway Corporation is, if the land is worth $4 per acre, $20,100 per mile; if it is worth $3 per acre, $13,850 per mile, and at $2 per acre, $7,600 per mile. Now, then, this comparison, bear in mind, Mr. Chairman, between the two roads, is based upon the assumption that the United States subsidy of $26,500 in bonds per mile was a gift to the road. If that subsidy was a gift; if the land grant to the Syndicate is worth as much again per mile as the one to the Union Pacific; if the Union Pacific realized on these bonds—as it did—the difference between currency and gold, then, Sir, the Union Pacific, as compared with the Canadian Pacific under this scheme, was subsidized to the extent of $20,100 less than the Union Pacific if the land was worth $4 an acre; $13,850 per mile less if worth $3 per acre, and $7,600 less if the value of the land is computed at $2 per acre, upon the assumption that its bonds were a gift to the Company. The bonds, however, were a loan to the Company, and not a gift. The Government first held a first mortgage, as provided by the Act of 1862, chap. 120, sec. 5, for the money advanced to the Company. The Government subsequently waived its right as the first mortgagee, and accepted a second mortgage, which it still holds against the Company. The Government stipulated, as one of the conditions, that the revenue accruing from the carriage of troops and munitions of war should be applied to the liquidation of this debt. It also provided that the Company should pay to the Government 5 per cent. of all its gross earnings upon these bonds. There has been some litigation between the Company and the Government, and the Government has exacted these terms, but I believe they have made the 5 per cent. applicable to the net earnings rather than the gross earnings But the bonds are considered good, and the whole $26,500—the sum which I have assumed for the sake of comparison was a gift to the Company, the Government holds as a

lien against the Company—which will be paid in cash. Well, Sir, in addition to this, Congress reserved power to legislate upon the rights of this Company to charge freights. Congress reserved to itself power to alter, amend or repeal this Act, the charter of the Company. No such power as this is reserved by this contract.

Sir JOHN A. MACDONALD. If the hon. gentleman will look at the Incorporation Act he will find that there is such power.

Mr. CHARLTON. Do I understand the hon. gentleman to say, that if this contract becomes law, it will be in the power of Parliament to repeal it?

Sir JOHN A. MACDONALD. If the hon. gentleman will look at the Incorporation Act he will find whether such power is retained.

Mr. CHARLTON. I apprehend that there is very little probablity, even if there is a possibility, if this Act becomes law, that it will ever be changed, or that the Government will alter the terms and conditions upon which this contract is being based; and if we were to do so, we have the authority of one of the Ministers of the Crown that the Government would have to pay damages to the Syndicate. We see by this comparison between the contract with the Union Pacific Company and that with the Canadian Pacific Syndicate, that the land granted and received by the Union Pacific did not possess one-half the value per mile of the land granted to the Syndicate; that the Government aid granted to the Union Pacific, though the loan will ultimately be repaid, did not place the Union Pacific upon as favorable a financial basis as this contract does the Canadian Pacific Syndicate by the sum of at least $7,600 per mile. And with reference to the Northern Pacific, Mr. Chairman, this line was chartered in the year 1864, if my memory serves me right, and by the provisions of that charter, land to the extent of twenty sections per mile was granted within the limits of States that the line passed through, to the amount of 12,800 acres per mile, and to the extent of forty sections per mile in the territories, amounting to 25,600 acres per mile. Now, the mode of selection was the same as in the case of the Central Pacific. The lands were located in alternate sections along the entire length of the line without reference to the character of the land. Through the State of Minnesota it received 12,800 acres per mile of mainly good land, though it would have to take swamps and marshy stretches with the rest. Through the eastern portion of the territory of Dakota it would still have good land to the extent of 25,600 acres per mile. When entering upon the territory of Montana and through the western portion of Dakota it would enter upon a country nearly worthless for agricultural purposes, and from the eastern boundaries of Montana through the entire territory and through a portion of Washington territory the land continues worthless or poor. The Government in each case, as we find, reserved the mineral lands, a reservation not made in this contract. Well, Sir, taking into consideration the mode of selection and the character of the country from Duluth to Puget Sound along the entire line of the Northern Pacific, I think I am justified in asserting that the land granted to the railroad, averaging 23,500 acres per mile, is scarcely worth as much in all probability as the 12,500 acres per mile granted to the Canadian Pacific Railway, selected by the Company, in the fertile belt, with the privilege of rejecting all lands not fit for settlement; and we may assume that the land grants of the two roads are practically equal in value. If this is the case, what advantage does the Syndicate possess over those American lines with a land grant of 47,000,000 of acres of land? First, the cash subsidy of $25,000,000, also $31,000,000 expended in roads and surveys, making in all $56,000,000, also the advantage of cheaper material. The Northern Pacific Railway must pay $25 per ton duty upon steel rails, and a heavy duty upon all materials for construction. The Canadian Pacific has its rails and material entered duty free, and this, itself, makes a very large sum, besides the advantage of $56,000,000 given to the Canadian Pacific. The Northern Pacific Railway, although it did have exemption from taxation within the limits of the territories only had that exemption during the time that the territories continued in a territorial condition. When those territories are admitted as States of the Union that exemption will cease. Under these terms the Canadian Pacific Railway enjoys the same exemption within the territories of Canada, with the stipulation that this exemption shall be continued even when those territories are admitted as Provinces of this Dominion.

Well, Sir, we have seen, with reference to the endowment and the aid granted to this railway company, that practically the aid would amount to a sum sufficient to build the entire railway and leave the company with seventy-three millions of dollars to speculate in other directions. We will see, Sir, whether the kind offices of the Government cease with these enormous grants made to this road, these grants so entirely out of proportion in their extent to the necessities of the road, these grants so much greater, as I have shown, than is necessary to secure the construction of the entire line, if a common-sense, business-like mode of procedure were adopted. Do they give anything else to this Company? We will find when we come to examine the grant to this favored Benjamin on whose plate five messes are placed, and which has five changes of raiment accorded to it, while its brethren have only one,—we will find that it does receive some other incidental advantages; we will find that, in addition to grants equal to almost double the cost of the road, the Company has other and most important advantages. For instance, we will find that the Government will advance to this Company three-fourths of the cost of steel rails including, I take it, the cost of freight, providing they lay down rails faster than they are required by the terms of this contract. What is the object of this? The object is to enable these favored Benjamins to get on without the use of capital, even temporarily, in the construction of their road. We find they will sell to this Company an amount of steel rails, larger or smaller, purchased at very low rates, which have advanced in value some ten dollars per ton I believe, at cost with interest, thereby giving to them an unjust advantage and depriving the taxpayers of that advantage which should accrue to them by the sale of those articles at their just market value. We find that they will admit material for this Syndicate free of duty, that is probably not because they love the manufacturers less, for whose interest they seem to be so solicitous, but because they love the Syndicate more. When the American Government chartered the Union Pacific, the Central Pacific and the Northern Pacific railways, in return for the concession made to those corporations they stipulated that the manufacturers of that country should derive some advantage; they stipulated that these roads in their construction should use American rails; that all the rails, bolts plates and iron of every kind used in their construction should be of American manufacture. If I am not very much mistaken, this stipulation gave an impetus to the manufacture of railway iron in the United States; that it was, in fact, largely instrumental in laying the foundations of that business which has assumed in that country such large proportions. The Government of that country thought it proper and just, inasmuch as these companies were endowed with such large grants of the public domain, and in one instance with a loan

of money from the public treasury, that the manufacturers of the country should receive some indirect advantage by binding the company to use American iron of every description required in the construction of those roads. If my hon. friend the First Minister had been so extremely solicitous about the manufacturers of this Dominion, could he not have introduced a clause of this kind into the contract? Having given grants of land and sums of money enormously out of proportion to the amount required for the construction of the road, surely it would have been an act of simple justice to the country to grant some protection to the manufacturers. He might in conformity with his principles, have compelled the manufacture of steel rails in this country. Here are some 2,000 miles of road to be laid with rails. These might have been manufactured in Canada. He could have fostered that young and struggling industry, and fostered the manufacture of nuts, spikes, bolts and all such articles required in the building of the road. In addition to those advantages the Company have another. We have created for the benefit of these individuals a great land monopoly. Their lands are exempt from taxation for twenty years from the date of issuing the patent, and they are allowed to issue bonds to the extent of a dollar an acre, thus enabling them to withold these lands from sale until the pioneers settled upon the other portions of the public domain, make them valuable by their exertious and labor. Before recess I referred to the fact that out of every forty sections of land in that country, taking into accouut the Hudson Bay Company's reserve, only 18 sections will be open for settlement, so that the settlers will be scattered here and there, and the utmost possible isolation will be secured by the policy of the Government. These isolated, scattered settlers in the country must pay for the maintenance of schools and churches, and for the construction of roads, for this railway is exempt from taxation upon its lands, upon its road bed, its capital, its buildings, its docks, its elevators and all its property. These people must bear the enormous burden placed upon their shoulders in order to create this great monopoly, and in addition to helping to create and pay for the property of these men they must furnish them with the protection which law and order give, pay their municipal expenses, their school expenses, and all the expenses appertaining to the government of the country. This Syndicate, to whom Parliament is asked to grant these enormous franchises and exemptions, are free from the contribution of one dollar to the furtherance of those various objects. Great mistakes have already been made in this country. It seems to be the policy of my hon. friend to create dukedoms in this country, to sell as large estates as possible. He last year refused the reasonable demand to make settlement the condition of obtaining lands in that country. He has adopted a land policy, which has proved already most detrimental to the interests of the North-West, and he is about to aggravate those evils ten-fold by the policy which he is now introducing. Not only has this Company the privilege of issuing bonds and of being exempt from taxation, but it may issue guarantee stock to the extent of $10,000 per mile, and bonds to the extent of $10,000 per mile. The way is made easy and plain for these gentlemen to raise all the money they require without selling an acre of land. Are we warranted in supposing that they will ultimately sell, or is it possible that these gentlemen will take it into their heads to lease those lands and become lords and proprietors of the soil, to own a vast estate in that country, one-fifth larger than Ireland. Ireland contains 20,000,000 acres of bogs, mountains, lakes and arable land. Its whole area is one-fifth less than this Bill proposes to grant to the Syndicate. In Ireland they have one man who owns 170,000 acres of land; three who own over 100,000 acres;

fourteen who own over 50,000; ninety who own over 20,000 acres; 135 who own over 10,000 acres; 452 who own over 5,000, and matters are bad enough there. How would it be, Mr. Chairman, in the North-West, if one corporation took it into their heads to hold and lease 25,000,000 acres of land; a corporation with no body to shoot at, with no soul to be judged in the future, I hold, Mr. Chairman, we would introduce a very much worse state of things there than exists in Ireland. Scotland contains 6,053,000 acres of land less than this grant to the Syndicate. Its largest estate comprises 1,326,000 acres. It takes twelve men in Scotland to own one-fourth, seventy to own one-half, seventeen hundred to own nine-tenths of that country. Two millions of acres have been depopulated there to make deer parks, so that the patricians might have venison. I should like to ask the Minister of Railways, were he here, whether in his estimate he supposed it probable that the Syndicate would establish buffalo parks on their estate. They might take it into their heads to reserve 2,000,000 acres for that purpose. They could readily do it; they would be wealthy enough to hold it as a park. England and Wales contains 37,000,000 acres. It is not twice as large as the land granted to this Syndicate. In England it takes 66 of the largest landlords to own 1,917,000 acres; 523 to own one-fifth of the whole country; 710 to own one-fourth and 4,500 to own one-half of the whole. Matters are bad enough there, but better than they will be in the North-West if the Syndicate does as it may easily do, retain its land and keep a large tenant population in that country. We were told last year when we urged that the policy of selling the land in large blocks was likely to prove injurious to the country and pointed out that those lands would be held for speculation, and settlers would have to pay high prices for them, that this would all be corrected by local taxation. That is be the safety-valve. Local taxation is the means relied on to oblige the large landholders to sell their lands. But these hon. gentlemen are not consistent with their professions. They would to-day take from the population of that country the very safeguard which last year they declared to be the one that justified the measures then adopted for selling larger quantities of land. This lever of taxation on railway lands is used very effectually in the western States for the purpose of compelling railway corporations to sell their lands at reasonable prices. In many States the taxes amount to ten or fifteen cents per acre. Under these conditions railway companies do not hold their lands if they can sell them at fair prices; but under this contract a premium is offered to the Syndicate to hold their lands for twenty years, in order that they may benefit by the labors of the pioneer settlers of that country to the advancement of their own fortunes. With reference to this question of taxation, I had intended to go more fully into it, but the ground has already been gone over by other speakers. I may simply point out the fact that the exemption of the lands, the road and capital of this Company from taxation within the territory of the Dominion, will probably amount to $250,000 per year when that country is settled. I arrive at this amount by a calculation of the taxes paid by the various American railway corporations. Another feature of this contract which has not, to my recollection, been referred to, is the fact that it creates, among other monopolies, a telegraph and telephone monopoly in the North-West. It gives to this Company a practical monopoly; it imposes no restriction on it as to what rates should be charged for messages or services coming under this branch. In this respect it is strictly in keeping with its features in other respects. Wherever it is possible to grant a monopoly, it seems a monopoly has been granted. In fact, on looking over this contract, I cannot conceive of any advantage that the Syndicate could have secured that they have not secured, except one. If a provision had been inserted that the

Company should be free of all claims for damages in consequence of loss of life, limb or property, then the contract would have been a perfect one, then the very last concession which it was possible for them to ask, or the Government or anybody else, to give, would have been granted.

I now proceed to consider the most objectionable feature that this contract contains. I could pardon the Government—though I would have to exercise a great amount of charity to do so—for giving the Company practically $130,000,000, that they might expend out of it $50,000,000; I could pardon the Government, possibly, for having given the Company these exemptions from taxation upon their lands and their capital, the admission of material free of duty, the advanced cost of steel rails on hand—all these things are less objectionable in their character than is that monopoly to which I am about to allude. This contract creates a monopoly in the transportation business of the entire North-West. It provides that the Company may locate branches, at pleasure, to the north or south. This will enable it to forestall any other companies that may desire to loeate lines, and, indeed, if any other company should have the foolhardiness to locate a branch line, that line must be a tributary to the Canadian Pacific which can control it in such a way that it will in the end absorb its property at much less than first cost. The cheapest way, in fact, in which the Canadian Pacific can acquire branch lines will be to induce incautious individuals to build them, and then put on the screws and force them to sell out at less than cost. This Company may build lines north or south, but no other company may build a branch line to within fifteen miles of the American frontier. What is the object of this? Just south, a great transcontinental line, the Northern Pacific, which will have direct communication with Montreal by a short commercial route, is being constructed and rapidly approaching completion, and this provision is to prevent branch lines connecting with the Northern Pacific and thus causing competition in rates. This contract carefully guards against the settlers of the North-West being allowed that privilege. It carefully hedges in the settlers of that country so that they will be allowed to have no connection with competing lines, but must all be subservient to this one monster corporation that will squeeze the life blood from them. I presume there is not an hon. member of this House who is not familiar with the struggles of towns and cities in various parts of this Dominion, situated on railway lines, for the creation of additional railway facilities, in order to establish competition in rates. This very city of Ottawa is seeking connection with Toronto—not because it has no railway connection with the markets open to it, but because it seeks for competition in the rates charged for business between these two points. Ottawa is seeking for an outlet by American railways without being obliged to pass through Montreal, for the purpose of securing lower rates. The hon. member for South Norfolk (Mr. Wallace) is familiar with the fact that he was instrumental in promoting the construction of a line from Port Dover to Woodstock, and on through Stratford, which was built, not because the people of those districts had no railway communication, for they had abundant railway facilities, but they wanted to secure competition in rates. It is a well known fact that all railway lines will discriminate against local points and in favor of through business—that people at local points who must use such lines are charged exorbitant rates. It is a well known fact that produce can be shipped from Chicago to New York for less than it can be shipped from Rochester to New York; that it can be shipped more cheaply from Buffalo to New York than from points on the New York Central 200 miles east of Buffalo where there is no competition. It is essential to the prosperity of any place that it should enjoy the benefits of competing rates, but this contract prevents, not one particular place but the whole of that broad country, from Thunder Bay to the base of the Rocky Mountains, from the 49th parallel to the North Pole, from enjoying the benefits of competing rates. I say that it is a gross outrage that is sought to be perpetrated upon the inhabitants of that country. Before this particular feature of that contract all the other objectionable features drop into insignificance.

An Hon. MEMBER. Let it drop.

Mr. CHARLTON. Yes; and before this matter is disposed of some hon. gentlemen opposite will be sorry they did not drop it as the monkey dropped the hot potato. In the western States when railways were first constructed the rates charged for freight were so enormous that on some occasions farmers transported their grain in waggons for 30 or 10 miles alongside a railway line, because they found that mode of transportation cheaper than the exorbitant rates charged by irresponsible railway monopolies. I have myself seen corn burned as fuel in those western States, because it was cheaper to burn it than to use coal, owing to the enormous rates charged for transporting it from the mines. These evils became so great that finally political differences and party organizations became merged, so far as state politics were concerned, into two parties, the grangers and the anti-grangers. The grange organization was formed upon the basis that these railway companies should be restricted in their onslaughts upon the rights of the people. Members of the Legislature were elected on their pledge to accept no passes or other favors from these corporations; they were pledged to protect their constituents against the encroachments and unjust demands of these companies. That agitation kept the whole of that western country in a ferment for years, and its result was that laws were passed regulating the rates to be charged—fixing them *pro rata* at so much per ton per mile for freight, and so much per head for passengers. The consequence of that legislation has been that during the last few years these outrageous exactions by railway corporations have in a great measure ceased. But in the contract now before the House it is proposed to place the inhabitants of a region as large as six or seven of those States at the mercy of a corporation, and no power is reserved to these people to regulate their affairs or relieve themselves from unjust or extortionate charges. I have here a report made to Congress in the year 1875 by a Committee, of which Senator Windom was Chairman. The question of excessive transportation rates was one which attracted the attention of Congress, and the agitation against extortionate charges had become so great that a scheme was set on foot for Congress to build a trunk line across the country, which was to be used by any individual for transporting locomotives and trains, just as a canal is used for the transport of boats. I will read a few extracts from the report of the Committee on the subject of freights:

"The rates for moving freight by rail have been gradually reduced, so that for the last few years the cheapest movement has been by lake from Chicago to Buffalo, and thence by rail to New York, notwithstanding the canal tolls have been reduced one-third, and when the two freight tracks are in full operation the New York State canals will have accomplished their mission.

"This demonstrates that a canal of 350 miles, connecting with a river of 150 miles in length, and both of the most perfect description, when not rendered inoperative by ice and without capital indebtedness, except as to what might be called the rolling-stock of the canal, cannot, under the present improvement of railroad freight transportation, compete successfully with the railroad system. * * *

"Having shown that the railroad system has taken the place heretofore occupied by the canal system, it becomes necessary to endeavour to demonstrate to what extent the railroad system can be developed during the next fifty years, or in the future.

"This brings us immediately to the consideration of this bill, which provides for a system which contemplates the transportation of freight on a double-track railway with steel rails, low grades and straight lines,

built in the most substantial manner, with sufficient sidings and abundant storage, terminal and all other facilities, and equipped in the most improved manner for moving freight at a low uniform speed and at a low cost.

"To demonstrate the full working capacity of such a line of railway with all the rolling stock that could be fairly operated, would exceed the bounds of this report, but estimates of some engineers reduce the cost to 2½ mills per ton per mile, while others have estimated the cost as low as 1½ mills per ton per mile on such a railway operated to its full capacity."

I shall, on the basis of this report, make a comparison of the rates mentioned therein with the rates now charged for transporting articles of various kinds from Toronto to Winnipeg. The rate at which first class merchandize is carried, per 100 lbs., from Toronto to St. Paul, is $1.35; and from St. Paul to Winnipeg, $1.75. We find that the transport of lumber from Toronto to St. Paul costs $98 per car, and from St. Paul to Winnipeg, $85; live stock, from Toronto to St. Paul, $125; from St. Paul to Winnipeg, $121; agricultural implements, from Toronto to St. Paul, $120; from St. Paul to Winnipeg, $175; iron and coal, from Toronto to St, Paul, $99.60; from St. Paul to Winnipeg, $129.60. Now, according to the rates mentioned in the report of the Committee of Congress, viz., 2½ mills per ton per mile, the charge, per car load of ten tons on merchandize from Toronto to St. Paul, should be $23.10, instead of $98 or $120. The charge from St. Paul to Winnipeg, per car, should be $12.43, instead of $173, for agricultural impliments, or $129 for iron and coal. It is quite evident, therefore, that the rates charged from Toronto to St. Paul are unduly high, and it is equally evident that the rates charged from St. Paul to Winnipeg are far beyond the limits of reason. And from the charges from Toronto to Winnipeg, where I presume there is competion, hon. gentlemen will readily apprecate the undesirability of placing the whole north-west country at the mercy of a monopoly without leaving them the slightesly chance of guarding their interests by securing competition in rates. This is an evil the magnitude of which I am sure we do not appreciate—an evil which, if we fasten upon the people of this country, will lead them to execrate our memory, and execrate it deservedly. Let us suppose that the great States of Illinois, Wisconsin, Minnesota, Iowa, Kansas, and Nebraska, were placed in the hands of one railway corporation; that one railway corporation by a charter from the United States Government secured the monopoly of the transportation business of all those great States; that by a provision of that charter no lines could be built within 15 miles of the southern boundary of those States, thereby preventing connection with any competing lines to the south; that, in addition to a monopoly of transportation, this company received a monopoly of the telegraphing in all those States; that this company had power to acquire a trunk line to the waters of the Atlantic, that would gather up all the traffic of those States to the exclusion of other lines; that in addition the Government had endowed this company with cash and land to the extent of many millions of dollars; that the land of this company should be exempt from taxation for 20 years, and its road exempt from taxation forever; what do you think would be the result? Would you have a Granger agitation in those States? The result would be simply a revolution. Such conditions could never be imposed upon the people of those States. The people would never submit to them, but would appeal to the first law of nature—the law of force. And we are placing in the hands of the people of the North-west an inducement to appeal to force; and if they resort to violence rather than submit to this contract, they will be justified. And shall we, the members of this Canadian House of Commons, deliberately pass a measure which can only be rectified by violent proceedings on the part of an aggrieved people? I hope not, although I fear we shall. I set out, Mr. Chairman, with the intention

of discussing this question temperately. I believe I have done so, and I wish to say, in cold blood, weighing my words well, that this measure is the great railway swindle of the nineteenth century. I was very much amused the other night at a remark made by my hon. friend from Richmond and Wolfe (Mr. Ives). He told us that one desirable feature of this contract was that it would take the Pacific Railway out of politics. Well, I certainly was amused at the innocence of that hon. gentleman. The idea of removing a great corporation like this from the region of politics. Why, Sir, it is the very thing they will be constantly meddling with. The great railway corporations of the United States have been systematically attempting to rule the legislative assemblies of the different States. It is told of a Dutch member of the Pennsylvania Legislature, who, on one occasion, when a motion was made to adjourn, said, "Well, I suppose we had better adjourn if Tom Scott has no more business for us to do," and I suppose the time will come when we may be allowed to adjourn if the Syndicate has nothing more for us to do. In the United States immense fortunes have been accumulated by railway speculations. There are the fortunes of Wm. H. Vanderbilt, of Jay Gould, of Tom Scott, of Huntington, of Dillon, of Barlow, and many others—not one of them less than five millions, and ranging from that to one hundred and twenty millions of dollars. How have these great fortunes been acquired? How long is it since Cornelius Vanderbilt, the father of Wm. Vanderbilt, was a canal boat owner and a poor man. How was his fortune of $120,000,000 accumulated? The farmers of the west can tell you. It was by charging exorbitant rates, by watering the stock of the New York Central Railway. All these great fortunes have been created at the expense of the public, and they have been used in a manner injurious to the interests of the public. The building up of these great railway magnates is an evil that threatens the best interests of that country, and we, with our eyes open and with the experience of the United States before us, are about to create a class of railway magnates for ourselves. We are creating a Syndicate and giving them terms which no railway magnate of the United States ever dreamed of. We are giving them enough to enable each one of them to receive $10,000,000, besides making them a present of the road.

Mr. O'CONNOR. Could not the hon. gentleman extend his catalogue to John Jacob Astor and A. T. Stewart?

Mr. CHARLTON. I am now dealing with railway men. John Jacob Astor and A. T. Stewart were merchants, and, I presume, they accumulated their wealth in more honest ways than that which the hon. gentleman contemplates for his friends of the Syndicate. With reference to the land grants of the United States to its various railway corporations, although no grant in that country has ever been made equal in extent to the grant proposed to this Syndicate, yet it is now acknowledged that in most instances these grants were too high. I have drawn a comparison between the grants made to two different roads and that made to the Pacific Railroad Syndicate. That comparison will clearly show that the Syndicate has a decided advantage in point of terms over either of these roads, and that disparity would be still greater if the comparison was instituted with any of the other roads. These grants, however, whether too great or too small in the past, would be too great at the present time, because the cost of railway construction has materially diminished within the last few years. For various reasons which it is unnecessary for me to explain here, railways are more economically constructed than they were ten or even five years ago. The Baltimore, Ohio and Chicago Extension, built between 1872 and 1874, from the western extremity of Baltimore to Ohio, through an old settled country where the right of way costs

a large sum of money, laid with steel rails paying a duty of $17 per ton, cost less than $25,000 per mile. It was fully equipped, a first-class road, and could do an enormous business. The Northern Pacific Railway, of which about 1554 miles remained to be constructed, it is estimated will be built at a cost of $25,000 per mile for the difficult mountain portions, and $12,000 per mile for the easy portions of the road, and this in a country where material, owing to the duty upon rails and iron, is much higher than in the North-West. There is another feature of this Syndicate contract to which I wish briefly to allude, and that is the fact that only the terminal points are definitely fixed, that the interests of the North-West are not guarded with reference to the route that the road shall take. The Company can serve its own purpose and interest in the location of that road, without reference to the interests of the people of the country. The Government should certainly stipulate as to the line it should take, and should provide that the route should be such as would most conduce to the interest of the people of the North-West. There is another feature of interest to me and to many other members of this House; and that is, that the interests of Ontario are not properly guarded by this contract. This line may and probably will obtain control of an extension to tide water; it will obtain a line either to Montreal or Quebec, and having obtained that the Syndicate will naturally seek to throw all the business possible through their own line. If they adopt this course, they must and will discriminate against a road such as the Ontario Junction Road; they must and will discriminate against the interests of the commercial centres of Ontario such as Toronto and Hamilton. This result is inevitable. This Company, with a line extending from either Montreal or Quebec to the Pacific Ocean, will seek to monopolise all the business of that region, and I presume legislation will be all but powerless to remedy this evil. The only way in which it could be done, would be to make the terminus of that road absolute at Lake Nipissing where these various roads will connect, thus giving other roads equal privileges and an equal chance to obtain business. That would be no more than just to Ontario. Whatever burden this measure may involve Ontario must bear the larger portion, and certainly if she is called upon to pay a very large portion of the cost, it is reasonable that she should be placed in a position to reap from the enterprise some of the advantages that will flow from it. I have dealt with some of the leading objections pertaining to this scheme, though I have not gone fully into the minor details.

The last objection I shall allude to will be that pertaining to the increase of debt. We were told the other night, I think by the hon. member for Richmond and Wolfe (Mr. Ives), that the finances of this country were in such a satisfactory condition that the surplus from year to year would pay the cost to be incurred in the construction of the portions of the line by the Government to hand over to the Syndicate and the additional cash grant of $25,000,000. In contradistinction to that assertion is the statement of the Finance Minister that the net increase of the public debt for the fiscal year ending the 30th of June last, was within a a thousand dollars or so of $9,453,000, and I apprehend that, as long as we continue to advance money either by way of bonus or by constructing line to hand over to that Company, so long we shall continue to increase our debt. We have various other schemes requiring the aid of public money. We have our system of canals to complete, and we always have enterprises pressing upon the Government for aid, and these demands are of the character that will have to be listened to. We may safely say that whatever may be the amount of aid in cash to be given to this road it will be found in the end a substantial addition to the public debt. Our net public debt on the 30th of June, 1879, was $147,481,000. To this will be added, according to the statement of the Finance Minister, the increase for the year subsequent, of $9,453,000, making our net public debt on the 30th of June last $156,934,000. Now, this amount will be increased, if my assumptions are correct, by the amount yet to be expended upon the line from Selkirk to Thunder Bay. What that amount may be I do not know. I assume it will be in round numbers, $5,000,000. It will be increased still further by the sum to be expended on the line from Kamloops to Port Moody; which, according to the latest estimate, will be in round numbers $12,000,000. It will be increased still further by the cash subsidy to be paid to the Syndicate of $25,000,000, all which will increase our obligations to the figures of $198,734,000, if there have been no accession to that debt from other causes. The debt already is unduly large, is in excess of the capabilities of this country especially when we take into consideration the fact that the country to the south of us, with whom we must be a competitor for securing immigration, is a more lightly burdened country at present than ourselves. The hon. member for Bothwell referred to the fact that this year, for the first time, the interest charged per head in the United States for the public debt was lighter than in Canada. Such is the case. While we are increasing our public debt, while we increased it last year by nearly $9,500,000, the United States diminished theirs by $63,000,000. While we are likely to increase our debt next year the United States are likely to diminish theirs by the sum of $95,000,000, Why, Sir, this line of conduct cannot be too severely condemned. We never can expect to secure prosperity if we pursue the course we have entered upon. We must retrench. We must say that we will not plunge ourselves one dollar deeper into debt than we find ourselves to-day. We should make it a point of our policy that we will run no more into debt. If we keep on in the course we are pursuing, if we constantly increase our public debt, this country is driving surely and rapidly to financial ruin.

Mr. Chairman, I think I may reasonably claim to have shown in the discussion of this question that changed circumstances in reference to this railway matter call for changed action; that the road of 1880, considering its changed character, is much more heavily subsidized than the one of 1874; that it is unnecessary to undertake the building of the eastern and the western sections for five years to come at least; that if the Government finish the Thunder Bay division and present it and the Pembina Branch to a company, the company can probably finish 1000 miles westward without further aid, and certainly by the aid of 2,000,000 acres of public land; that at the expiration of five years a grant of 8,000,000 acres of land will probably be ample to secure construction of section west of the Mountains by 1891; that at the expiration of five years a grant of $5,000,000 and 6,250,000 acres of land would secure the construction of the eastern section by 1891; that the saving to the country of these premises are correct would be over $30,000,000 and 8,750,000 acres of land; that until the eastern section was constructed the road would have four practicable outlets to the east, one of which would be superior as a commercial route to the eastern section; that the grant of land at $4 per acre, and the grant of money for the 1,000 miles west of Red River will build it and leave a profit of $50,000,000 in round numbers to the Syndicate; that the grant of land and money to the Jasper-Kamloops section will build it and leave a profit to the Syndicate of over $6,000,000, at three dollars an acre, and of $12,000,000 at four dollars an acre; that the grant of land and money to the eastern section will build it and leave a profit to the Syndicate of from $6,000,000 to $12,224,000, as we may consider the land worth $3 or $4 per acre

that the grand outcome will be that the Syndicate will have 2,700 milles of railway clear of cost and from $48,000,000 to $73,000,000 in money and property to boot; that the Union Pacific, with a cash loan of $26,500 per mile and a land grant of 12,800 acres per mile—even if the loan was a gift, was not as liberally subsidized as the Canada Pacific, by over $7,000 per mile, and $31,000,000 cash, while the money advanced is a loan that will be repaid; that the Northern Pacific land grant will not exceed in value per mile, that of the Canada Pacific, which latter has in addition, $12,500 per mile, and material duty free, and $31,000,000 on surveys, and road constructed by the Government and handed over to the Syndicate as a gift; that while the American roads were compelled by charter, to use rails and iron of American manufacture, our manufactures are discriminated against by admission of material and rails duty free; that while the United States Government reserved power to alter, amend, and repeal, no such safeguard is preserved in our case; that the lands of the Company are exempt from taxation for 20 years from the issuing of the patent, thereby throwing the cost of schools, roads, municipal expenses, and the maintenance of peace and order upon the population at large—a provision which never applied to American companies, except the Northern Pacific to a limited extent; that exemption from taxation will be of material service in enabling the Company to withhold their lands from sale if they so desire, and to become lords proprietor of a region one-fifth larger than Ireland with a tenant population possibly of millions; that the road, plant, stations, workshops and buildings, are exempt from taxation in perpetuity in the territory of Keewatin and the North-West, thereby shifting a burden to the shoulders of the people which, judging by the standard of the Union Pacific, will exceed $2..0,000 per annum; that a practical monopoly in the telegraph system of the North-West is created; that a great transportation monopoly is created which virtually hands over to one gigantic corporation's tender mercies the entire North-West; that the use of the power and wealth of great railway magnates, acquired at the expense of the public, is dangerous to the highest degree to public interest; that no safeguards are imposed to secure the construction of the road through the North-West, on the route best calculated to serve the interests of the country; that the interests of the great Province of Ontario are not properly secured, and that the scheme will add nearly $43,000,000 to the public debt, the net amount of which is now nearly $157,000,000, a sum largely in excess of prudent limits. This scheme, whether designedly so or not, is a great crime. Its supporters in the Government may take the attitude of criminal complicity, or of stupidity. If they choose the latter alternative, posterity will accord to each a coat of arms, the central figure, a head with drooping ears and pensive countenance—the head of the meditative donkey. As an act whose disastrous and far-reaching consequences cannot be appreciated fully at this hour, we arraign it before the assembled representatives of the people. As a great crime we arraign it at the bar of public opinion. The question calls imperatively for independent and honest action on the part of the members of this House. If they fail in their duty, if they forget the requirements of their trust, but a few short years will elapse before millions of Canadians will deeply regret its consummation, and the inexcusable stupidity of this House and the gentlemen upon the Treasury benches.

Mr. PATTERSON (Essex). It seems to me that the Government made one serious mistake, and only one, when they brought down this great measure to this House: they erred in judgment in supposing that this vitally important business transaction now under consideration, would be dealt with in a fair and liberal spirit by hon. members on the Opposition benches. Judging from the tone of the Opposition press throughout the country during the last few months, the Government might have anticipated the sort of treatment they would meet with in this House. They might have known, judging from the unprincipled manner in which gentlemen opposite have dealt with the statements of their opponents, suppressing what is true, suggesting what is untrue, and manipulating figures, what they would have to anticipate in future. I am not surprised, Sir, that they have done so—that they have sought to stimulate the popular passions and snatch a verdict from the country under false pretences. The witty Frenchman, who said that the English people took their pleasure sadly, might have felt the appropriateness of his remark could he have seen how the hon. gentlemen opposite employed themselves during the recess. Instead of enjoying themselves at their own firesides at that particular period of the year which is supposed to be devoted to domestic peace, we found them speeding the fiery cross throughout Ontario. With some of their orators the heather was on fire. We find the gallant Knight of Napanee, like a Cassandra in pantaloons, shrieking "woe! woe!" and prophesying the destruction of the country wherever two or three could be gathered together to listen to his gloomy vaticinations, while his faithful henchman from South Ontario (Mr. Glen), like Mr. Laflamme's scrutineers who manipulated the ballot-boxes—was down in the cellar working the machine, and arranging for a supply of impromptu enthusiasm. Some of the hon. member's letters have got into the papers, and afford amusing proof of how this so-called enthusiasm was aroused. I would draw your attention to the wonderful success obtained in the constituency of South Ontario, by political letter writing. Before we are done with South Ontario, we may anticipate that we will have a complete and polite political letter-writer published in that constituency. It shows the manner in which public opinion is sought to be galvanized, in which the Liberals have sought to obtain those spontaneous outbursts of public indignation for which hon. gentlemen opposite seem determined to take out a patent, but, judging from the manner in which they have returned to the House, they do not seem to have succeeded very satisfactorily in their enterprise of enkindling the minds of the people of Ontario. Although we had numerous meetings, although we had my hon. friend from Brant (Mr. Paterson) and the hon. member for West Middlesex and others harrowing up the feelings of the back townships; although we had the hon. member for Duluth—I beg the hon. gentleman's pardon, I mean West Durham—flying from city to city, pursued by the hon. Minister of Railways as though he were an avenging fury, although we had the hon. member for West Elgin (Mr. Casey) holding forth in his constituency,—and I am told that one of his auditors reminded him at St. Thomas that the man who mistook a cow for a crow was not the man to criticise a contract; although we had the hon. member for North Ontario (Mr. Wheler) also stirring up his constituency and grappling with the subject, pretty much as Horace Greeley did with the subject of farming, whose book on that subject it was said should have been styled "what I do not know" instead of "what I do know" about farming—although we had all those efforts made to arouse the opposition of the people, yet we find the hon. member for West Durham and his followers returned with angry scowls and lowering brows, frightening the pages and messengers in the corridors, and exhibiting generally that they have not succeeded in persuading the people that the country has been ruined by the right hon. leader of the Government and his colleagues. My hon. friend from North Norfolk, who generally makes a speech and then leaves, was to have made a speech at Windsor during the recess, and it may not be inappropriate to explain to you from that instance the manner in which all these spontaneous outbursts of indignation have been organized throughout the

country. About a week before Christmas I saw day after day a notice in the *Globe* that a meeting was to be held in Windsor the 27th of December, and I hastened home in order to be present at it. When I arrived I found that no one knew anything about it. At last I met an old Grit friend of mine—for I have personal friends even among the Grits—and I said "How about this meeting?" He said "They telegraphed us to try and have a meeting; we did not want a meeting just now," and then they telegraphed us that Mr. Charlton was at our service. I asked: "Why did you not let him come?" "Oh," a friend who was standing by replied, "by the time he came he might have changed his mind." The hon. member for North Norfolk, therefore, instead of playing first violin at Windsor on 27th of December, had to content himself with playing second fiddle in London. Now the question is, these gentlemen having returned from their melancholy mission, are they mad? Are they bought or are they sold? My humble opinion is that they are sold, and very badly sold at that. They have not succeeded, as far as I can ascertain, in arousing the popular indignation they expected. I have had opportunities during the long journey I took to the extreme west of Ontario, of meeting many men of both political parties and discussing this contract with them. I have not met a man, be he Grit or Tory, that does not wish that the road shall go on. They may make objections to minor points, but there is not a man among them who wishes it to be stopped. When I asked them: "If you had in one balance the road, and in the other any particular clause, would you give up the road rather than retain the clause?" And the invariable answer was "No." Notwithstanding the great efforts of hon. gentlemen opposite, the right hon. the First Minister can rest assured that the heart of the country is with him—I can vouch for at least the western portion of Ontario. I met an old farmer at Chatham station on my way down. He got talking to me very naturally about matters at the Capital. He said: "How is this contract business getting on?" To test the man, an old acquaintance, whom I had always looked upon as a Reformer, I said: I am afraid Sir John is not doing well." "Oh!" he replied, "I do not know. I went to hear Mackenzie at the Music Hall, in Chatham, the Saturday before the last election. I believed he was an honest man and voted for his candidate, but it is all changed now; I would rather trust John A. a little wrong than I would yon man Blake, right or wrong." That is the sentiment of the country. As regards the honorable member for North Norfolk, it would be much more agreeable to my feelings had that hon. member retained his seat after he had made his speech. I wished to invite him to Essex, to state to him that if he will come to Essex he will receive a cordial reception as a man, and a respectful hearing as a politician. But I make one condition, and that is that the hon. gentleman will have arrived at a mature opinion on the subject upon which he will address the people, that he will not be in a state of vacillation, because it would not be pleasant to have him come there and settle the people's minds, and then twelve months later change his own, because it takes the people longer than twelve months to change theirs. If he will arrive at a mature opinion on any one subject, we will receive him with open arms, and we will have no tickets. He will get a respectful meeting and no tickets required to admit people to hear him. The honorable member for North Norfolk was at one time a strong Protectionist. He educated me and a number of others in Western Ontario on the subject of Protection; but when the time was ripe and public opinion matured in favor of Protection then the hon. member had changed his mind. He had taken second thoughts on the subject. I can prove, before I sit down, that he is now entering on the third state of changing his mind on the subject of the Canadian Pacific Railway. I would remind the hon. gentleman, if he were in his seat, that

> "It is not true that second thoughts are best,
> But first and third, which are a riper first.
> Too ripe! too late! they come too late for use."

I wish to refer to the speech of the hon. member for North Norfolk in London. I quote his words from the *Globe*, which are as follows:—

> "He said he warned them to watch their representatives in Parliament, for it would pay the Syndicate well to spend a million dollars to secure the passage of this measure through this House."

Of course the hon. gentleman knows his political associates, and can speak for them, but I would ask the hon. member, if he were here, if he said that; and if so, is he prepared in his cooler moments to apologize, because I think he is the last man who ought to attempt to affix a stigma on this House, hailing, as he does, from the land where they elect their President by fraud, where the judges on the bench are forced to secure their election through the support of the criminal classes on whom they are afterwards to sit in judgment, where every city has its "boss," and every legislature its "lobby," where a long purse is of more weight than an honest heart and a wise head. A man hailing from that land should be the last to refer in the terms he has used to the Parliament of Canada, and in so doing he exhibits an audacity worthy of the fellow countryman of Col. Sellers and the Hon. Bardwell Slote. The hon. member for South Huron (Mr. Cameron) also the other evening insinuated that possibly even the judges of this country might be open to illegitimate conviction upon subjects of a cognate nature. All I have to say to the hon. gentleman is this: He knows himself best; perhaps it would be better for him never to take a judgeship; should he do so, let him pray "lead us not into temptation." One thing the Christmas recess lacked—a speech from the hon. member for Lambton. But as we are all aware, even had he been disposed to give us one, the hon. gentleman's physical condition would have prevented him; and I am sure that I speak the sentiments of the House and country when I tender him my respectful sympathy, and express the hope that he may be speedily restored to health and vigor.

Sir JOHN A. MACDONALD and other hon. members on the Ministerial side. Hear, hear.

Mr. PATTERSON. I am satisfied that, however we differ from the hon. member for Lambton, we respect him as an honest and sincere man, incapable of shams. But it is a singular coincidence that when this hon. gentleman was leader of the Government, the member for South Bruce, now the member for West Durham, was also occasionally afflicted with indisposition. At times he could not speak, and at other times he could not vote. You would sometimes see his coat-tails vanishing through the door as if their owner wished to get a breath of fresh air or gaze on the stars by night. Or sometimes the hon. gentleman would be seen wandering in the corridors of the Senate Chamber in close communication with members of that House, urging them to give their hearty support to the measures of their common leader, the member for Lambton; or, possibly, requiring a change of mental occupation, the member for West Durham might be discovered endeavoring to establish a new newspaper in order to take the bread from the mouths of the children of the man who had been his political patron, who had watched over his early political steps and fostered his political ambition—the man to whom he owes all he is politically in the Province of Ontario. In those days the member for West Durham was ill at ease, and gave vent to his feelings by propounding poetical conundrums to rustic audiences that will rank in future historical discussions with such mysteries as the sex of the Chevalier D'Eon, the

authorship of the letters of Junius, and the identity of the man in the iron mask.

"You ask me why though ill at ease,
Within this region I subsist."

This was the riddle which the hon. gentleman propounded. Possibly the solution would be that the hon. member felt that he was then only a mere private soldier in the ranks of the great Reform party, which had nothing to reform; and possibly over-estimating his own merits, he believed he ought to be generalissimo of the forces instead. Whatever the solution may be, he certainly achieved one great reform which entitled him to the position he craved—he cut down the bills of the cabmen of Ottawa having dealings with the Department of Justice. Did he not impress upon his constituents this great reform, and did they not reject him at the first opportunity? Talk to me after that of the gratitude of popular constituencies! In those days, too, the member for West Durham used to "languish for the warmer skies and palms and temples of the south;" and, Sir, considering the arrogance and egotism of the hon. gentleman and the autocratic manner in which he rules his subservient followers, I really think that a fat plantation under the old regime where he could have drilled his human chattels to his heart's content, would have been for him a not inappropriate resting place. But, "other times, other manners," and what would have been appropriate to the sunny south in other days and with its peculiar institutions is scarcely suited to the atmosphere of Ontario. I care not who the man may be, or how great intellectually or socially, the man who, in his native Province, in the city in which he has lived for nearly forty years, declines to meet his opponents on a public platform, even when the meeting is packed in his favour and the applause arranged beforehand, is a political coward, and though he may lead serfs and bigots, is out of harmony with the genius of our people, and cannot mould the minds of freemen. Shades of Grattan and Burke and Curran, of Plunket and Tierney, of O'Connell and Shiel, look down upon your degenerate fellow-countryman who fondly imagines that he concentrates in his own magnificent person the quintessence of all your powers; but yet who, in what may be called his native city, under the shadow of the great University of which he was an ornament, and over which he is now the presiding Chancellor, who, within the echoes of the corridors of those courts of law in which his silvery, persuasive tones may be almost any day heard with pleasure and instruction by the listener, and with huge profits to himself, who, under these favoring circumstances and with all these advantages, feared, when challenged, to meet upon the public platform, for the purpose of discussing the great question of the day, a little doctor from a fishing village in Nova Scotia! Turning to the more important subject under discussion, we have before us the contract for building the Canadian Pacific Railway within a limited time and for a specific amount. I do not intend taking up the time of this House in replying to the arguments of those who desire to delay the building of the railway or who advocate its construction only in part. The great majority of the people of the country desire that the road should be built with the least possible delay. They prefer that it should be built by a private company, and they insist that it shall be an all rail route through Canadian territory; and to those general features of the scheme hon. gentlemen opposite have again and again given their assent, as witness their speeches no longer ago than last Session. Mr. Blake, on 30th April, 1880, enunciated these views:

"Of course, it is obviously necessary that these lands are to form a fund for the construction of the railway."

Again the hon. gentleman stated:

"It has been repeatedly explained by my hon. friend the member for Lambton, that his intention was, as soon as the surveys were complete, to submit the whole road to tender on a land and money basis, the contractors taking over as cash on account the works meantime executed by the Government. * * * There was contained in the Act the power of doing the work by means of a company."

In his speech in this House on the 15th of April, 1880, the hon. gentleman who leads the Opposition used these words:

"But, meantime, further progress was made, and to some enquiries the Government answered that it hoped to be able shortly to advertise for tenders for the whole work on a land and money basis, subject to the approval of Parliament. It was the policy of the Government at the earliest moment at which the condition of the surveys would permit to take that step, and so to give a fair trial to the plan, the only plan by which the road could be constructed in any short time without the increase of taxation; and if that trial failed, it was obvious the whole question must be opened afresh for consideration, and that it would be the duty of the Government to consider of a new policy. Well, the advertisement was issued in May, 1878, I believe, for tenders for the whole line upon a land and money basis, and subsequently, I believe in August, for the construction of the middle part of the eastern link, I think in three sections, and also for the line from Yale to Kamloops."

In his speech of April 15th, 1880, *Hansard* vol. 2, 1441, Mr. Blake declines to accept the estimates of the Minister of Railways in regard to the cost of construction, but insists on adhering to those of the engineer and of Mr. Mackenzie, and computes the whole cost to be $120,000,000, as follows:

Canada Central subsidy	$ 1,550,000
Surveys	4,000,000
Fort William to Selkirk	18,000,000
Pembina Branch	1,500,000
Red River Bridge	100,000
Selkirk to Edmonton	17,650,000
Edmonton to Burrard Inlet	45,000,000
Fort William to Nipissing	32,000,000

His figures, when added, do not reach the total which the hon. gentleman gives, but it is just possible that he had not the hon. member for South Ontario (Mr. Glen) or the hon. member for North Norfolk (Mr. Charlton) at his elbow to add them up, and at all events a mistake of several hundred thousand dollars is a small matter to a gentleman of his genius. At that time the hon. gentleman made no objection to degrading the line. He said in the same speech:

"If the hon. Minister of Railways can find a plan by which he can construct the road with inferior curves and grades and in an inferior style to that heretofore contemplated, but reasonably good however, and the conversion of which to superior curves and grades and a first-class style can be ultimately secured, when needed, without much added cost, I think it may be a prudent thing to reduce for the present the expense in this way."

He also lays great stress on the fact that, once the road is completed and equipped, it would cost a sum estimated at from $6,750,000 to $8,000,000 a year to run it. At present, the hon. gentleman ignores all that; there is not a word in his speeches of this Session regarding the fact that the Syndicate will be at great expense for the first few years in running the road. The people are not informed of that fact, and I think, therefore, I am justified in saying these hon. gentlemen are trying to mislead the people upon this question. In their speeches these hon. gentlemen are treating the people with the same cynical contempt with which they treated them before their fall in 1878, with regard to their trade policy, and that cynical contempt for the common sense of the common people is fast becoming a characteristic of the hon. member for West Durham and those members who follow him. The hon. gentleman said in his speech last Session:

"All that we can get from the lands in that country, for the next few years, during which we shall be engaged in the construction of the road as far as Edmonton, will not, I believe, do more than help to eke out that interest."

He alleges that the result of the several calculations made as to the receipts from land were absurdly extravagant. He said further:

"But whatever you may think as to the calculations considered up to this point, I hold it to be clear that the estimates of the cash to be realized from land sales are still more extravagant. * * * It will be found that the map which the hon. gentleman brought down last night, and in which he depicted the barren spots as brown, is not at all "brown"

enough with reference to the North-West. It does not, by any means, accurately represent the extent of the bad and inferior land in that country. * * * The true average, assuming as the Government does, the lands to be taken up according to their relative value and attractiveness, and that the lands will bear the enhanced prices put on them, according to their proximity to the railway, instead of being $3 for these railway lands, is, when you allow for the varying widths of the belts, but $2.12½."

On the 14th December, 1880, the hon. gentleman estimated the value of the lands at $4.04, but to the hon. gentlemen opposite a period of eight months is a whole lifetime in the matter of consistency. I will now deal for a moment with the hon. member for North Norfolk (Mr. Charlton). On the 19th of April, 1880, that hon. gentleman said:

"The hon. the Minister of Railways, the other day, in his speech on this subject, referred to the Pacific Railway. He told us that the Union Pacific Railway—I suppose he meant the Union and Central Pacific Railway—passed through 1,000 miles of desert. The Union Pacific is but 1,024 miles long, and passes through the fertile valley of the Platte River, but the Canada Pacific Railway was to pass the same distance through a garden, although this garden has not yet been brought under cultivation. I fear that it will prove but little more productive than the country that the Union and Central Pacific Railway passes through."

Again, the hon. member for North Norfolk says:

"From the estimates, as to the extent of the arable land in that country, given by the hon. member for Lambton, it would appear that the total amount of arable lands south of the north line of the railway belt really does not exceed seventy millions of acres. I have no doubt this is a very liberal estimate. In addition to that, in the region north of that line, known as the Peace River country, we may have some arable lands. The arable lands of this region would all be contained in the section of country bounded on the south by the north line of the railway belt, on the east by a line projected north from the east end of Lesser Slave Lake, on the north by the line of 57° latitude, and on the west by the Rocky Mountains. This region would contain, by a rough estimate, 30,000,000 acres of land. The arable land contained in this region, and all the arable land to the north of it, would not make a total of more than 20,000,000 acres, so that we may safely conclude that the entire arable land in the entire Canadian North-West does not exceed 90,000,000 acres. It is barely possible that it may reach 95,000,000 acres. * * * The hon. Minister of Railways bases his estimate on an average price of $3 an acre for the lands sold. The correct average, under the present regulations, for homestead lands is $1.75, and for railway lands, $2.13. * * * As I have previously shown it took thirty years to place in that country the population that the hon. First Minister expects will flow into our own North-West in ten years."

But, now, we are going to have a great people there, and there is going to be a great revolution there some morning, if this contract is carried; the lands of the United States are all sold, and if not, they are all held at high prices. I ask you to contrast the hon. gentleman's statement of to-night with the statement made by him last year. Again, the hon. gentleman says:

"What does all this show as to the estimate of increased population? I think it shows conclusively that the calculations made by the hon. gentlemen on the Treasury benches are extravagant. What does all this show as to the quantity of arable land? It shows that the estimate made by the hon. the Minister of Railways, that we have 150,000,000 acres of arable land in the North-West, is exceedingly wide of the mark. He is deceiving himself and he is deceiving the country. He is guilty of a great wrong to the country if he involves it in a great expenditure, in the belief that the proceeds of land sales will repay the total outlay. What does it show as to the prospective revenue from lands? It shows that in place of receiving an average of $7,000,000 a year from land sales for the next ten years, he is not likely to realize a net return of one-seventh of that amount."

The hon. gentleman in his speech to-night takes different ground. He has had a second thought, and changed his mind; he spoke rashly eight months ago, and before he thought on the subject. From what we know of the hon. gentleman, he is not a safe guide for the hon. members of this House. Should circumstances compel us to have a Session in the autumn of 1881, he would probably again have changed his mind, and until he has formed his mature and ripe opinion on the subject, I think he had better not trouble this House with his opinion at all. The hon. member for Lambton said in the same debates in April, 1880, page 1553 of the *Hansard:*

"If the consent of this House is obtained to the Government's proposition upon the faith of its obtaining the entire cost of the road, and a great deal more from the land sales, then hon. members will be deceived. I believe it is impossible to obtain the means in this way."

And again:

"It is impossible, after examining the official reports, to avoid coming to the conclusion that something less than one-half the entire area of the land is fertile; and, after deducting from the lands available for sale to settlers, the Hudson's Bay lands, free grants, Indian reserves, school lands, etc., it will be found that the hon. gentleman's calculations, as to the money to be realized from these lands, will be very wide of the mark. * * * * * Having thus satisfied myself—indeed, I do not require any additional information to satisfy myself—on this point, that it is impossible for the Government to build the road from the proceeds of the lands of the North-West, I have to consider what is the best course to be pursued. I have always held that whatever revenue is realized from the lands, will be absorbed mainly in settlement and Governmental expenses, and that the money must be contributed by the people of Canada for the building of this Railway; that, therefore, any extravagant expenditure would simply involve us in an amount of debt such as we cannot venture to carry."

The hon. member for Gloucester (Mr. Anglin), on this occasion, said:

"Now, I quite agree with the hon. member for Victoria (Mr. DeCosmos) that it was not within the competence of this Parliament, after having deliberately adopted that Address, to alter very materially the terms of the agreement by its own action, and, therefore, although that cannot bind us as to anything absolutely impossible, or anything that might seem ruinous to this country, nevertheless, I have always felt that this Dominion was bound to carry out the terms of that agreement, strictly in the letter, and in the spirit, were that possible."

And again, at page 1582 of *Hansard*, 1880, the hon. gentleman says:

"We were opposed also to the mode in which the Government of that day proposed that the obligations incurred should be fulfilled, because many of us felt that if that company, created by the Government of that day, commenced actual operations, $30,000,000 and 50,000,000 acres of land would not be all that we would be compelled to contribute towards that work. * * * Capitalists in Europe could not see sufficient security for the vast sums required for this gigantic undertaking. They looked for something substantial, and found nothing but the $30,000,000. They did not attach the value attached by hon. gentlemen opposite to the 50,000,000 acres of land."

That was the occasion when the hon. gentlemen opposite were successful through their intrigues in England and by subsidizing the London press in defeating Sir Hugh Allan's attempt to raise money on his charter in the English market. Again, the hon. member for Gloucester says, referring to his colleague from West Durham (Mr. Blake):

"It may be well to summarize briefly the arguments advanced by that hon. gentleman in support of his resolution. He said in the first place, and I think he proved, that even if the lands in the North-West are as extensive and as fertile as it is alleged, even if as much emigration as hon. gentlemen opposite say they expect will flow into that country, even if the land can be sold in such quantity and for the prices expected—the net proceeds of the sale of those lands will not be sufficient to pay the cost of this railway or anything like it. The hon. member clearly proved that the net proceeds of the land to be sold in that country would be entirely insufficient to pay the cost of this railway."

That is the deliberate enunciation of the views of hon. gentlemen opposite as recorded in the *Hansard* of 1880. Now to come down again to the hon. gentleman from North Norfolk (Mr. Charlton). The hon. member told us, by the way, that he was through when he was done. But he is never through. The hon. member reminds me of Tom Moore's epigram on Castlereagh: Why is a pump like Viscount Castlereagh?

"Because it is a clumsy thing of wood,
Which, up and down, its awkward arm doth sway,
And coolly spout and spout and spout away,
In one weak, washy, everlasting flood."

Now, I contrast the utterances of the member for North Norfolk, in his speech made upon the Bill introduced by the hon. member for Bothwell, and his utterances made in his recent excursions in the Province. In his speech on the Bill the hon. gentleman said:

"It was useless to think of opening up and settling this country (the North-West) without furnishing it with railway facilities. Now, it had been said that the American railways were subsidized to a greater extent than necessary; perhaps that had in some instances been the case; but the Illinois Central railway had populated the vast prairie region in the centre of the State, and had contributed in an important degree to make Illinois the third State in the Union."

Now, what did the hon. gentleman say in London, when he was playing second fiddle for the hon. member for West Durham? He said:

"The line through the unproductive regions could not be made to pay as a commercial speculation, and he criticised very strongly the policy which had hitherto allowed such large sums to be sunk in public works which did not pay even interest upon the amount invested. He characterized the present bargain as the great railway fraud of the century, and said that if it passed in its present shape it would be so regarded by future generations."

If the hon. member for Lambton had only succeeded in carrying out his scheme and in getting branch lines in accordance with the scheme of the hon. member for Bothwell, the hon. member for North Norfork would have given it his heartiest support. Again, the hon. member said, in 1878:

"They had already lost too much time in developing the resources of Canada. Under the administration of the hon. gentlemen opposite the country had remained like a ship at anchor, without making progress * * * * The energies of this country were arrested until the hon. gentlemen went out of office, and it now devolved on the present (Mr. Mackenzie's) Government to people and develop the country with the utmost celerity."

That was in 1878, but in 1880 at London, as reported in his organ the *Globe*, what did the hon. member say:

"He found fault with the haste with which it was proposed to hurry forward the construction of the whole work, and claimed that by building the line across the prairie in the meantime the settlement of the country could be accomplished more rapidly, and then if it was deemed advisable to construct the line across the Rocky Mountains it could be done by the year 1891, the time fixed for the completion of the road under the present bargain."

So the hon. gentleman who reproached my right hon. friend the leader of the Government for not having urged forward the scheme more rapidly in 1878, for having left the ship at anchor and kept down the expenditure, now, reproaches him for being in too great a hurry to carry out in 1881 what the hon. gentleman was urging forward in 1878. Again, the hon. gentleman said, in 1878:

"The United States had never accounted their public domain a great source of wealth from proceeds of sales: they deemed it of more importance to get settlers on their lands than to gain a paltry sum by the sale of them. He held that the only policy to open up these large tracts of country was a liberal railway policy: and that while it was proper to exercise due caution, it would not be good policy to postpone the building of the lines for the sake of saving a few hundred acres to the mile."

But in 1880 the hon. gentleman said at London:

"He dealt with the present division of subsidies, showing that the eastern and western sections were to be robbed for the benefit of the prairie section, and pointed out the temptation which existed for the syndicate to make all they could out of that section, leaving unbuilt the others on which the subsidy was relatively smaller. Referring to the value of the lands in the North-West, he showed that the railway, when constructed, would make them valuable, and that there being comparatively little cheap land in the United States open for settlement, immigration must soon turn to the Canadian North-West. This would tend to make the land there valuable."

Again, the hon. gentleman said, in 1878—this was a lifetime ago in his case:

"They could not induce capitalists to embark in a speculation of that kind unless they offered liberal terms. * * They were told these railway claims were going to absorb the whole of the North-West. Under no circumstances could they absorb more than half of it, even were parallel lines to run so close to each other that these grants joined, for in that case the Government would still have each alternate section."

But in 1880 the tone is entirely changed. The hon. gentleman, at London, said, as reported by the *Globe*:

"The price of railway lands in the adjoining States was $6.25 per acre. As the land granted to the Syndicate was to be all good land fit for settlement, and as they were allowed to choose all they possibly could within a belt of 24 miles from the railway, selecting the rest from the fertile belt, it ought to be worth fully as much as the American railway lands per acre. Taking a low estimate, it could not be worth less than $4 an acre."

But, last Session, the land was worth only $2.13 per acre, and 80 per cent. of it was to be absorbed in the sale. The hon. gentleman continued: "He warned the audience that if this measure passed, it would tend to create the class of railway rings which, in the United States, had made immense fortunes out of the exorbitant tolls charged upon the Western products which they carried to market." After reading those speeches of the hon. gentleman and listening to his speech to-night, I think we, on this side, can cast back on the man who is capable of such inconsistency any stigma or slur he may have attempted to fix on the members of this House in the remarks I quoted. I think I have satisfactorily proven, from the utterances of the leader of the Opposition, as reported in *Hansard*, that the policy of the present Opposition was to build the road by means of cash and land grants; that he estimated the cost at a much larger sum than that estimated by the hon. Minister of Railways; that his policy was the building of a cheap road, and that he estimated the cost of running such a road, when constructed, at from $6,750,000 to $8,000,000 a year. Now, however, hon. gentlemen opposite ignore the great expenditure which this Syndicate will have to incur in running the road for years, while that country is being settled, and while they are engaged in carrying on that road to the settled district. The hon. leader of the Opposition also stated the average value of the railway lands was only $2.12½, and pre-emption lands $1.75 per acre, and that the North-West was an unproductive field for immigration. The hon. member for North Norfolk laid down the following proposition: That the North-West was as barren a country on the whole as that through which the Union Pacific Railway passed in the United States, that not more than 95,000,000 acres of land, at the outside, could be found in the entire North-West, and that the value of the railway lands was only $2.13 per acre. He also stated that immigration would not be larger, and that but little revenue could be expected from the lands. The hon. member for Lambton said it was impossible to build the road out of the proceeds of the lands, also that after deducting the claims of the Hudson Bay Company, the free grants, Indian reserves and school lands, he was satisfied it was impossible for the Government to build the road from the proceeds of the lands, but that these would be absorbed in the settlement of the country, so that the money must be contributed by the people if the road was to be built at all. Again, the views of the hon. member for Gloucester (Mr. Anglin) were that the Dominion was bound by the terms of Confederation to build the road to the Pacific Ocean; that $30,000,000 and 50,000,000 acres were not sufficient to induce capitalists to undertake the work. The hon. member for St. John (Mr. Burpee) also stated:

"When we consider the unproductive nature of the public works of the Dominion, and the enormous tax they now are on the Dominion revenue, we may well ask what will be the result of such taxes upon our revenue when the Pacific Railway is built and running from Lake Superior to Winnipeg, and from thence to British Columbia. The expenses of running such a line after it is built will be something enormous."

Hon. gentlemen opposite now would prefer that the Government should go on and construct the work, and incur this enormous outlay. It is claimed, among the objections to this scheme, that the contract should have been submitted to the people, that there should have been a dissolution of Parliament. I know of nothing in our constitution to warrant such a demand. I do not know of a single case in British history, in which a question of this nature has been submitted to the people. I only know of one precedent, referred to by gentlemen opposite, where a question which should have been submitted, was not submitted to the people. I refer to the union of Great Britain and Ireland, and I consider it the greatest blot on the memory of Pitt that he allowed such an outrage to be perpetrated by his cattle hacks upon a free people. But while I contend that it was not within the legislative scope of the Irish Parliament to vote itself out of existence and that the proposed legislative

union should have been submitted to the people, no one will pretend to say that that Parliament was not competent to enter upon any great scheme for the improvement of the internal condition of the country. When the question of Confederation was before the old Parliament of Canada, the late Hon. John Hillyard Cameron and the present Hon. Mr. Justice Matthew Crooks Cameron desired that that question should be submitted to the people, and the only Reformer who supported them was the member for South Wentworth (*Mr. Rymal*). That question was one which involved a change in our constitutional system and in all our political relations, and it was one which I have always believed should properly have been submitted to the people; but though only one of their number was found supporting such an appeal to the electors on that occasion, and upon a question of constitutional change, they are now found arguing that a matter which is merely a commercial transaction, one which has been before the country for ten years, and during three successive general elections, should be submitted to the vote of the people. And there is this additional fact, that at the moment when only one Reformer was found supporting the little band of Tories who desired that the question of Confederation should be submitted to the vote of the people, the Reformers of the old Province of Upper Canada, now the Province of Ontario, were in a large majority in that House. As an hon. member beside me suggests, they were in power then and that made all the difference. The people have declared upon this question with no uncertain sound, and their expressed desire is that the work should be proceeded with, with the least possible delay. No manipulation of figures and no misrepresentation of facts can alter their opinion on that subject. The results of the meetings which these hon. gentlemen have held throughout the country, the absence of petitions coming to this House in spite of the daily urging of the *Globe*, the defeat of these hon. gentlemen and their attempts to carry resolutions of non-confidence in the Government, in some of their strongholds, all go to justify us in thinking that the people refuse to be the medium of bringing these hon. gentlemen back to power, and are heartily in accord with the Government in bringing forward this scheme for the completion of the railway at the earliest possible moment. Among the objections which are taken to the contract are the creation of an alleged land monopoly, the exemption from taxation, and the admission of materials free from duty. But if the Government had continued the work as a national enterprise the position would have been the same; and the fact that the exemption is only for twenty years, is the best reply to the cry of a land monopoly. It will be to the interest of the Company to sell their lands, for if they do not bring in settlers the railway will not pay them and they will soon find that thay have entered on a ruinous enterprise. It has been proved by hon. members on this side of the House, that it would pay them better to sell the lands at a low figure, and carry the produce of these lands, than attempt to create the huge monopoly which has been painted in such striking colors by hon. gentlemen opposite. It will be to their interest to sell the lands within the period prescribed, so as to avoid taxation, because as soon as provinces and municipalities are erected in that country, and population begins to flow in, the people will be able, so soon as the limitation period has expired, to make the Syndicate pay for their school-houses, town-halls, roads and other improvements. Hon. gentlemen opposite have alluded to the National Policy in connection with this matter, and it is really touching to the heart to notice how they grieve over any infraction of the solid wall which surrounds that policy. The tears which they mingle on the subject of the admission of materials free of duty are extremely affecting to members on this side of the House. Our memories are very short; we have forgotten the speeches they made in 1879 and 1880 on the Tariff question, and are deeply touched by their exhibitions of grief over the National Policy. These hon. gentlemen, when they were addressing their meetings in the country, forgot to tell the people that by far the most important material which is to be introduced free of duty is at present untaxed. The members of the Syndicate who, for the most part, are friends and political allies of hon. gentlemen opposite, knowing their inconsistencies wish to bind the country so that in case of such an unfortunate thing occurring as the return of these hon. gentlemen to power they may not be in a position to heap taxes upon them for materials to be used in the construction of the road. Now, as regards the introduction of material free from duty, I am free to confess that, so far as my personal preferences are concerned, I would rather this material were not introduced free of duty; I would rather, so far as my personal preferences are concerned, that the lands were not free of taxation; I would rather that the municipal taxes were not restricted; I would rather that the clause with reference to the tolls for freight were made clearer to my mind. But when I take the matter as a whole, when I have to choose between this scheme and one which would throw Canada back for twenty years, I prefer to take it with all its risks and restrictions than retard the progress of the country. Hon. gentlemen opposite, in addressing the country at meetings and through their organs, with respect to the exemption of material from duty, fail to point to the fact that it is only the original material which is to be introduced free. That will be an inducement to this Company to build a good, solid road-bed, a road of a permanent character, and I think that fact overcomes the objection raised by hon. gentlemen as to the standard of the road. It cannot be that the standard of the road will be an inferior one and that it will at the same time be a loss to the country to introduce the material free of duty. Hon. gentlemen also enlarged upon the freedom of the road-bed and buildings from municipal taxation. They forgot to mention that nearly two-thirds of the Pacific Railway, when built, will run through provinces at present organized, and that no legislation of this House can interfere with the rights of those provinces to pass such municipal laws as they please, whereby the railway running through those provinces can be taxed. There is a doubt in my mind whether the Dominion Parliament can tie up the legislatures of the provinces to be created in dealing with such a subject. But even if it can, I think it was clearly proved by my hon. friend from Monck (Mr. McCallum) the other night how trifling an amount of taxation would be derived by the municipalities from the Pacific Railway running through them. The Great Western Railway runs through a number of townships in the county I represent, and, with the exception of Windsor, where the railway has workshops and a river frontage of a mile, the taxes obtained by the municipalities through which the railway runs, are the merest trifle; and it is a waste of the time of this House, and an imposition upon the intelligence of the country, for hon. gentlemen opposite to raise such a trifling point in connection with this great undertaking. Then, as to the rates, hon. gentlemen opposite fail to tell the people of this country that the rates which are permitted to be levied are five per cent. lower than the general Railway Act permits the railway companies throughout the Dominion of Canada to levy. These little matters are overlooked by them. They present a false picture to the country. They do not look at both sides. They ask for a full, free and fair discussion; but never until the knell of doom is struck, can you expect to get a full, free and fair discussion on any subject in which the party of hon. gentlemen opposite is interested. Last Session an attempt was made to alarm the representatives from the Province of Quebec respecting the route of the proposed road; they were to fall into the net of the cunning fowler who leads the

Opposition. But now the people of Ontario are to be alarmed; now the heart of Ontario is to be stirred up, and we are to have justice done to Ontario. The Sault Ste. Marie Branch is the theme of hon. gentlemen opposite. In former days I can remember their real leader, in his organ, denouncing, in that robust Anglo-Saxon which so characterized him, any such project as the Sault Ste. Marie Branch; in those days they looked upon a railway through our own territory as a necessity to our national existence. I believed in an all-rail route then, and the only difference between hon. gentlemen and me is that I believe in it still. The Sault Ste. Marie Branch can afford to take care of itself as a commercial speculation; but even if it could not, and it should be thought desirable on the part of this Government to grant aid to the Sault Ste. Marie Branch, and to the Ontario Pacific Junction Railway, I would heartily approve of the Government doing so, in the interest of the Province of Ontario. But, Sir, I do not believe in the Government being coerced at this time into any development of their policy on that subject. I do not believe that when the Government are in a tight place hon. gentlemen should take advantage of them to extract a promise from their sense of fear which they could never obtain from their sense of justice. Sir, the cry of alarm in the Province of Ontario falls on very indifferent ears. The people of Ontario are not alarmed. They have every confidence in the leader of the Government, and they are satisfied that, so long as Sir John Macdonald is at the helm the Ship of State will ride safely. The security for the building of the road is another subject which seems to have exercised the minds of the hon. gentlemen opposite; but they themselves supply the most suitable answer to themselves on that subject. While, as a matter of fact, the Government have obtained adequate security for the completion of the road, yet even if they had not done so, the fact that these gentlemen object to the existing security and almost in the same breath object to the vast fortunes which are to be accumulated by this Syndicate, is sufficient to show that their objections are worthless. If the undertaking is of such a profitable character as hon. gentlemen opposite have represented, there can be no danger as to the completion of the work by the Syndicate. I only hope that it may be of a profitable character to them; I hope these gentlemen may make large fortunes, and I hope that, in making fortunes for themselves, they may also be of great benefit to the Dominion of Canada. I have read the speeches of hon. gentlemen opposite, when in power, in which they have referred to the peaceful sacrifices required by the people—that is, when the Cassandra for Centre Huron wanted to place additional taxation on the people. In those days taxation meant peaceful sacrifices; and when I observe the enormous debts with which European countries are loaded down, I think how grateful the people of the Dominion ought to be, that their burden is so light. The debts of the older countries of the civilized world have been incurred for wars in many cases, for what was called the gratification of honour, or the greed of territorial extension. The debt of Canada has been incurred entirely for works of peace and peaceful development, and the promotion of the best interests of the country. We can point to our great useful public works as assets to balance the debt incurred in their construction. With regard to the price to be paid for this great railway, hon. gentlemen opposite use varying and bewildering figures as to the value of the land. Some put it at $4 and others at $5 an acre, their calculations being almost a puzzle to any one not a calculating machine. As I figure the matter, I see it in this light: We have already incurred, or are about to incur, in the construction of the road as begun by the late Government and carried on by the present, an expenditure of $28,000,000. We have also to pay to the Syndicate $25,000,000 in money as the road progresses, making in all $53,000,000. In addition to that, we have to set apart for the Company, 25,000,000 acres of land; and we have still left 75,000,00 acres, set apart by this Parliament for railway purposes, which, according to hon. gentlemen opposite, at $4 an acre, are worth $300,000,000. We have, then, on the other hand, a debt of $53,000,000. Even if we deduct from that large amount the cost of the management and sale of those lands, if those $300,000,000 will not wipe off the debt of $53,000,000, the Finance Minister had better give way to the hon. gentleman from Centre Huron. I think that the scheme will pay, and that not only will the road be built by it, but we shall have our existing debt on Pacific Railway account wiped out; that instead of its being a burden upon the older Provinces of Ontario, Quebec, Nova Scotia and New Brunswick, it will relieve them of their present burdens and of those that may be anticipated. Their people will never have to pay out of their pockets one dollar of the $25,000,000 of subsidy. If, as one hon. gentleman opposite says, the lands are worth $5 an acre, our 75,000,000 acres will yield us $375,000,000. Before we are done with those great Opposition calculations the value of the lands will have been so enhanced that some hon. members will, probably, be seen resigning their seats and begging the Syndicate to take them in on the ground of former political friendship. It strikes me that hon. gentlemen opposite are themselves responsible for the terms with the Syndicate not being better than they really are. I can just fancy the leader of the Government and Minister of Railways discussing them with the Syndicate, and naturally trying to make the best bargain for the country, endeavoring to have their estimate of the value of the lands in the North-West accepted and acted upon. We will then suppose Mr. Stephen or Mr. Angus replying, in striving to get the best terms for the Syndicate: "Sir John, we have always heard of your persuasive tongue, and that you have even been able to humbug Earl Beaconsfield;" "Sir Charles, your opponents credit you with having a very vivid imagination; we cannot accept your estimate at present; look at what Mr. Blake and Mr. Mackenzie and Mr. Charlton have said on the subject of the value of the lands." The consequence would be that the Company would ask less land and more money, to insure themselves against any loss from the sale of lands of the modest value formerly set upon them by the Opposition, and Ministers would be obliged to come to such terms as they believed it was in the interest of the country to accede to. I hold, and shall continue to hold hon. gentlemen opposite responsible for any unfavorable terms, restrictions or minor grievances in connection with this contract. Had they been patriotic men and joined hands with the Minister of Railways and said, "We believe your views are correct and that the lands are worth what you have claimed," I honestly believe that for half the money and very little more land we could have got the railway, and possibly those restrictions now complained of by hon. gentlemen opposite would never have existed. When they gave rein to their imagination to make political capital and cried down the value of our lands and resources, they little thought of the damage they were inflicting upon their country. If they consider the people are idiots or dolts in judging of their conduct and pretensions, they are very much mistaken. There is a degree of intelligence and an amount of general reading now throughout the Provinces which will enable the people to mete out to the hon. gentlemen opposite a fitting doom for their conduct. The hon. member for North Norfolk dares to get up in this House and threaten the right hon. leader of the Government with the consequences to him in the future. That hon. gentleman, in common with other leading gentlemen on that side of the House, are the persons who are responsible if the terms of the contract have not been more favorable to Canada. Those hon. gentlemen seem to have ignored

the expense in connection with the equipment and running of the road. They ignored the estimate placed upon it by the leader of the Opposition last Session when he said the running of this road when completed would cost $6,750,000. Now, I think we are justified in saying that we have saved to the people on this point an average of $7,000,000 a year, and what will that amount to capitalized. The hon. gentlemen are fond of calculations and percentages; I have given them some to take home with them and sleep upon to-night. There is one point upon which both sides of this House have been over-sanguine in the past, and that is in connection with populating the North-West. I have not hitherto been very sanguine as to its speedily becoming populated. I think the immigration policy of the Government of this country, no matter which party was in power, has never been a great success. The men employed as agents have generally been political hacks on both sides, and have not done much more than draw their salaries. We have to contend with the fact that we are living under a monarchical form of Government, and that people leaving Europe for America prefer to go to the United States, of which they have heard so much more than of Canada, and whose form of Government offers a stronger contrast to those rigorous Governments they leave behind them. Again, the railway policy of the United States has offered great inducements to immigrants. I think the hon. member for West Middlesex (Mr. Ross) said last year that they had given away 180,000,000 of acres of land. The companies who owned these lands were all emigration agents of the best class. I therefore believe that the Canadian Pacific Railway Syndicate will be the best immigration agent we ever had in inducing emigrants to come to this country. And if we do not receive $1 of money from the lands of the North-West to pay for this road, the immigration will be of such an extensive character that the revenue derived from the additional population will pay off all the debt that may be incurred. I have noticed in this discussion numerous slurs cast upon the Minister of Railways by hon. members opposite. For months past that hon. gentleman has been the object of the calumny and slander of the Opposition press. He has been the object of the vile slanders and viler inuendoes which have received the tacit approval of the hon. leader of the Opposition. The hon. member for Centre Huron (Sir Richard J. Cartwright), the Cassandra of that party in this House, the other night was guilty of language towards the hon. Minister of Railways which I considered was quite unbecoming from one gentleman to another. He received a merited rebuke from this side; but not one word of remonstrance from his colleagues who sat beside him. I think the hon. Minister of Railways has been a shining mark for the shafts and arrows of his opponents. When I contrast his career with that of those who have assailed him, it strikes me that he is very much their superior. One of the hon. gentlemen who assailed him is the inheritor of a respected name and a professional standing, he might in fact be styled a ward of chancery, who has had all things made easy to him. The other has wealth and position, for which he never toiled. I do not say he could not have acquired them, but as a matter of fact he never did. He also had a herditary claim to an important constituency in this country which he betrayed and which has rejected him. These hon. gentlemen have had advantages which the hon. member for Cumberland (Sir Charles Tupper) never possessed. Life has been to him a much more arduous career than to either of the hon. gentlemen opposite, these amateur Radicals and aristocratic demagogues, *Arcades ambo*, who are clamoring over the profits of the Syndicate. In my opinion, Sir,—

> "The very best thing that the market holds forth,
> As a fat speculation for lovers of pelf;
> Is to buy them both up at the price they are worth,
> And sell each at the price which he puts on himself."

As regards the hon. member for Cumberland, when in calmer hours the history of this railway scheme is considered, and when the people come to appreciate the great part he has taken in carrying forward this enterprise in the interest of this country, I am satisfied his services will be valued at their true worth, although they can never be adequately rewarded, and that in connection with them we may indeed apply to the hon. the Minister of Railways the language of the English poet laureate, and illustrate his career by the career of one of whom the laureate sings:

> "Who breaks his birth's invidious bar,
> And grasps the skirts of happy chance,
> And breasts the blows of circumstance,
> And grapples with his evil star;
>
> Who makes by force his merit known
> And lives to clutch the golden keys,
> To mould a mighty State's decrees,
> And shape the whisper of the throne;
>
> And moving up from high to higher,
> Becomes on Fortune's crowning slope
> The pillar of the people's hope,
> The centre of the land's desire."

I think that that will be considered a much more fitting tribute to the merit of the hon. member for Cumberland than any which has been bestowed upon him by hon. gentlemen opposite. The hon. member for North Norfolk on one or two occasions attempted to cast reflection on the fame of the right hon. the leader of the Government in connection with the passage of this measure. I take issue with the hon. gentleman on this subject. I consider that the people of this country will appreciate the crowning work of the right hon. gentleman's life to be that he has at last accomplished this great scheme, the construction of this great trans-continental railway, that he has been successful in doing what hon. gentlemen opposite utterly failed to do; that he has succeeded in opening up the North-West and giving us an opportunity of adding untold millions to our population. Now, while in other countries we have seen "The Man on Horseback and the Man of Blood and Iron," consolidating empires and enlarging territories, we have in this country during the many years the right hon. gentleman presided over her destinies, not seen one drop of blood shed in promoting her prosperity and adding to her territory. He has continuously promoted the development of this country from the time he took hold of the old Province of Canada when he found it distracted by sectional and religious discord, down to the present day, when he has succeeded in laying the great scheme before this House, which I am sure will meet with the approbation of the country at large. During the whole of his career he can boast what no other statesman in any civilized country can boast—that it has been marked by the absence of bloodshed, by the absence of military rule, and by the peaceful development of the country over which he has presided. Hon. gentlemen opposite generally address an appeal to hon. members on this side before taking their seat, requesting them to think of the interest of the country, to weigh well the course we are pursuing, and to remember this is a matter in which members would be justified in casting aside their party allegiance and voting according to their convictions, Now, I appeal to hon. gentlemen opposite, who have followed their leaders blindly through their various policies, not to allow themselves to be driven like cattle, but to act like freemen. Sir, I would fain hope that better counsels would prevail among hon. gentlemen opposite, that in their lucid intervals, for even they, I trust, have lucid intervals, they may recognize the fact that the manufacture of political dynamite is a dangerous amusement, which is apt to prove injurious to those indulging in it. And if they really desire the pros-

perity of the country, that this end is to be attained not by belittling this and lauding other countries at its expense, but rather by patriotically joining to promote our common interests, and so make this Dominion what it is destined to become, even in spite of them, the great Northern Empire of the new world.

Mr. RINFRET. I cannot allow the discussion that is now going on upon the question of the Pacific Railway to pass without offering a few remarks. At this advanced stage of the debate, when the principal speakers have been heard, when the subject is, so to speak, exhausted, I do not intend to occupy at any great length the attention of this honorable House. This is not the first time, Mr. Chairman, that it is proposed to build the Pacific Railway by means of a Syndicate. Already, in 1871, it was decided that this road should be constructed by grants of land and a monied subsidy. In 1874, when the hon. member for Lambton occupied the position of Prime Minister, he followed out, on this point, the policy of his predecessor, and he offered to subsidize any company that would undertake the work. Both the political parties that divide this honorable House have therefore concurred in the same opinion with regard to this important question; and, if I, to-day, oppose the policy of hon. Ministers, it is not because the construction of the Pacific Railway has been entrusted to a Syndicate, but because the contract that the members of the Syndicate seems to have forced upon the Government contains provisions that ought not to be ratified by the Parliament of Canada; it is because the adoption of this contract would impose burdens upon us entirely incommensurate with the resources of the country. I think, Mr. Chairman, that we would find in this honorable House but few members disposed to accept without murmuring and without restrictions, the conditions that are offered us by the Syndicate; and apprehension on this subject has become so general and so important, that the hon. the Minister of Public Works saw fit to plead attenuating circumstances. In fact, he submitted the contract to this honorable House, not as a bargain concluded between two unfettered parties, but rather as a bargain forged upon us by a concourse of circumstances that the Government were unable to control. He spoke, among other things, of the engagements that we have entered into with British Columbia. I believe, Mr. Chairman, that no member of this honorable House will question the obligations that we entered into with British Columbia. When Brittsh Columbia consented to become a part of the Confederation, she laid down as a first condition the building of the Pacific Railway. This condition was accepted. But then, as well as now, there were apprehensions with regard to this gigantic undertaking. In order to reassure his followers, perhaps I should rather say, in order that the vote should be favorable to the Government, Sir George E. Cartier was obliged at the same time to have another resolution passed by the Parliament of Canada, promising that the burdens of the country should not be increased for the construction of the Pacific Railway. Thus we have contracted at the same time two distinct obligations; the first, towards British Columbia, to build the Pacific Railway, and the other, towards the Dominion of Canada, not to increase the burden of taxation. These two obligations have been endorsed by all the governments that have succeeded one another since 1871. The hon. member for Lambton recognized the obligations of the Government towards British Columbia, but, on the other hand, he several times had resolutions passed in the House, reaffirming our obligations towards the Dominion not to increase the burden of taxation. At each Session of the present Parliament the hon. Minister of Railways has always endeavored to show that while fulfilling our obligations towards British Columbia he would not increase the public burdens. As is well known, he contended in each of his speeches on this subject that the sale of land in the North-West would more than pay the enormous debt that we were contracting for the building of the Pacific Railway. I beg leave to differ entirely with the hon. Minister on this point, and I think that I can prove, by the estimates made up to this time, that the sale of these lands will not extinguish this debt, but, on the contrary, that it will not be sufficient to pay the interest thereon, so that if we rely only on the sale of the lands in the North-West, the debt contracted for the carrying out of this great undertaking will but increase from year to year. The hon. Minister of Railways has put at $28,000,000 the expenses incurred up to date on the Pacific Railway; he includes in this sum not only the expenses actually incurred on the finished sections, but also on the sections now under contract. If we add to this sum the $25,000,000 granted to the Syndicate, we will have a sum of $53,000,000. To that must be added an expenditure of about $4,000,000 for telegraph lines, surveying, subsidy to the Canada Central, and diverse items about $7,000,000, making a total of about $60,000,000. These sixty millions of dollars will cost yearly, for interest with expenses of administration, about $3,000,000. Let us now see, Mr. Chairman, whether the sale of the lands will be sufficient to extinguish this debt or even to pay the interest thereon. Different estimations of the value of the lands in the North-West have been made. According to the regulations of the Crown Lands Department, brought down last Session, railway lands were valued at an average price of $3.18 per acre, and the lands set apart for pre-emptions and homesteads, at an average price of $1.12. These valuations have been entirely changed this year by the hon. Minister of Railways. It being necessary to prove to this House that he was only giving for the building of the road $78,000,000, the hon. Minister was obliged, in order to balance the account, to value the lands granted to the Syndicate at $1 only. According to this valuation, the value of the lands reserved for pre-emptions and homesteads would only be, if the scale established by the Crown Lands Department is observed, 43 cents per acre, or about a third of the value of the railway lands. I do not pretend to say that this is a correct valuation. I will not even take it as a basis for my argument, as I consider it as ridiculously low. The hon. the Railway Minister, in the great speech he made last April before this House, calculated that in ten years we would have a very large immigration in the North-West; he estimated it at over half a million. He was of opinion that these immigrants would purchase twenty-one millions of acres of land. I believe that it has been shown beyond a doubt that these estimates were much too high, and that we could only count upon a much smaller number of immigrants. However, I am willing to suppose for a moment that this estimate is correct, and that twenty-one millions of acres of land actually will be sold in the North-West. The lands that will necessarily be the most readily sold, and which will probably be sold the first, will be the lands nearest the railway, the railway lands granted to the Syndicate, and the Crown lands divided into homesteads and pre-emptions, and placed in alternate lots with the lands of the Syndicate. 10,500,000 acres of lands of the Syndicate will be sold, and 10,500,000 acres of the Crown lands divided into homesteads and pre-emptions. This enormous quantity of land, occupying an area larger than all the lands granted in Ontario, would only give the Crown, according to the estimate of $1.00 an acre made by the hon. the Minister of Railways for the lands of the Syndicate, about 43 cents an acre, or in all, during the whole ten years, only about four and a quarter millions. But I said just now, Mr. Chairman, that I would not take this estimate as the basis of my argument, because I consider it ridiculously low. I will take the estimate of the Department of the Interior, which gives an average value of $1.12 to the Crown lands set apart for pre-emptions and homesteads, and I arrive at the sum of about $12,000,000 that we will derive in ten years' time from all the sales of our lands in the North-West. The interest on $60,000,000 during the same period of ten

years, with the costs of administration, would amount to between $25,000,000 and $30,000,000. If we rely only upon the sale of lands in the North-West to pay this sum, we will have a deficit of not less than $15,000,000, so that the public debt, far from decreasing will, on the contrary, amount, at the end of these ten years, to seventy-five or eighty millions of dollars; in twenty years it will amount to ninety or one hundred millions of dollars, or $25 per head of the population, or about $200 per family. Mr. Chairman, I do not think that the Parliament of Canada is justifiable, in view of the promises made to the country in 1871, and renewed since then several times, in imposing such an enormous debt on the country, and so incommensurate with our resources. It has been maintained that the North-West would help us, later on, to pay these taxes that we are imposing upon ourselves for the settlement of this vast territory. I very much fear, Mr. Chairman, that, for many years to come, the organization of these new territories, and the cost of general administration, will be greater than the revenue that we will be able to derive from them, and that for a long time we will not be able to rely upon them for help in the payment of the enormous debt that we are contracting for the construction of the Pacific Railway. I am of the opinion that the Government would have acted patriotically, and that they would have been entitled to the gratitude of the people if, during the last Session, they had allayed the fears of their own followers, by adopting the suggestions of the hon. member for West Durham. I believe that it would have been good policy to construct the Pacific Railway gradually, and only as far as the North-West would be settled; to have built it only in as much as the sale of the lands would have furnished us with the means of paying the costs of this unhappy undertaking. By the gradual construction of the road, we would have an accumulation of interest for sections of the road that are not of immediate use in the general interest of the country. I voted against the immediate construction of the western section, because I did not believe in its immediate utility. I do not think that the general interests of the country require the building of that section before the North-West is settled. I voted against the immediate construction of that section because we cannot construct it without greatly increasing the burdens of the country. I do not intend to revert to this subject, which was discussed last Session; but I deem it my duty to oppose the eastern section of the road, or the section to the north of Lake Superior, for the same reasons that justified my vote of last Session on the British Columbia section. I, therefore, oppose the immediate construction of the Lake Superior section, because it will entail a large expenditure of money in a country that is not fit for settlement, and because it is not at all required in the general interests of the country. I think that the Government would adopt a better policy were they to subsidize a company for the completion of a branch to Sault Ste. Marie, and put off indefinitely the building of the eastern section of the Pacific Railway. The Sault Ste. Marie Branch would place us in direct communication with the terminus of the Northern Pacific Railway by the lines now in course of construction between Duluth and Sault Ste. Marie, and in direct communication with Winnipeg by the lines now existing between the latter city and Duluth. We have for a number of years, incurred great costs for the construction of canals, in order to put the cities of Canada in communication commercially with the fertile Western States. To-day, thanks to the railway to the south of Lake Superior, we would only have to build a few miles of railway, spend two or three millions of dollars, in order to procure, without restriction and without any forcible competition, the trade of a million and a-half of souls, occupying one of the most fertile regions of the world. Our unhappy Province of Quebec has been for several years in an alarming financial position; we have each year deficits of several hundred thousand dollars. I am of opinion, Mr. Chairman, that our only hope of wiping out these deficits rests on the revenues of our provincial railway, the Quebec, Montreal, Ottawa and Occidental. The Government can, at a trifling expense, procure for our road, in two or three years from now, a large trade that would give us thousands of dollars, and would help us to pay the debts of our Province, contributing much, at the same time, towards the commercial prosperity of our cities. But it has been stated that the Sault Ste. Marie Branch would be built by the very force of circumstances, and that what we required just now was the section to the north of Lake Superior, in order to procure an outlet for the products of the North-West, and in order that these products should pass through Canada, and not through the States. Mr. Chairman, if the Sault Branch is built, there will be no necessity for building the eastern section of the Pacific Railway, because this section will be entirely useless. As for the trade of the North-West, there is but one point by which it will be able to pass, in a few years hence, and that is Montreal. From what I have said it will be seen that there are three outlets for the North-West, the eastern section of the Pacific Railway, the navigation of Lake Superior, and an uninterrupted line of railway on the south shore of Lake Superior. The products of the North-West will go from Winnipeg by the Pembina Branch to Emerson; will be carried from there to Duluth by the St. Paul and Manitoba and the Northern Pacific, from Duluth to Sault Ste. Marie by railway actually in course of construction between these two points. The distance from Winnipeg to Montreal by these two lines is exactly the same, there being a difference of only 13 miles. The route by navigation on Lake Superior is some hundred miles shorter. The outlet by either of these is several hundred miles shorter than any route by American territory to Boston or New York. The lines to the south of Lake Superior have, over the eastern section of the Pacific, the advantage of being first-class, while the latter is to be, according to the very terms of the contract, a third-class road. The line to the south of Lake Superior will be much easier to work in winter. To be convinced of that it is only necessary to remember that the line to the north of Lake Superior is two degrees further north than Quebec. Having, moreover, the advantage of passing through the inhabited country, and of having the trade of the most fertile Western States, the South Shore road will have a great quantity of freight, and will be able, for all these reasons, to carry produce and the different articles of commerce at much lower rates. It is quite certain that the eastern section will not be able to support this competition. The policy of the Government would be difficult to explain if the hon. Minister of Public Works had not given us the great reason which ranks before all others, and which is a mere sentimental one. The hon. Minister, in a burst of eloquence, stated to this honorable House a few days ago, that: "What we require is an all Canadian railway, passing through Canadian territory." Patriotism has always a place in the affairs of this world, and I cannot refrain from congratulating the hon. Minister upon having retained at his age so much enthusiasm. I would, however, point out to him that commerce knows no nationality. Trade, which has not the patriotism of the hon. Minister, will probably follow the most advantageous route, and this route is unquestionably the Canadian line to the south of Lake Superior and the Sault Ste. Marie Branch. Thus, Mr. Chairman, the prosperity of our Canadian railway, the prosperity of our cities, the general interests of our trade, everything imposes upon the Government the obligation of constructing the Sault Branch. On the other hand, the bad state of our finances, the enormous debt that at the present time weighs upon the people of Canada, and, I might add, the uselessness of the eastern section of the Pacific Railway

until there is a population of a million or two millions between Fort William and Selkirk, all these considerations impose upon the Government the stern duty of delaying the construction of the eastern section of the Pacific Railway. I will not take up the time of the House with the clauses of the contract that have been discussed at length by other hon. members. I will only say that there are some little short clauses of only a few lines that contain millions. The exemption from duty on all materials entering into the construction of the road, has been estimated at some ten millions. The exemption of the Syndicate's lands from all taxation, whether municipal, school, federal or local, can be estimated at half a million a year, making for twenty years some ten millions of dollars in all about twenty millions of dollars that take up but little space in the contract. But there is another clause of great importance, inasmuch as it tends to establish in the North-West a social state of things that has been condemned, in former times, not only by the Liberal party, but also by the Conservative party in this country. The granting of lands to the Syndicate, without any reserve or restriction, will most assuredly establish in the North-West the rule of great landed proprietors. The veterans of our politics, who fought for years for the abolition of the *tenure seigneuriale* will regret the position in which the Government places the inhabitants of the North-West. Since the abolition of the *tenure seigneuriale* the Conservative party has always contended with the Liberal party, in the press and on the hustings, for the honor of having delivered the people of the Province of Quebec from this last vestige of feudality. I am surprised to see the same party, the same men who disputed us this honor, entirely abdicate, on this point, the principles they then professed. I am astonished to see them establishing among the settlers of the North-West, who will be British subjects like us, and our fellow-countrymen, a social state of things condemned formerly in Lower Canada by the whole population, without regard to political parties. I am, therefore, opposed to the present contract because it tends to establish in the great North-West of Canada a state of society no wise in harmony with the principles heretofore professed not only by the Liberal party, but also the Conservative party of Canada. I regret that the Government does not yield to public opinion which demands the construction of the Sault Branch as being the means of considerably increasing the prosperity of the country. I am opposed to the Government's contract with the Syndicate because, besides the land grants, it imposes on the country a debt of sixty millions of dollars which will not be extinguished by the sale of the lands of the North West, but which, on the contrary, will go on increasing. I think that it is imprudent to impose this new burden on a poor country like ours, whose indebtedness already amounts to over forty dollars per head. I believe that our resources are not sufficient to meet this great increase in the public expenditure. For a great number of years we have had continuous deficits, the deficit of the last fiscal year amounting to $2,000,000. Some of the hon. members on the other side of the House have announced a surplus for the current year. This is good news; but should we rejoice over it when we reflect that this surplus has only been obtained by imposing enormous taxes on the first necessaries of life, on flour, coal, coal oil, which are articles that the farmer and the mechanic must necessarily purchase. These taxes increase the price of living for each farmer's family from $20 to $25 a year. Should we rejoice when these too heavy burdens are driving our fellow-countrymen out of the country; when we see passing before us, like a funeral procession, thousands of families which flock to the American manufactories, there to lose their health and sometimes their life? If we can hope for surpluses, so much the better. But do not let us make an abuse of them in order to bury millions of money in the mountains of British Columbia, in the deserts that border Lake Superior. If we have surpluses let us profit by them in order to lighten the burdens of the people. Let us pay our debts, let us cut down the taxes, and we will succeed, perhaps, by a wise economy of the public monies, in retaining in the country some of our brethren and friends who are now leaving us.

Mr. RINFRET.

Mr. GIGAULT. The Committee will allow me to say a few words in answer to the speech of the hon. member for Lotbinière. The principal objections urged by that hon. gentleman against the present contract are that the Sault Ste. Marie's route should have been chosen, and that the resources of the country do not warrant the immediate construction of the Pacific Railway. I beg leave to remind him of the words uttered last Session by the hon. member for L'Islet (Mr. Casgrain), one of the principal members of the Liberal party in the Province of Quebec, and I might say, one of the leaders of that party. This hon. member, speaking of the Sault Ste. Marie, on the 10th May, 1880, made use of the following language:—

"In winter as well as in summer you will have to take the shortest cut, and go by the American railways to Ste. Marie, your railway to that point will be stopped all along the route, the through freight being next to nothing."

As it will have been observed, this hon. member maintained that the through freight would be next to nothing if this route was adopted. Nevertheless, the member for Lotbinière has just pronounced himself in favor of this route, whereas the member for L'Islet maintained, last year, that this would be the means of preventing trade from taking the direction of the Province of Quebec and the other Provinces. That is the extent to which our Liberal representatives are mindful of our interests. This inconsistency does not surprise me in the least. We are accustomed to such inconsistency on the part of Liberal members. More than that, in a manifesto that the member for L'Islet has just addressed to the free and independent electors of his county, he expressly declares himself in favor of the Sault Ste. Marie route. If these electors read the speech made during the last Session by their representative against this same route, they will discover that he entertains rather confused ideas upon the question of the Pacific Railway. The member for North Norfolk (Mr. Charlton) in the course of the speech that he made a few minutes ago, said that he would have been happy to support the Government scheme if it had been favorable to the country; he was prepared, he said, to lay aside party spirit in order to serve the interests of the country; but by making such a desperate onslaught upon the present contract as well as upon the National Policy, the Liberals are working against the interests of their own party and against the interests of the country, and they are making themselves more and more unpopular. The by-elections that we have had show that the people are quite satisfied with the present policy, and that the Opposition by continuing to attack the wholly national and practical measures of the present Government, only increase their unpopularity among the people of Canada. The member for Lotbinière believes that the sale of Crown lands will not meet the cost of construction of the Pacific Railway. In expressing this opinion, he is far from agreeing in the statements made by the member for West Durham (Mr. Blake), the member for North Norfolk (Mr. Charlton), and several other leading members of the Liberal party. Did not the member for West Durham maintain that our public lands were worth more than four dollars an acre, which would give an immense value to the 100,000,000 of acres of land that the Government has set apart for the construction of the Pacific Railway. Speaking of the scheme of the Government, and of the efforts he had made to build this road, the member for Lambton (Mr. Mackenzie) said, on the 10th of May, 1879:

"We signally failed in obtaining one single offer (there was one imperfect offer made) for the construction on those terms, which were the grant of 20,000 acres and $10,000 cash per mile, with a guarantee of 4 per cent. upon such balance as might be represented as necessary.

"No terms could be more explicit; it would be difficult to mention terms more favorable, and yet the hon. gentleman seems to expect, by his speech, that the colonization scheme, with the 100,000,000 of acres instead of the 50,000,000 of acres and $30,000,000 current money, is somehow or other to succeed in getting this road built."

It will be seen that the hon. member for Lambton maintained that 100,000,000 of acres would not be sufficient to insure the building of the Pacific Railway, and we give a great deal less by the resolutions that are now under consideration. The Syndicate will only receive 25,000,000 acres of land, which, deducted from the 100,000,000 acres set apart for the construction of this road, leave in the hands of Government 75,000,000 acres of land, and these lands, at the rate of $1 an acre, according to the estimate put upon them by the hon. leader of the Opposition, will give the Federal Government $300,000,000, an amount sufficient to build the Pacific Railway and to pay the whole public debt besides. In view of these figures, based upon the calculations of his leaders, how can the member for Lotbinière pretend that the resources of Canada do not warrant the building of our great railway? And it must not be forgotten that an increase in the population of the North-West will give an increase in the revenues derived from customs and excise duties. We are able to say that the debate on the contract now submitted has had at least the advantage of making the Liberal party speak favorably of their own country. Until last year, the Opposition were ceaseless in their disparagement of Canada and of our credit. They always maintained that our public lands were worth nothing, and that the construction of the Pacific Railway would be the ruin of the country. They even went so far as to say that the keeping up and working of the road would bring us to bankruptcy. If the members of the Opposition wanted to be consistent they would rejoice at seeing a company undertake, not only the building, but also the working of this road. The hon. member for L'Islet should remember that in a speech that he made last year, after having estimated the annual cost of the working of this road at $8,000,000, he added:

"I will assume the largest possible return from its working and yet predict that the Dominion will not be able to maintain it."

Should not this hon. member, as well as those who applauded him, be the first to congratulate hon. Ministers on having brought down a measure that is going to relieve Canada of the ruinous burthen of making this road? In his eagerness to criticize, the hon. member for L'Islet is disposed to take a different position from that which he took last year. After having predicted that the country would be ruined by the mere working of the road, he now comes and endeavors to make this House and the public believe that the working of this same road will make millionaires of the members of the Syndicate. Did you ever see such flagrant contradiction in so short a space of time? Are we going to deal with this question like children or like serious statesmen having at heart the interests of their country? Let us suppose for a moment that the conditions of the contract are not as favorable as they might have been. Upon whose shoulders are we to throw the responsibility of it? Is it not the fault of those men who have always maintained that our public lands were worthless? Is it not the fault of the men who declared that the working of this road would be the ruin of Canada? In view of such statements made by Canadian members of Parliament, who are supposed to be familiar with the country and our resources, who are supposed to know what the traffic would likely be, it was quite natural for the members of the Syndicate to exact conditions which, in their opinion, would secure them against the bankruptcy foretold by the Opposition. However, I maintain that the terms and conditions of the contract are quite acceptable, and even more advantageous than any that the member for Lambton ever thought of obtaining. In order to arrive at that conclusion, we have only to read the speech made by that hon. member, and to which I have alluded a few moments ago. When we see the hon. member for West Durham get up and say that we have 250,000,000 acres of arable land in the North-West, and when he values our lands in that belt at $4 per acre, we must admit that Canada occupies a very enviable position, and that we are prepared to meet the expenses required for the building of the Pacific Railway. One of the principal objections raised by the Liberal party against the National Policy, when it was adopted, was that our population was not numerous enough to furnish a market for the products of our manufactories. It was asked: "Of what use is it to create a national industry when we have such a limited number of consumers?" What will be the result of the policy carried out by the present Government? Will not it have for result the settlement of the North-West and a considerable increase in our population? Will not a large population in the North-West give a new impulse to our credit and to our industries, and will it not create a good home market for the products of our eastern manufactories? This state of things will help to do away with one of the principal objections urged by the Liberals against the Government's fiscal policy, and they ought to rejoice, even had we not entered into an agreement with British Columbia to build the Pacific Railway, our own interests would induce us to build this road, in order to increase our private and public resources. In his manifesto, the member for L'Islet states also that he opposes the present contract:

"Because all the Parliaments elected since Confederation have affirmed in principle that the Pacific Railway should be constructed only inas much as it would not impose additional burdens on the people."

Which political party first imposed new burdens on the people, in order to be able to carry on the construction of the Pacific Railway? Read the correspondence exchanged between the Canadian Government and the British Government, and you will see that the Mackenzie administration declared that they had imposed $2,000,000 of additional taxation, in order to succeed in building this road. And yet they come and tell us now that this undertaking must not be carried out, because in order to do so it would be necessary to impose new burdens on the people. Moreover, the Government scheme will not render any new taxation necessary, and puts us in a far better position than if the Government were obliged to build and work the road themselves. When we look at all these contradictions of the members of the Opposition, we cannot recover from our astonishment, and, at the same time, we see that we ought not to be surprised at the present want of popularity of the Liberal party among the electors of Canada. The electors give their confidence to serious men who have a fixed policy, and when we see the leaders of the Liberal party change their minds, and change their principles from one year to another, without having any fixed policy on the most important public questions, it is quite natural that the electors should have confidence in such a party. For my part, although I represent a county that has always been considered as a Liberal stronghold, I deem it my duty to support the contract that is now submitted, and in so doing I think that I will not only be serving the interests of my constituents, but also the interests of the whole country. I am convinced of the usefulness of railways as a means of communication, and seeing that Canada is a young country whose resources require to be developed, and being persuaded that means of communication are absolutely necessary for the development of the natural resources of the country, I am in favor of any measure that our finances will warrant, and which can contribute towards giving us easy, rapid, and economical means of

communication. I am in favor of the construction of the Pacific Railway, because I expect from it the most satisfactory results. I consider the fiscal and railway policy of the Government quite acceptable. The fiscal policy and the railway policy complete one another. As I said just now, one of the principal objections urged against the National Policy was, that our population was not dense enough; but by favoring the settlement of the North-West, through the construction of this road, we will succeed in obtaining a larger population. There will be greater demand for the products of our industrial establishments, trade will be brisker, and prosperity will go on increasing in our young and well-beloved country.

M. LONGLEY moved the adjournment of the debate.

The Committee rose and reported.

House resumed; and (at 12.05 o'clock, a.m.,) the House adjourned.

HOUSE OF COMMONS,

MONDAY, 10th January, 1881.

The SPEAKER took the Chair at Three o'clock.

PRAYERS.

BILLS INTRODUCED.

The following Bills were severally introduced and read the first time:—

Bill (No. 13) to incorporate the South Eastern Railway Company.—Mr. Schultz.

Bill (No. 14) to incorporate the Westbourne and North-Western Railway Company.—Mr. Cameron (N. Victoria).

Bill (No. 15) to incorporate the Metropolitan Fire Insurance Company of Canada.—Mr. Beaty.

Bill (No. 16) to explain and amend the Act to authorise the transfer of the Windsor Branch of the Nova Scotia Railway to the Western Counties Railway Company.—Mr. Cameron (N. Victoria).

THE ONDERDONK CONTRACT.

Mr. DECOSMOS enquired, What is the estimated value of the work performed under the railway contract with A. Onderdonk or assigns on the Canadian Pacific Railway, between Emory and Savona Ferry, Kamloops Lake, up to or about December 1st, 1880; and what is the amount of money that was paid to A. Onderdonk or assigns, on account of said work, up to and since December 1st, 1880?

Sir CHARLES TUPPER. The estimated value of the work performed up to December 31st, 1880, is $408,506; the amount paid is that amount less 10 per cent. retained as drawback.

SUPPLEMENTARY CONTRACTS ON THE CANADIAN PACIFIC RAILWAY.

Mr. BLAKE enquired, Whether any arrangement has been made between the Syndicate and the Government for the making of any further or supplementary contract in connection with the Canadian Pacific Railway; and if so, when the same will be laid on the Table?

Sir CHARLES TUPPER. No arrangement has been made between the Syndicate and the Government for the making of any further or supplementary contract in connection with the Canadian Pacific Railway.

INTRODUCTION OF PUBLIC BILLS.

Mr. BLAKE. Before the Orders of the Day are called, I desire to make an observation. I understood that the variation in our practice which was agreed to by general consent last Session, namely, that Public Bills should be placed on the paper as a separate order, was not to interfere with the rights of members as to the period of the introduction of Public Bills. It was thought that, for the general convenience, it would be better that they should be placed on the paper so that we should know when notice was given, and when they were to come on. Always heretofore, they had come on as part of the motions, and therefore as routine; and I did not understand that by making them a separate line, we were taking them below routine. It seems to me that that was not a result of the change which hon. gentlemen who consented to the new arrangement, contemplated in so consenting, and I submit to the hon. gentleman whether I am correct or not in my interpretation. It would be very inconvenient to the public business that there should be no introduction of Public Bills pending this general order, and as they usually involve no explanation at all, except a very brief one, they might very well be included as part of the routine proceedings.

Sir JOHN A. MACDONALD. If that were done, the result would be, or might be, that we would not be able to carry out the Order of the House which was made the other day—that immediately after routine, Government Orders should be brought on. The introduction of every bill, as I understand it, must be on two days' notice, and, therefore, formal introduction of bills, if it is insisted upon, must be brought up on notice of motion, though it is not insisted on. When I made the motion the other day, it was for the express purpose, as the House must have understood, of preventing any possibility of discussion after routine until this matter was disposed of. I think my hon. friend suggested that we might allow questions to be put, but that was the only thing that was to intervene before the discussion of the contract.

Mr. BLAKE. I did not make the suggestion as to bills for the reason I have stated. I think the hon. gentleman is incorrect in speaking of the introduction of bills as a matter coming under Notices of Motion. It always has come under motions, and the only change we made last Session was to give it a place on the paper, indicating, as I understood, when motions of that kind should be made. That was only done last Session, and it still, it seems to me, forms part of routine.

CANADIAN PACIFIC RAILWAY.

House again resolved itself into Committee to consider certain proposed resolutions for granting and appropriating twenty-five millions of dollars and twenty-five millions of acres of land in the North-West Territories, according to the terms of the contract relating to the Canadian Pacific Railway transmitted to this House by His Excellency the Governor General by his Message dated December 10th.

Mr. LONGLEY. The resolutions before the House have already been so extensively discussed that there seems to be little necessity for any additional remarks. But as it seems to be an understood thing that this discussion should be continued for some time longer, I propose to exercise my privilege as a member of this House by making a few observations. I do not for a moment flatter myself that I shall be able to cast any additional light on this subject. It seems to me that enough has been said already to fully satisfy every unprejudiced mind, that the proposal before the House is such as should receive the hearty adoption of this Parliament. When the union of the four Provinces of Ontario, Quebec, New Brunswick and Nova Scotia was effected, I understood that it was in contemplation to go on adding Province after Province until the whole of British North America was united in

one grand Union. In fulfilment of that purpose, shortly after the completion of the smaller union, the whole of Rupert's Land was purchased at a very considerable price—a price a good deal above what many hon. gentlemen in this House have been recently willing to acknowledge that it was worth, but not so low by any means in the estimation of those who took part in framing the union. Still, it was very important to acquire that vast territory. It was important in regard to the extension of our domain. It was more important in view of the fact that we then held in our hands a pledge for the ultimate liquidation of the debt that we had to incur in the way of binding by iron bands the whole of these Provinces together. It is now about ten years since resolutions were introduced into Parliament, having for their object the incorporation of British Columbia into the then existing Union, and coupled with these was another proposition that a railway should be constructed from Lake Nipissing to the shores of the Pacific Ocean. In view of the condition of the country ten years ago, that seemed to be an undertaking calculated to intimidate even those who had the matter in hand. But it would, in my opinion, have been an unimportant object to unite but four Provinces of British North America together unless we anticipated, at no distant day, binding them all together. An indispensable condition of the smaller union was the construction of the Intercolonial Railway. It were vain to unite four Provinces, spread over a very large extent of territory, without providing the means of intercommunication. From the inception, therefore, of the Pacific Railway undertaking, I was in favor of the incorporation of British Columbia into the Union and the construction of the Pacific Railway, great and arduous as was the undertaking; and, to-day, as we stand more directly face to face with the completion of this vast undertaking than ever before, I would venture the opinion, that since the estimate given by the hon. Minister of Railways last Session, had we not a better scheme, we could afford to go on and complete the work as a Government measure. But in the course of events we have been fortunate enough to have received the proposal to the consideration of which we are to address ourselves to-day in a candid, fair and statesmanlike manner. It is not my purpose to venture many criticisms upon the remarks that have been made in opposition to the present scheme. But I may be permitted to say that I have been perfectly amazed that gentlemen, who must understand this question far better than I do, should have been guilty of so much miscalculation and misrepresentation. First, it was said that there might be exemption of these lands for ever from taxation; then it was said that all the material required in the construction of this railway was to be admitted free; and there were ten, or a dozen, or twenty other statements made which had no foundation in fact. It seems to me that we could scarcely have a better criterion for judging of the grounds of objection to this contract than the necessity of using all these misstatements. Now, I think the main question for us to consider is this: Is the present proposal more advantageous, in a purely financial aspect, than any previous proposal? Most assuredly it is. We know how many different estimates we have had of the cost of this undertaking, and we know what the present propositions involve in the way of cost. Now let me compare them. Almost every member in this House will recollect that the first estimate of the cost of the Pacific Railway was $105,000,000. That estimate was made a little ahead of the Bill of 1873, and that, I presume, was largely, if not wholly, based upon the estimate to which I refer. Under the scheme of 1873, the cost of construction of the Pacific Railway was, in round numbers, to be $85,000,000. Under the Bill of 1874, we were to give a cash subsidy of $48,947,000; a land subsidy of $55,940,000, making a total of $104,887,000. As I before stated, it seemed to me then, as a member of this Legislature, and one who had thought a little about the matter, that if there were no better scheme we could venture to go on and complete the railway as a Government undertaking. But now we have a better scheme submitted for our consideration; and I say without hesitation that, according to the best judgment I have been able to form upon it, it is a better scheme by millions of dollars. The cost under the present scheme is $78,000,000. Now, let us institute a comparison. The present scheme is $27,000,000 less than the first estimate, and it is $7,000,000 in round numbers less than the estimated cost in 1873. It is $27,000,000 under the cost of 1874, had the Bill then passed by Parliament gone into operation, or had any one been found willing to undertake the task of building the road. It is even $7,000,000 less than the estimate which the hon. Minister of Railways submitted to us last winter. Let us take the average of these four proposals or estimates, and we shall find that there will be an average saving, taking the whole schemes together, of $17,000,000. But we are told that we are now setting far too low a value on the land, and hence arises the difficulty of calculating the advantages of the present scheme. It is wonderful how lands in the North-West Territories have risen in value in the short space of a single year.

Sir CHARLES TUPPER. Eight months.

Mr. LONGLEY. It is not even three months since you might have found a score of the men who are to-day calculating those lands as worth $3.18 per acre who would have denied that, for any practical purpose, they were worth $1 per acre. Now, let me read the opinion of the then leader of the Opposition in 1879. It has been read a great many times before, but it seems to be necessary to repeat it, and, if possible, rub it in:

"We have found it very difficult indeed in Canada to promote settlement, even when the lands were given away by the Government. It is still more difficult to send settlers to the far-off western territory where they have not only the difficulties of a new country, not less in amount though different in degree, than the settlers of our own wooded districts. They have a long winter, absence of lumber and building material, and difficulties of transportation. We must, therefore, make up our minds that if we are to settle that country, it will only be done at the expense of a large amount of money to aid settlers in going in, and giving them the land free after they get in."

Thus, not only were the lands worthless, but it was going to take a large sum of money to induce settlers to go into that country. In other words, we were throwing away £300,000 sterling for the purchase of Rupert's Land. I do not think it requires wonderful discrimination to ascertain that fact. But I am going to assume that the land is worth $2 per acre. Taking the 25,000,000 acres at that price, we shall find that, according to the scheme of 1873, we were to give not $85,000,000, but $139,400,000; $30,000,000 in cash and 54,700,000 acres of land at $2 an acre, making $109,400,000, or $139,400,000 in 1873. But those gentlemen contend that the land has improved since 1873. Well, that is possible. Some think it took place since. But I am justified in saying that there is a better prospect, at any rate, of a speedier sale now than then. But then, as I have already stated, although now so valuable, it was considered worth nothing at all in 1879. Now, according to the scheme of 1874, we were to give $48,978,000, and reckoning the land then to be given worth $2 an acre, $111,080,000 additional, or $160,827,000. But our friends opposite do not like to have the land reckoned in that way. But if it is worth $2 an acre now, it was worth $2 then; so, by applying the same principle and the same valuation to the land at all those different intervals, we come to a sound conclusion that no fair-minded man will even undertake to controvert. Now, let us apply the same standard of value in another way: now we are giving $25,000,000 cash and 25,000,000

acres, and the road the Government is to complete is to cost $23,000,000. Let us take the two latter first—25,000,000 acres and $28,000,000; let us take 25,000,000 acres at $2 an acre, and we have $103,000,000. Taking the land at $2 an acre we find that even this total would be $2,000,000 below the first estimate ever made of the cost of the Canadian Pacific Railway. Now, these calculations sum up thus: $2,000,000 less than the first estimate, and $36,400,000 less than the estimate of 1873 upon this basis of calculation; $57,827,700 less than the cost would have been had there been anyone found to take up the scheme of Mr. Mackenzie's Bill of 1874; and taking $85,000,000, the estimated cost of the scheme of last year, we find that the saving, compared with those different schemes, under this mode of computation, would average $27,525,000; that is to say, the present scheme would, averaging the others, effect a saving of between $25,000,000 and $26,000,000. Of course, I think this an extravagant value to put on the land. While disposed to put as high a value on the lands of the North-West as anybody, in my humble judgment we cannot calculate the land to be worth, as a cash payment, more than $1 an acre. It might not be wisdom to sell 25,000,000 acres more of our land in the North-West for $25,000,000; but I am very much inclined to think the majority of the people would say, sell it, by all means, at that price; because if it were sold, the chances would be in favor of its speedy settlement, and that is what is wanted. Nothing is more desirable than to get a few millions of people into the North-West. The moment that is effected, all our difficulties cease, and instead of the construction of the Canadian Pacific Railway and the purchase of Rupert's Land serving to tax us more, we should, in that very mode, get very great relief from taxation. It has been said, both in and out of Parliament, that the higher value you set on the land the better—the more we have to hope for in the future. My own opinion is, that we shall do well enough by valuing the land at $1 an acre; and we have a magnificent estate in the North-West, after we shall have paid all our obligations. But there is another consideration. I do not see the leader of the Opposition in his place; perhaps he does not think my remarks worthy of his consideration. But, I think it would puzzle a gentleman, even as astute as he is, to find even a spice of fallacy in the observations I am making. In the Session of 1879, the Government came down with a proposal to dedicate 100,000,000 acres in the North-West for the purpose of procuring, beyond all doubt or controversy, the construction of the Canadian Pacific Railway. Not only were they prepared to give the lands, but all the minerals they contained, thus offering to British capitalists, and capitalists all over the world, the strongest, possible guarantee, not only of their determination to carry the work to a successful completion, but also the best possible guarantee for the liquidation of any debt that might be incurred in connection therewith. Now, I propose to compare the method of calculation of the hon. leader of the Opposition with my own calculation. The work to be constructed by the Government is to cost $28,000,000; the cash subsidy we are to give is $25,000,000, making $53,000,000. Now we add 25,000,000 acres of land, reckoned at $3.18 per acre, which is the average value set upon these lands by the leader of the Opposition. The value at $3.18 would be $79,500,000, which, added to the $53,000,000, will make a total subsidy of $132,500,000. Now we have left out of the 100,000,000 acres dedicated for the special purpose of building this railway, 75,000,000 acres. We still hold these lands as the best card we have to play. The Government have economised in the disposal of the lands. By a subsidy of $33,000,000 and lands worth $79,500,000, ($18,000,000 out of the $28,000,000 having already been expended) they have succeeded in securing a contract which, when endorsed by Parliament, will ensure the construction of the road. Now, the 75,000,000 acres of land which we hold are worth to us $3.18 per acre, if the 25,000,000 acres which we are giving are worth that much. Everyone will admit that. This Syndicate is to have lands of fair average quality. They are not to run about and take a section here and a section there wherever they please. It seems to me that those who have made statements to the contrary must have known better. If they did not they did not take the trouble to read the contract; or, having read the contract, were not able to properly interpret it. They can take whichever horn of the dilemma they please. The contract says that the Syndicate are to have 640 acres in one block and we are to have 640 acres alongside of them, and so on. They are to have lands in the North-West Territories, but they are only to have a fair average quality of lands.

Some hon. MEMBERS. No, no.

Mr. LONGLEY. Will the hon. gentlemen tell us the difference? I repeat, and I am in the judgment of the House, that if the 25,000,000 acres which we give the Syndicate as part of the bargain to pay for the work, are worth $3 18 per acre, 75,000,000 that we hold are worth as much, and I shall go on to show that we have even more than that quantity left, and in that way we hold in our hands the strongest possible guarantee, not only for the liquidation of any cost the Government may incur for the building of this road, but for the extinction of our whole debt. Therefore, I, for one, though living remote from this work, down in the east by the sea, and not being supposed to have such a keen interest in regard to the construction of the Pacific Railway as some others, yet, looking further than local interest and circumstances, and looking to the magnificent scheme that was consummated some years ago, viz.: the Union of the British North American possessions under one Government, and having some pride in my country, hope to see some day the railway completed from the Atlantic to the Pacific, as was originally intended; and if Providence favors us, I see no reason why we should not have that scheme carried to fruition and this country take a place among the nations of the earth that might be coveted even by our neighbors who are alongside of us. Now, here is the conclusion of this part of the subject: the lands we hold, saved out of the 100,000,000 acres dedicated for the construction of the Pacific Railway, are worth, according to the calculation of the leader of the Opposition, $238,500,000; deducting from this the amount given in subsidies to the Syndicate, $132,500,000, we save the neat little sum of $106,000,000, according to the hon. gentleman's own basis of calculation. It cannot be gainsaid. I might almost say of the hon. gentleman, as Burns said of Charles Fox:

> "Thou first of our orators, first of our wits,
> Yet whose parts and acquirements seem mere lucky hits,
> With knowledge so vast and with judgment so strong
> No man with the half of 'em e'er went far wrong,
> With passions so potent and fancies so bright,
> No man with the half of 'em e'er went quite right."

And I might even go further. I listened with no little amazement to my hon. friend (Mr. Charlton)—and I listened to him with a great deal of pleasure, because, aside from his peculiar idiosyncracies he is one of the ablest men and most interesting speakers in the House—and while doing so I could not help being reminded of some other lines:

> "Good Lord, what is man? For simple as he looks,
> Do but seek to develop his hooks and his crooks,
> With his depths and his shallows, his good and his evil,
> All in all, he's a problem must puzzle the devil."

Now, Mr. Chairman, I may have been too favorably impressed with the lands in the North-West, but I have read a little in regard to the soil and climate of that country during the last fifteen years, and the more I have read, the more authorities I have consulted, the stronger has become my faith, both in regard to the quality and the extent of the lands we have in the North-West. But I took the trouble the

other day to scan the big map in room No. 49, for I was interested in knowing, as far as I could at least, as accurately as possible, the extent and quality of those lands, and I find, according to that map, that we have in the fertile belt, 176,910,000 acres in one block. Now, this land is represented as being generally of excellent soil, with abundant wood and water, and proved to be admirably adapted to the growth of cereals, especially wheat. If we had no more land than this, we should have a most valuable possession in the North-West, but we have a good deal more than this In another section we find 30,000,000 acres mixed prairie and timber soil, rather light but produces fair crops, and a great deal of excellent grazing land. Then we have 12,000,000 acres of swampy and well timbered land—good grazing ground. Then 49,152,000 acres of open plains—poor soil, possessing occasional tracts fit for settlement; then 11,760,000 acres of barren land. The various sections foot up a sum total of 279,829,000 acres. Now, supposing we deduct 30,000,000 acres from the total we have left 250,000,000 acres of land of a somewhat varying character, a great proportion of it good land, and some of it as good land as lies out of doors. This estimate can scarcely be considered an exaggeration in regard to quantity, seeing that Prof. Macoun tells us that we have 250,000,000 acres of land in the North-West Territories. It seems to me that we have a right to consider land that is good grazing land as well as that which is cultivatable or fit for the plough, as being not, perhaps, so valuable, but as being fairly entitled to be taken into calculation when we undertake to estimate the area of land in the North-West Territories. Suppose that we allow for the Hudson Bay Company 8,000,000 or 9,000,000 acres, and besides this, for land set aside for school purposes and land which we have sold, an amount in all equal to 25,000,000 acres, and adding the grant of 25,000,000 acres to the Syndicate, we would then have left for ourselves 200,000,000 acres to dispose of. This estimate may possibly be too large. So, in order to make the thing sure, let us strike off 50,000,000 instead of 25,000,000 for the purpose I have named. We would still have 150,000,000 acres of land in that country, of fair average quality; and, if these lands are worth only $1 per acre, we have an amount of very great value, one which should make us feel safe, both in regard to the Canadian Pacific Railway and the ultimate liquidation of a very considerable portion of our national debt. If the lands are calculated at $1 per acre, the amount will be $150,000,000; if at $2 per acre, $300,000,000, or if at $3 per acre—for we may throw off the 18 cents—their value will be $450,000,000. I repeat that I do not think that one need estimate the land at very much more than $1 per acre, because, if we expect to settle the country, we must sell the lands at a reasonable rate. It is most important that we should have that country settled, first because the settlement will afford the means of traffic and commerce between the different parts of the Dominion, and ultimately relieve us from taxation in the way of increasing our revenue. I do not think that the Syndicate will hold their lands for high prices, and I will give you my reasons. It is fair to estimate that they will have to realize to some extent on these lands, in order to meet the great obligations they have incurred; in the second place, they will want settlers to give traffic for their railway; and in the third place, as they have only alternate square miles along the line of their road, they will be compelled either to sell or allow others to enjoy the benefit of their lands. In my opinion it would be an exquisite pleasure for a man to settle on 640 acres, and have alongside of it a tract of Syndicate land which he was at liberty to crop. As I understand it the moment there is any interference by the Syndicate with the lands, that moment they are liable to taxation, and I would like to know how long the Syndicate, or any body else, would allow the settlers to enjoy the benefit of their lands without interference. I am informed that if the Syndicate choose to interfere with, say the cutting of the grass, that moment they would become subject to taxation, as their act would imply ownership.

Mr. BLAKE. Ownership is not the question—it is occupation.

Mr. LONGLEY. That is my opinion at all events, and I do not think the Syndicate would expect to have their land exempted from taxation if they forbade others from using it. Now, let us consider how much per mile we are paying for the construction of the 2,000 miles of railway which the Syndicate have undertaken to build? We are giving them, as I take it, $50,000,000—$25,000,000 in lands, at a dollar an acre, and $25,000,000 in cash. Now, be it remembered that 350 or 400 miles of railway—that is from Jasper Valley to Kamloops—will cost, for construction and equipment, $50,000 per mile. But it is alleged that too much is given for the prairie section—that the Syndicate are going to make millions of dollars out of this section; and, furthermore, it is said that these shrewd men will never think of constructing more than the thousand miles across the prarie, and then they will pull up stakes, having made eight or ten millions of dollars. Assuming that absurdity, and what then? For the 900 miles across the prairie, we are to give a subsidy in cash of $10,000 per mile, and for the 450 miles, $13,333 per mile, making a cash subsidy for the 1,350 miles of $15,900. In land we give for the 900 miles, 12,500 acres per mile, and for the 450 miles, 16,666 acres per mile. So that the whole 1,350 miles, under this arrangement, are to cost us $33,750,000 and no more. Now, assuming that the Syndicate are only going to build the prairie section, they would, in the first place, forfeit the million dollars security; in the next place they would forfeit one-fifth of the land; making altogether, $6,000,000. Deduct that amount from the $33,750,000, and you have $27,850,000. Let us now take the estimate of the hon. Minister of Railways of last Session, and see how much the Syndicate would gain by breaking their bargain. Selkirk to Jasper, according to that estimate, would cost $13,000,000, and the section from Jasper Valley to Kamloops, $15,500,000, making a total of $28,500,000. I have shown that the amount the Syndicate would get for the same work, in the event of their failing to complete their contract, would be $27,750,000, or $750,000 less than the estimated cost of last year. That is just what the Syndicate would lose if they could break their bargain.

Sir ALBERT J. SMITH. They get the road for nothing.

Mr. LONGLEY. If we built this road as a Government undertaking, would we not be glad to give it to any company that would work it for all time to come?

Mr. BLAKE. The prairie road?

Mr. LONGLEY. The whole of it. Does not the hon. and learned gentleman know very well that we had been losing hundreds of thousands of dollars by operating the Intercolonial Railway until it fell into the hands of the hon. Minister of Railways, who was able to greatly reduce the loss from year to year, until this year we hope he has at least squared the account, and possibly given us a surplus. But what would happen in the event of the misfortune of the present Government going out of power, and the railway being turned over to the tender mercies of the men who mismanaged it before? This House might have to pay three, four, five or six hundred thousand dollars year by year over the receipts of that road; and would we not willingly give away the Intercolonial Railway under such a condition of things? Do these gentlemen suppose men are destitute of reasoning power when they attempt to mystify them by

such misstatements? Why, there is not an intelligent school boy of fifteen years of age anywhere, who could not see through the flimsy mystifications that these hon. gentlemen throw around this question. It cannot be too often repeated that for $33,750,000 we are to get 2,700 miles of railway, or thereabouts, completed. Why, I am perfectly amazed, I must say, that fair-minded gentlemen should take the course of argument they have taken, even from the beginning of this discussion. These gentlemen want this debate protracted for a week or a month, not for the sake of fairly discussing this question and showing us that we are about to enter into a bad bargain, but for the sake of agitating the country and getting petitions sent in here. I am almost sorry they have not succeeded, because I would like to see them have a few grains of comfort, they have so few. They dropped the National Policy as one would drop a hot potato. And why? Simply because the wheels of trade have been set in motion, largely through the instrumentality of the National Policy; for the same reason numerous factories have been galvanized into life and new ones have been started. The wheels have been set in motion also, in regard to an increase of revenue, and in many other respects. I would ask hon. gentlemen if they are not constrained to say that the country, during the two years of the *regime* of the National Policy, has increased beyond the calculation of its most sanguine friends? Look at the condition of the revenue. I do not credit all I see in the papers, but I was reading the other day, from a paper I am accustomed to put confidence in, that there would be a surplus of $2,500,000 on the 30th of June next. If this proves to be the case, will it not afford a wide contrast to the condition of the country three years ago? All you can ask of the National Policy is that it should promote the interests of the country and give you all the revenue you want for various purposes, and leave you a handsome surplus. I cannot conceive the people of this country are so lacking in intelligence, that they so little understand their interest as to displace from power the men who have set the wheels of State in motion, and who, when they had control of public affairs, years ago, carried the country on from one degree of success to another until our condition was such as to excite the envy of more favored nations than ourselves. I have been amazed to hear hon. gentlemen talk about increasing the debt of the country by the present proposition. Why? We are going to increase, say these gentlemen, the debt of the country to the extent of $40,000,000! What a terrible thing that is, is it not? But it was nothing when the hon. gentlemen opposite were in power to increase the debt of the country to the extent of $140,000,000. Now, we are simply increasing it, as I said before, by $53,000,000, and $18,000,000 of that have already been expended. But if it be conclusively shown that the present proposals are cheaper by millions of dollars, as I have shown by taking all the schemes together by $17,000,000, then what have those hon. gentlemen to say against the present proposals? I may say a word or two with regard to another branch of the subject. It must be patent to any gentleman who will take the trouble to reflect one moment, that if we carried out the Pacific Railway as a Government undertaking, the Government would not have to pay duty upon a large quantity of materials upon which the Syndicate will have to pay duty. They would pay nothing on the land for ever; but remember that just as soon as the Syndicate's land is sold, that moment it is subject to taxation. The point to which I was about to refer related to another matter. Our friends across the border, every once in a while, are expressing their regret at our temerity and our foolishness, and they are very benevolently pointing out the mistakes we have made. The most recent attempt has come under my notice within a day or two. There is a paper called the *American*, I think published in Philadelphia, which has been very liberally distributed among the members of this Parliament. An article in that paper refers to the assembling of the Canadian Parliament on the 9th of December, and mentions, amongst other things, that there is to be a very important measure submitted to Parliament at that time—nothing more nor less than making provision for the construction of a Pacific Railway. The paper very kindly proceeds to say how we are obliged to be governed by the European principle, rather than by the American; that we are dragged, against our will, into a fiscal policy which will not admit discrimination as between England and the United States, in favor of the latter; and what folly it is on our part to give to England as good terms as we give to them, &c. It goes on to say, that, after we have built the Intercolonial Railway, at a tremendous cost, we have reached a condition of things, in regard to that railway, that, after having lost hundreds of thousands of dollars in working it, we are now driven to the necessity of allowing it to die of consumption; that it had been allowed to run down to that condition, that scarcely a train passed over it without accident. Now this is not very gratifying to a truly Canadian mind. Well, enough of those gentlemen who are opposing the construction of the Canadian Pacific Railway, who have opposed the National Policy, have all along sung a song marvellously like that which now greets our ears. Now, if there is anything in the world which I think is to be reprehended it is continuous and repeated attempts to belittle and disparage a man's country; and without desiring to bring such charges against hon. gentlemen opposite, truth compels me to think thus, and thinking thus I am inclined to give expression to my thoughts. You have, hon. gentlemen, sung a doleful dirge for years past. You sung it here last Session. You said the land in the North-West was, practically, worth nothing, and you have been carping and finding fault with that which is eminently calculated to promote the welfare of your country. Why should we, with as vast an extent of country as the Americans, not develop it as they have developed theirs? We have, in several respects, a manifest advantage over them. Our day is yet to come in regard to the settlement of the fertile lands, and theirs is largely over. What do we find? While our North-West has been continually disparaged, the lands of the United States have been advertised in the very speeches delivered in this House by hon. gentlemen opposite. Is that patriotic? Shall we ever succeed in our mission if we go on in that way? I refer with a great deal of pride to the part played by the men with whom for years I have been associated. I look back to 1867, and what do I find? The leading statesmen of all the Provinces projecting a comprehensive union of all British North America; I find them laying all their plans securely and pursuing their policy steadily, following their designs up and going straight to the mark, and I find universal satisfaction and prosperity pervading the country during their *regime*. I find them stricken down in 1873, and then an entirely different picture presented itself. Stagnation, retrogression, ruin, bankruptcy, staring us in the face; and I appeal to those hon. gentlemen whether five years more of their rule, such as we had from 1873 to 1878, would not have landed us either in the United States, where I believe half of them would like to go to-day, or in bankruptcy. Now, I desire to apologise to the House for having occupied so much time, and more especially in view of the fact that every argument advanced against the Syndicate bargain has been most satisfactorily answered; and if it had not been for the sake of gratifying myself, more than hon. members, by expressing the sentiments I have believed, not for a day or a year, but since the Union, I would not have said a word on this subject, because I was prepared to vote heartly in favor of that which I believe to be a good bargain, and which, if carried out, will redound to the success of every interest within this wide Dominion.

Mr. ROSS (West Middlesex). I agree with the hon. gentleman who has just sat down, that we are discussing an exceedingly important question—a question which should be discussed impartially and thoroughly—a question which, I venture to say, is occupying more of the attention of the people of the country than any question submitted to Parliament for many years. I regret that, in the line of argument pursued by hon. gentlemen who are favorable to the terms now before the House, they are unwilling this question should be discussed outside as well as inside of Parliament. I am convinced that the people of this country—although they may have confidence in their representatives in this House, although they may have recently sent their representatives here—in a question of such magnitude, involving, as it does, the cession of a large portion of the domain of this country to a corporation and a large increase of our national indebtedness, have a right to consider that they should be taken into the confidence of those representatives, and have fairly and candidly discussed before them this great question. I quite understand how an old time Tory, a Conservative of the old school——

Mr. PLUMB. Hear, hear.

Mr. ROSS. I have no reference to my hon. friend from Niagara. I can understand, I say, how a Conservative of the old school, a fossil Tory, such as my hon. friend from Niagara will soon become if he does not soon see the error of his ways, would refuse to consult his constituents—how he, believing in the divine right of every authority to rule and in restraining the rights and minds of the people as much as possible, would assume to himself the right to determine how much of our territory might be ceded and what obligations should be laid on the people entirely irrespective of the people's wishes. But I cannot conceive how a Parliament, such as I trust we have here, and representatives like the present, who appear to desire, and urgently to desire to come into contact with their constituents, should refuse to deliberate with them and ask their advice on a great question like this, in a public way, fully, freely, on every suitable occasion. My hon. friend who has just sat down has blamed the Liberal party in former years for singing a doleful dirge. I remember, when that party was sitting on the other side of the House, how the right hon. leader of the Opposition then moved a resolution complaining of the disastrous condition, the depressed condition of this country—setting forth how thousands of our people were being expatriated and so forth. I remember reading a speech made by that right hon. gentleman in the Eastern Townships, representing how he heard a voice from over the clear lakes and emerald fields, saying, "Come over, Sir John, help us." I remember how he went from town to town and village to village, wandering hither and thither in company with the member for Niagara, and how the twain sang a doleful dirge, the burden being extinguished furnaces, silent workshops, paralysed trade, and the general want, ruin and disaster due to the misrule of the Liberal party. I maintain that if a doleful dirge was ever chanted in this country, it was during the years when the present Ministers sat on the Opposition side of the House. We then assured them that, in the natural order of things, when the depression that prevailed, not only in Canada but elsewhere, passed away, better times would come. We assured them that by no legislative machinery could we arrange the trade and commerce either of this country or of the world. Our assurances have been realized as a matter of fact. According to the rate of duties imposed under the tariff of 1878, deficits would have been overcome, and the finances of the country would have been just as buoyant and far less burdensome to the people of the Dominion than they are now. But coming to the question with which we propose to deal more immediately, allow me to say, that before pointing out some of the objections which I intend to urge to this contract, it might be well first to consider how far both political parties in this country are agreed in regard to this matter. And, I would say first, I believe both parties are agreed that this road should be built by a private company. It was on this basis that the agreement with British Columbia was first made. It was on this basis that the Bill of 1872 for the construction of the Pacific Railway was passed. We agree with that proposition. We tell hon. gentlemen opposite that so far as the interests of this country can be subserved by the construction of this road by a private company, so far as this can be done consistent with the best interests of the Dominion, we agree to that proposition. This may have been made at one time a matter of political difference; it is not so now. We are both agreed as to that. In the second place, we are agreed that a certain portion of the public domain may be expropriated for the construction of this road. This was agreed to under Sir Hugh Allan's terms in 1872 or 1873. It was embodied in the Act of 1876. The two parties need not differ, then, as to this condition in the bargain now before us. We are also agreed that so far as these terms point to our keeping faith with British Columbia, without endangering the rest of the Dominion, the road may be built according to this contract. I am aware that, according to the terms on which British Columbia was admitted into the Confederation, a ruinous bargain was made—a bargain which should not have been—a bargain which the Liberal party strongly opposed—but the bargain once made, and the faith of the Dominion once pledged to those terms, the Liberal party felt, and feel now, that so far as these terms can be carried out without endangering the safety or the financial prosperity of the Dominion they should be complied with. These terms were predicated upon the broad basis that the railway should be constructed without increasing the annual rate of taxation. On these terms we stand now; on these we have stood always, and we say that so far as the Syndicate propose to construct this road, and so far as it is possible to be constructed for the purpose of keeping faith with British Columbia, while at the same time it may not increase the rate of taxation, we are prepared to support it. We are agreed on that matter. These, then, are points upon which we agree, and in these three points you will notice, Mr. Chairman, that every matter which has been made a cause of political difference heretofore is involved. It was a matter of political difference whether it should be built by a subsidy of land. It was a matter of political difference whether British Columbia should be admitted into Confederation on the terms agreed upon. Having these set aside, including every point upon which political differences prevailed in the early history of this scheme, where are we now? We are now considering a scheme which need not involve any political difference whatever. We are discussing a scheme to-day, which, if discussed by a body of commercial men, irrespective of political differences, I venture to say, but one conclusion could be arrived at. Unfortunately for us, Sir, this matter has been brought down by the Government in a form in which their supporters feel that their political allegiance requires them to support it. Unfortunately for us and for this country, I venture to say, that the vast political influence which the Government is capable of wielding is being used, I will not say to compel, but to persuade their supporters in this House that this is a legitimate bargain, and were it not for that political persuasion or political pressure there are many hon. gentlemen on the other side of the House who, if they severed the commercial from the political element which is wrapped up in this bargain, would speedily and readily—aye, as readily as we on this side of the House, reject the whole scheme, throw it to the winds and ask the Government to look at this matter from a different standpoint. Let me deal now with a few

of the general objections which I propose to urge against this scheme. And I would say, in the first place, that the arrangement with the Syndicate, being a matter of private bargain, and not of public tender, is in itself objectionable. I cannot understand, Mr. Chairman, how the Government could violate the general policy of the Public Works Department and, shall I say, the law which is above the Executive, in making arrangements privately, and, shall I say, secretly with a body of men, whereby such a large amount would be added to our indebtedness, and whereby such large liabilities would be incurred. I ask the Minister of Railways, Is it not the policy of his department to call for tenders for every bridge or mile of railway, or for every article required by the Railway Department? Did he not call for tenders for steel rails a short time ago? Has he not called for tenders for the construction of the other sections of the Pacific Railway? Has he not called for tenders for the construction of 127 miles from Yale to Kamloops, and of the 228 miles in the Lake Superior section, and if it was wise and consistent with the rules of the department that he should call for tenders for 200 or for 100 miles of this same railway, how can he depart from that same established policy, and negotiate with a syndicate or a company for the construction of over 1,000 miles of railway without tender or advertisement of any kind whatever? Have we not, in the simple fact that we have his own advertisement calling for tenders for the construction of small sections of this road, all the argument we want, and all the evidence we require, to condemn the Government and the Minister of Railways for letting the remaining portion, extending over 1,000 miles, without public competition, or without public tender? Sir, how do we know that this is the best bargain? How do we know that we may not have, within a few days, even though no tenders were asked for, better propositions?

Some hon. MEMBERS Hear, hear.

Mr. ROSS. Hon. gentlemen say "hear, hear." Well, they may "hear, hear," in a few days, something that will not gratify them very much. How do we know, Sir, that, if tenders had been called for, and terms like these published, terms furnishing such exemptions as these contained in the contract, we would not get a company that would build this road for a smaller cash and land subsidy; and every million of dollars saved and every million of acres of land saved would, certainly, on every assumption on which you could use an argument, be of great value to Canada. But hon. gentlemen opposite believed that in their wisdom they could negotiate secretly with a certain number of gentlemen, supposed to be men of means, for the construction of the road on terms that would commend themselves to the country. Whether this bargain was wise or otherwise it was negotiated on a wrong principle. The very fact that it was negotiated on that principle, that it was concealed from the people of this country until Parliament met; the very fact that other men equally as good and perhaps better than the gentlemen composing this Syndicate might be prepared to construct the railway upon more favorable terms—all these facts go to cast suspicion on the scheme we are now considering, and I think hon. gentlemen will admit now that they made a mistake in negotiating privately and not by public tender. Let us look at the Act of 1874. It shows that every section of the road was to be let by tender, and we have besides the advertisement of the leader of the late Government in the public press, calling for tenders for the construction of the whole road. The hon. member for Lambton acted well within the laws laid down by Parliament for his guidance, but hon. gentlemen opposite, forgetting the duty they owe to Parliament, negotiated secretly and privately, and the contract we are considering to-day is the result. I object, in the second place, to the scheme we are now considering, because by this contract a land grant of

25,000,000 acres is practically locked up from settlement. Let us consider carefully the impolicy of locking up large tracts of land in any form. The system upon which we are constructing this road is a borrowed system. We have copied it, as we have copied many other things—some things of value to us—from the United States. Years ago when the Americans were developing the prairies in the west, it was thought that the cheapest way, the way most conducive to the interests of the country, would be to subsidize roads by small grants of money and somewhat liberal grants of lands; and, acting upon that system, they no doubt developed the prairies of Illinois, Wisconsin, Minnesota, and some other of the Western States. But what is the experience of the United States in regard to that matter now? That system prevailed from 1862 down to a year or two ago, and the experience of the United States in regard to that system, ought to be of some value to us. How do we get it? Last year, when the Republican Convention met at Chicago, when there were assembled 800 or 900 delegates from all the States and territories of the American Union, it was laid down as the fifth plank in the Republican platform that no grant of the public domain should hereafter be made to any railway or other corporation. Here we have the unanimous testimony of the Republican party to the fact that the policy of appropriating lands for railway purposes has not been found conducive to the public interest, and that hereafter, after an experience of many years, that policy, so far as the United States is concerned, is going to be reversed. Whether or not we should accept their experience or act as they did, is another matter for consideration; but, presuming that we act as they do, what are we going to do? We are going to expropriate now a tract of land consisting of 25,000,000 acres for railway purposes—a tract of land equal to several of the most prosperous states of the Union—a tract of land equal to the combined States of Massachusetts, Connecticut, Rhode Island, Vermont, New Hampshire and New Jersey—a tract of land, not of mixed quality as is the land in these States, not even of land of average quality, but of land actually fit for settlement. Sir, we may well pause when we are ceding to a company such a large tract of land, to consider the wisest and safest conditions for the people of this country, upon which these lands should be ceded. I have here in my possession the opinion of hon. gentlemen opposite in regard to this very same matter. It will be in the recollection of the House that a few years ago we purchased Rupert's Land. Previous to the purchase of Rupert's Land, a gentleman made application for a certain title to that country for the purpose indicated in a letter which I will read. It is dated Lombard street, London, 18th January, 1866, and is addressed to Sir Edmund Head, Governor, Hudson's Bay Company:

"SIR,—Will you permit me to enquire, on behalf of self and friends, whether the Hudson's Bay Company is at liberty and is willing to dispose of its cultivable territory to a party of Anglo-American capitalists, who would settle and colonize the same on a system similar to that now in operation in the United States, in respect to the organisation of territories and States."

That was signed "Alex. McEwen." It was referred to the Canadian Government, and on the 23rd June, 1866, when Sir John A. Macdonald was a member of the Government, a reply was adopted founded on a minute of the Privy Council, which said:

"Canadian experience has shown that large tracts of land to individual or commercial corporations have operated prejudicially to the best interests of the Province, and retarded rather than promoted its settlement and progress. Companies or individuals purchasing for the purpose of speculation are governed solely by the one view, of obtaining a profitable return of the money invested in the purchase. All other considerations are set aside. No general or comprehensive system of settlement is or can be established. The best tracts—"

And I ask hon. gentlemen to attend to this:

"The best tracts are witheld from settlement in order that their value may be increased by the improvement of the surrounding country and by

the labor of the settlers, and the price paid to the company for the lands, instead of being expended in the opening up of roads, and in developing the resources of the country, is divided among a number of non-resident shareholders having no further interest in the prosperity of the country further than as such prosperity contributes to the value of their shares."

Here we have a case exactly in point, in regard to which the opinion of the leader of the Government then was precisely the same as the opinions which are being urged now by the hon. gentlemen on this side of the House; and if we could imagine that he was then speaking of this Syndicate, and not of another to be organized for a somewhat different purpose, and if we apply the language he used to this Syndicate, we could imagine him, on the Opposition side of the House, denouncing this bargain for the very same reasons as hon. gentlemen on this side of the House denounced the Syndicate which is now being considered. Perhaps the hon. gentleman will permit me to supplement that with another quotation. The Duke of Newcastle, expressing his opinion on this matter —and this is quoted in Minutes of Council—says:

"In an unsettled colony there is no effectual mode of taxation for purposes of government and improvement, and the whole progress of the colony depends on the liberal and prudent disposal of its land. * * * It was, therefore, to say the least, a question whether the Company would not be under a direct inducement to use their proprietory rights to thwart the colonizing efforts of the Government. The conclusive objection to the scheme is, that it would reproduce, in a gigantic shape, the inconveniences which, on a far smaller scale, were found intolerable in Canada. It is evident, as a matter of reasoning and notorious as a matter of fact, that the interposition of large blocks of property between tracts or districts of Crown lands must obstruct the opening up of those districts, unless it fortunately happens that the private proprietor is ready to expend money *pari passu* with the Government in the construction of roads and other improvements, and to conform his land policy to that of the authorities. It is also clear that colonists of the Anglo-Saxon race look upon the land revenue as legitimately belonging to the community, and that diversion of half or more than half of that revenue to the purpose of increasing the dividends of a private corporation would cause a continual and growing discontent, which could not be allayed by any abstract argument of right, and the full force of which the Government would be expected by the Company to sustain. His Grace cannot consent to make himself responsible for these consequences, and he is therefore obliged to treat as inadmissible any proposal for the proprietory partition of those territories which may be placed under the Government of the Crown."

Then the Minute of Council proceeds:

"If such objections exist to the tenure of large tracts of land by so ancient and responsible a corporation as the Hudson's Bay Company, with large powers of Government and a political as well as a commercial status, with how much greater pressure must they weigh against the transfer of such tracts to a private association of speculation."

This was the opinion of the Privy Council in those days; it was the opinion of the hon. gentleman, who, as leader of the Government, has introdnced this Bill, and if he were opposing the Syndicate, now under consideration, and using this language, he would but be doing what we are attempting to do and using precisely the same language as we are using, and as we intend to use, against the bargain which is now being considered. Now, in ceding such a large tract of land, apart from the impolicy of ceding land unless it is very carefully ceded, we have a right to consider the value of the land we are giving. A great many persons, in discussing this question, look upon the land in the North-West as of no value whatever. When we are paying for the construction of this road in lands and money, I think we are perfectly justified in considering the value of the lands as an asset. It is a very difficult matter to arrive at the value of these lands. Various values have been applied to them. They were valued in 1872-73, in the charter granted to Sir Hugh Allan, at $2.50 per acre. Later on, the Government bound itself in the charter, not to sell the lands at a lower price than $2.50 an acre, without the consent of the Company. This value was then put upon these lands in 1872-73, by the hon. gentlemen opposite themselves.

Mr. PLUMB. I think the hon. gentleman is mistaken. I think he will find that it was not to be a higher price than $2.50 per acre.

Mr. ROSS. No, not a higher price; therefore, it was worth that much money. But I will read the clause in the charter, which is as follows:—

"That the price at which the alternate blocks of land retained by the Government, shall be sold by the Government, shall be from time to time adjusted by agreement between the Government and the Company, according to the price that is found to be obtainable for such lands, without obstructing the settlement of the country. But unless the Company shall sell land granted to them at a lower average price, or shall otherwise agree, the Government shall, for and during the term of 20 years from the date hereof, place the upset price of such alternate blocks at an average price of not less than $2.50 an acre."

I hope this is satisfactory to my hon. friend. The Government in 1872-73, fixed these lands at the price of $2.50 an acre—the minimum price. I am not prepared to say that those lands were worth that money at that time. We cannot tell what they were worth at that time—we are just taking the statement of the hon. gentlemen opposite themselves. In 1875, when the Foster contract for the construction of the Georgian Bay Branch was under consideration, the Minister of Railways said that these lands were worth $5 an acre, if he had the right of selecting them. Now, I am quite sure that the Minister of Railways is a pretty fair judge of land, but I am not quite sure that this Syndicate is not as good a judge of land as the Minister of Railways, and if he in the North-West could select lands that would be worth $5 an acre, why could not the Syndicate select those that would be worth quite as large a sum of money? So, assuming that they were worth $5—for the Minister of Railways assumed that in 1875—we are to cede to this Syndicate a very valuable heritage indeed, in giving them these 25,000,000 of acres. But we have other means of ascertaining how much these lands are worth. American railway companies have sold their lands, and some of them very recently. In 1879 I find the average sales of railway lands in the United States amounted to $6.54 an acre. Some of the American railway companies sold their lands, averaging much larger amounts. The Chicago, Burlington and Quincy Road averaged $14.55; the St. Paul and Sioux City Railway Company averaged $6.55 an acre; the Grand Rapids and Indiana Railway averaged $11.61, and I have other railways that sold their lands at prices, some lower and some higher than those named. Well, now, what does that prove? It proves this: That we are giving this railway company almost an indefinite sum when we are giving them these lands. We are giving them a roving commission to travel over the whole of the North-West Territory, as I will show before I close, between the parallels of 49° and 57°, and if they do not get enough land there, to go into the fertile belt, or, as the clause reads, "elsewhere," and pick the best lands in order to complete the 25,000,000 of acres. I say, Mr. Chairman, that this is a serious matter indeed. We have in the Province of Ontario with all its wealth and importance, a less area than that under cultivation. The whole of the agricultural prosperity of the Dominion of Canada, to-day as an agricultural country, rests on seventeen millions of acres of cultivated lands, and we are giving to this Company a vast aggrandizement, a commercial supremacy and a commercial power greater than the whole Dominion possesses at this present moment. Sir, this is a serious matter, if we are going to give vast concessions such as the contract we are considering just now will give to this Syndicate, an area of land two and a half times as great as the whole cultivated area of this province. We know something of the manufacturing industries of Connecticut, Massachusetts and Rhode Island, and of the important part they play in the political and commercial life of the United States; and by the contract which we are now considering we are to give a railway corporation a greater area of land—cultivable land—than that upon which the commercial and industrial prosperity of these eastern States are based. Is it wise for us to do so? Is it not a

matter in regard to which we should pause and consider seriously and impartially? Is it not a matter calling for the exercise, in the highest degree, of those judicial functions and those judicial responsibilities which are imposed upon us, that, if we concede to the Syndicate, or to any private corporation such a large extent of land as that already referred to, we do so on such conditions, and guarded by such restrictions as will provide for all time to come for the interests of the North-West and the North-West settler and the future development of the country. Sir, I look upon the North-West as the right arm of this Dominion. The other portions of this country are tolerably well occupied now. We have a very small portion of land in Ontario for sale. There is a very small area of good land in Quebec for sale, and with regard to the Provinces of Nova Scotia, New Brunswick, and Prince Edward Island, there is very little cultivable land for sale. Now, the increase of our population requires that so far as agricultural pursuits are concerned, room should be found for our surplus population. Where are these homes to be found? Not in Ontario, because in order to provide homes for young farmers, somebody else must be bought out. Where shall they go? To the United States, to the prairies of Wisconsin, Dakota, or Minnesota? I am sorry to find that too many of our young men go there. We have in the North-West, I trust, a fair climate and fertile soil which will induce our young men to go there; and if we are to occupy, as the hon. member for Annapolis (Mr. Longley) has said, a commercial or political supremacy on the northern half of this continent, which we ought to occupy, if we are true to ourselves, it behoves us to consider the value of that North-West, to guard carefully its resources, to avoid everything that would impair its prosperity, and to preserve with miserly care, shall I say, the vast interests which are locked up in the lands, to see that no private corporation shall step in between the interests of the settlers and the Government to interfere with its future prosperity. I object, then, to this contract, because by its ratification we will have ceded to the Syndicate such a large area of land without proper restriction. I object to it again because it involves the immediate and unnecessary construction of 1,190 miles of railway. You will notice that by the terms of this contract we are going to build the eastern end, 650 miles, inside of ten years; that we are to build from Jasper Valley to Kamloops 450 miles, from Yale to Port Moody 90 miles, in all, 1,190 miles. I say this contract involves the immediate construction of that length of road, which is not required in the interest of colonization or settlement. We certainly are not building the Lake Superior end of the road, what is called the eastern section, for the purpose of colonization. We have no evidence that that land is of great value; we know the climate is unfavorable, we know the soil is somewhat barren. True, there may be some valuable timber in that country, but we do not require to build a railway into it for the sake of timber. We have an abundance of timber on existing lines of railway, so that the immediate construction of the eastern end of this route is unnecessary. Hon. gentlemen will not attempt to argue that the section from Jasper to Kamloops is required—that we require to cross the Rocky Mountains just now. We have 1,000 miles of prairie between Winnipeg and the Rocky Mountains; and will even the hon. member for Victoria, B.C. (Sir John A. Macdonald), whose interests in Vancouver and British Columbia are so great, say that we require the immediate construction of the road from Yale to Port Moody? We have navigation from Yale to Port Moody on the Fraser River; we have facilities for bringing down everything in the shape of supplies as far as Yale—everything that any one can wish who enters that far off country; so that we are building the Lake Superior end of the road that we will not require,

the Jasper section we do not require, and the Yale and Port Moody sections that we do not require. Is it wise for us to incur those obligations which the construction of this 1,190 miles involve? Is it in our interest to do so? On a contrary principle the American railways were built; that is to say, just as fast as the interests of colonisation required. Whenever a settlement required 60 miles to be built it was built. But here we are constructing miles of railway that are admitted by hon. gentlemen themselves to be unproductive and unnecessary in the interests of trade. Suppose the Grand Trunk or the Great Western had been built 20 or 30 years before it was, what would the effect have been upon the shareholders and upon the country? I admit it may have opened out the country sooner, but what intolerable burdens it would have imposed upon the shareholders, and still greater burdens upon the resources of the country. Prudently, however, and as fast as the settlement of the country required, and *pari passu* with the settlement of the country, railways have been projected in Canada and the United States, and only on these grounds can a railway be expected to be a commercial success. What are we doing under the present circumstances? We are perpetrating a commercial folly that no corporation would perpetrate. We are taking the resources of the people of this country and investing them in a way, in which I venture to say, no individual in Canada could be found to invest his own private means. We are constructing miles of railway that are not required as a commercial enterprise. We are constructing them, as I will show by and by, for sectional reasons, which, I think, are not properly involved in the consideration of this question. And what will be the consequence of the construction of these 1,190 miles of railway? The consequence will be that it will add to the public debt $40,000,000 inside of ten years. Let us see. The section from Nipissing to Fort William will involve an expenditure of $20,000,000, though it has been variously estimated from $18,000,000 to $22,000,000. From the western limits of 900 miles extending westward beyond Winnipeg to Kamloops, 450 miles, according to Mr. Fleming will cost $16,500,000; from Yale to Port Moody, 90 miles, $3,500,000; making a total of $40,000,000, which will be added to our burdens by the unnecessary construction of these 1,190 miles of road. Are hon. gentlemen prepared to add this sum to our already heavily taxed country? Our debt at the present moment is nearly $160,000,000. Inside of ten years the people of Canada, with this enormous expenditure added to our debt, will be burdened with at least $200,000,000 of indebtedness. And while burdened with this indebtedness, it will be vain to attempt to compete for commercial and political supremacy with our neighbors themselves. Inside of twenty years the people of the United States will escape free from the burden which that terrible civil war imposed upon them. You can fancy a population of 50,000,000, with no indebtedness, with light taxation, with still boundless ranges of prairie to colonize and settle, with all their industrial and commercial resources, competing with a weak, overburdened little colony to the North, staggering under a very heavy load of taxation, and you can well imagine the consequences. Do the hon. gentlemen rejoice at the prospect? Do the hon. gentlemen anticipate with pleasure the consequences of such a state of affairs? Do they anticipate with pleasure the condition in which Canada will be ten years from to-day with this heavy burden upon her? We hear a great deal of patriotism from hon. gentlemen on the other side of the House. I trust they are patriotic, I trust they have an interest in the welfare of the country; whenever they talk of Canadian interests, they put forward this patriotic plea. But what have we now? Will it be Canada for the Canadians? It may be Canada for the Canadians for a while; but, staggering under those heavy burdens, with the discontented taxpayer everywhere over the country, with a

mighty neighbor lying to the South, competing with us in the markets of the world, comparatively free from taxation, Canada, I venture to say, will be so reduced in her commercial and industrial prosperity by those burdens, that it will be an easy matter for the Americans to assert the Monroe doctrine and destroy for ever our political autonomy. I am not a prophet of evil, and would not wish to prophesy anything but a bright and prosperous future for this country; but I do fear there may be political consequences involved in this large indebtedness which may be disastrous. Can that be avoided? It may be well to consider whether it can be avoided. I have already admitted that we are pledged on certain conditions to keep faith with British Columbia. I agree with hon. gentlemen opposite, that it would be in the interest of the country, as quickly as possible to open up and develop the North-West. But is it necessary that we should construct the number of miles of railway I have already referred to for that purpose? I do not see it in that light. I see no necessity for the construction of so many miles of railway for the simple purpose of opening up the North-West. How do we get there now? By American lines of railroad. True there is a disadvantage in this state of things, as rates of freight are sometimes excessive, and we are compelled to travel through a foreign country. But we should not be long under that necessity. The moment the Thunder Bay Branch of the Canadian Pacific Railway is constructed that disadvantage will cease, as we shall have water communication in summer with Thunder Bay. We shall have then a short run, about as far as from here to Sarnia, along the Thunder Bay section to Winnipeg; a run of less than 20 hours will bring us to some central point in our North-West Territory. This advantage we should have entirely independent of the American railways, and through our own wealth and enterprise entirely; and if the Canada Central were extended to Sault Ste. Marie, we should have continuous connection between Montreal and the North-West with a short interruption of about 300 miles on Lake Superior. I hold this route is exceedingly favorable and would not involve a large expenditure. We had lately an offer laid on the Table of the House by Senator Frank Smith, for the construction of the Sault Branch, which hon. gentlemen opposite should, I think, in the interest of the country, well consider. He says:

"This company offers to construct a line of railway under their charter from South-East Bay, Lake Nipissing, to Sault Ste. Marie, for a subsidy of $12,000 in cash per mile, or a subsidy of $4,000 in cash and 4,000 acres of land per mile, such lands to be of the same character and situated in as favorable localities as the lands appropriated for the construction of the Canadian Pacific Railway in the North-West. So much of this line as can be made available for the main line of the Canadian Pacific may be used for that purpose on such terms and in such manner as the Governor in Council may determine. This company will agree, in consideration of such subsidy, to place all connecting railway lines on terms of absolute equality with their line in respect of running powers, rates and traffic facilities of all kinds, and to submit to such conditions as may be imposed by the Governor in Council for the prevention of any preference or discrimination whatever in favor of any one connecting company over another, and further to accept such special rates for the transportation of emigrants and their effects as the Government may fix from time to time with a view to the settlement of the North-West; the line to be commenced within twelve months and completed in three years from this date.

"On the acceptance of this offer ample security will be furnished to the Government for the completion of the railway.

"I have the honor to be,
"Your obedient servant,
"(Signed,) FRANK SMITH,
"President Sault Ste. Marie Railroad Company."

There, then, we have a distinct offer for the construction of a road at a nominal price, which would not add more than a couple of millions to the indebtedness of our country, by which the railway system of Quebec and Ontario could be placed in direct communication through Canadian soil with the North-West Territory, by which the trade of Montreal could find its way westward as far as Winnipeg, and be distributed along the line of railway that may be built from Winnipeg westward, wherever trade might go; and *vice versa*, the trade of the North-West would come eastward to us, by the same route. By adopting that plan we obviate the necessity of constructing 1,190 miles of railway; we relieve the country of an increase of its indebtedness by $40,000,000, and we secure a route—not an all-rail route, I admit, but an easy mode of access to the North-West for between eight and nine months, by which all the trade of this country and that can be exchanged. This, I think, is a reasonable alternative. I think, moreover, it is an alternative to which hon. gentlemen opposite, themselves, are to a certain extent committed. Last Session there was a debate in the Senate on this same question, and I will give the views of a few hon. members of that House, and perhaps those of some hon. gentlemen in this House, in regard to the matter. With respect to the remarks of Senator Ryan, some of which I will read, I may say that, by the scheme we are now considering, the road will not be completed for ten years, and the distance would be shortened 300, not 200 miles. The hon. gentleman said:

"The line of railroad by the north shore of Lake Superior is difficult of construction, and will hardly be built for many years. But, failing the possibility of having that line in operation within a reasonable time, advantage may be taken during the winter months, when the navigation of Lake Superior is not practicable, of a line which is very likely to be constructed in the United States, on the south shore of Lake Superior, from Sault Ste. Marie to Minneapolis and St. Paul. In this way we shall get, within two years, an uninterrupted line of railway from Winnipeg to the Canadian seaboard. This, as every one can see, will be of great advantage to the Dominion, and it has also this advantage: that it will shorten the distance of the existing route between Winnipeg and Montreal by 200 miles at a very moderate calculation; while the route from Winnipeg to Liverpool by that line will be shorter by 500 or 600 miles than by way of New York. These are matters which, I think, it is very desirable that we should attend to in this Dominion."

These are the views of Senator Ryan, and although he suggested we should open communication with the North-West by way of the American railway then projected, I do not find he was charged with a lack of patriotism. But we, in this House, when we suggest the making of connections with American lines, and the utilization of existing or projected lines, are charged with being unpatriotic and giving the key of the North-West to our American neighbors, with abandoning our vantage ground by relinquishing the project of a railway wholly on our own soil. Mr. Ryan said, further:

"I think there should be no hesitation about taking active and immediate measures to construct the link which will connect our eastern roads with our United States system of railways south of Lake Superior and, during the months when navigation is open, with our system of water communication on Lake Superior, and with our own railways from Thunder Bay to Winnipeg during that season. I am sure that no one will question the great advantages of obtaining such a route."

Senator Miller makes use of these remarks on this subject:

"If we wish to control the trade of the great North-West before the all-rail communication can be made between the eastern Provinces and Winnipeg north of Lake Superior, it must be by the line by Sault Ste. Marie, and I do hope that the bringing of this question before the Senate at the present time may have influence on the Government in determining them to take the course which was foreshadowed in the remarks of the Minister of Railways that have been read to the House. There can be no doubt, if we wish to secure that trade, if we do not wish to see it go into foreign channels, we must build this connecting link, which will have the effect during the navigation months at least, of diverting the trade of Manitoba into the other Provinces of the Dominion."

These are the views of hon. members of the Senate in regard to the immediate construction of the Sault Ste. Marie Branch, and I think the Minister of Railways had a very decided opinion upon that question within a year of the present date. I have here a quotation from a speech he delivered in Montreal. He said on that occasion:

"The Government having provided for the extension of the Canada Central to Lake Nipissing, it had naturally attracted a great deal of attention to the scheme, and the project to carry on that road from Nipissing direct to Sault Ste. Marie had received an additional impetus from the attention which had been given to the question by the railway magnates and persons in the develop-

ment of the North-West's rates. They found, on looking at the map, that it was almost an air line running from St. Paul and Minneapolis, the great centres of commerce in the North-West, to the city of Montreal. They found that when wheat could be placed in the harbor of Montreal, and by that route sent to Liverpool, so much more cheaply and easily than by the existing routes, that it was not all surprising that attention should have been directed to the project. The more he examined the project, the more satisfied he was that, independent altogether of the great importance to Canadian interests of the construction of a line from St. Paul, or from Duluth, or from both, to Sault Ste. Marie, looking to a connection with ocean traffic at Montreal. Independent of the great additional volume of traffic which Canada might fairly anticipate would flow from that road, he considered that we had a very great interest in establishing communication between Nipissing and the Sault at as early a date as practicable. The development of our great North-West depended to a very large extent upon the ease, cheapness and rapidity with which we could send people into that country, and bring the produce of the west to the seaboard. The fact that the extension of the Canada Central to Nipissing would be accomplished at an early day; the fact that the Government were pushing, with all the energy and vigor that they possessed, the line from Thunder Bay to Red River; the fact that by the extensions of the line from Nipissing to the Sault, it would bring Montreal within sixty hours of Red River, settled the question as to the great importance of carrying out this project at the earliest practicable day."

This was the opinion of the Minister of Railways last year, and when we call his attention and that of the House to the advantage of the early construction of that branch—when we call the attention of the House and country to the early and easy communication which, by this means can be secured with the North-West Territory, forsooth we are charged with a lack of patriotism, with abandoning the key to the position and subordinating the interests of Canada to the interests of the United States. Now, I cannot see what objection there can be to the line I have indicated. Last year the Minister of Railways thought it of the utmost importance; hon. gentlemen in the Senate friendly to the Government were of the same opinion What objection can lie to the project this year, that did not affect it last year? Does it not furnish us with a road almost as straight as the road by the north shore of Lake Superior? If you take the distance from Montreal to Winnipeg, what do you find? That the road on the north of Lake Superior is only thirteen miles longer than that by the southern side, and by way of the American railways, and what are we paying for shortening this distance? We are paying $20,000,000 for the construction of the eastern end of the railway which only brings us thirteen miles nearer Winnipeg than we could get without the expenditure of a single dollar.

It being Six o'clock the Speaker left the Chair.

AFTER RECESS.

Mr. ROSS. Mr. Chairman, when the House rose I was discussing the propriety of abandoning for the meantime the construction of the Lake Superior end of the Canadian Pacific Railway, and proceeding with the construction of the Sault Ste. Marie Branch, utilizing the American railways existing or projected on the south side of Lake Superior. I am aware, Sir, that an attempt is now made to show that such a policy would be unpatriotic; that it would be transferring to American roads the traffic which rightly belongs to Canadian roads, and which we should have ourselves. If it is unpatriotic to advocate such a policy as that during the present Session, and in face of the construction of this immense undertaking, what position are hon. gentlemen in who advocated a similar course last year? You will observe by the proceedings of the Senate, some of which I have already quoted, that on the 5th of April the Hon. Mr. Ryan moved for papers in connection with the construction of the Sault Ste. Marie Branch and asked what was the policy of the Government in regard to the matter. In reply to his question, the Hon. Sir Alexander Campbell said:

"All I can say with reference to the subject is, that it is receiving our anxious consideration, and as to the motion which my hon. friend from Victoria has made, we shall be very happy to lay on the Table copies of all the papers to which his address refers."

You will see from this quotation, Mr. Chairman, that the question of construction of the Sault Ste. Marie Branch was last year under the anxious consideration of the Government. I have shown you that the Minister of Railways in his speech delivered in Montreal, spoke very favorably of that scheme. I have shown you that distinguished Senators in their places on the floor of the Senate spoke favorably of the project also. On the 1st of April the Hon. Mr. Trudel, speaking of the question, no doubt at the instigation of the Government, asked:

"Does the Government intend to take effective measures during this Session for ensuring either by a grant, or subsidy or otherwise, the immediate construction of a railway to connect the south-east end of Lake Nipissing with Sault Ste. Marie."

On that question the hon. gentleman made some remarks endeavoring to enforce upon the attention of the Government the proposition to which he was calling their attention. In reply to the inquiry I find that the Hon. Sir Alex. Campbell used the following words:—

"In answer to his question (that is, the question of Hon. W. Trudel), I beg to say that it is the intention of the Government during the present season to examine the route carefully westward from Lake Nipissing, and to aid by subsidy or otherwise, if necessary, next Session the construction of a railway to connect the Canada Central Railway terminus at Lake Nipissing with Lake Superior on a line and with the conditions to be fixed by the Government, and the route to be settled in such a manner as substantially to aid in the eventual construction of the Canadian Pacific Railway on the northern shore of Lake Superior."

Sir, that was the policy of the Government last year, deliberately declared by its leader in the Senate. Are we at fault if we declare a similar policy this Session? Are we to be charged with treason to the best interests of the country if we still continue to advocate the policy we advocated last Session, and which was deliberately declared upon the floor of the Senate to be the policy of the Government? I say that it is not in the mouths of the hon. gentlemen opposite to say that this policy is unpatriotic simply because it is advocated by members of the Opposition. It was advocated by themselves; it was declared last year to be their deliberate policy; it is a policy to which we adhere now, and we only wish we could enforce on the attention of the Government the same view of this question as they themselves entertained last year. This was also discussed at some length in this Chamber, and in discussing this question I find the Minister of Railways had something to say on the matter also. He said on the 15th of April, a few days after the motion was made by the leader of the Opposition for abandoning the British Columbia section:

"It is now evident that the attention of the whole of this country is turned to the question of obtaining the shortest line of communication to our great North-West by Sault Ste. Marie. Hon. gentlemen opposite may remind me that one time I entertained serious objection to going to Sault Ste. Marie, but the case is different to-day. * * * * When I opposed the construction of the line to the Sault, it was at a time when we had no line under construction from Thunder Bay to Red River; but the moment the Government was committed to the building of that line, it was our duty to look for means by which we could make it productive. What are those means? I have satisfied myself that the road, with its easy grade and cheap rate at which it will be able to bring down the products of the North-West, cannot possibly have a competitor. * * * I believe that with the character of our road, the cheapness with which we can bring the traffic of the North-West across it, there is no road, be it by way of Duluth or St. Paul, that can compete with us. Therefore, I am glad that there is the prospect of seeing either the Canada Central or Pacific Junction carried through to the Sault, bringing our great North-West within sixty hours of Montreal, and Toronto 100 miles nearer, and that within a comparatively brief period."

Sir, these were the views of the hon. the Minister of Railways last year. He was then in favor of the construction of the Sault Ste. Marie Branch. We enunciate those views to-day with a view to save the country from the enormous expenditure—from the immediate expenditure of at least $20,000,000 in the construction of a road by the north shore of Lake Superior. Are we at fault for this course? If we are at fault, in what position were hon. gentlemen opposite when they advocated a precisely similar course during last Session of Parliament, when they declared it to be the deliberate policy of the Government to aid by subsidy the construction of the Sault Ste. Marie

Railway. I have shown to you, Sir, that, including the subsidy which we propose to give the railway, the burden would be $65,300,000; that without the subsidy it would be a matter of $40,000,000 which this country is to be called upon to expend unnecessarily, and within ten years, for the completion of this gigantic scheme. I have shown that we did not require, in the interests of colonization and settlement, the eastern section at all; that existing railways or the Thunder Bay Branch, with water communication to the Sault will supply all the present requirements of the trade. I have shown further that the western section, or rather the section from Yale to Fort Moody, is not required even in the interests of British Columbia, because they now have navigation between those ports. I have shown that by the scheme, to which we are calling your attention, we are placed within easy communication with Winnipeg, which is undoubtedly the great objective point of all our efforts. The distance from Montreal to Winnipeg, by the North Shore route, is 1,370 miles; from Montreal to Winnipeg, by way of Duluth, is 1,383 miles—a difference of only 13 miles. I ask you if it is reasonable that we should expend $20,000,000, which must be borrowed, for the trifling advantage of getting, *via* the North Shore, a line which is only 13 miles longer than a road which can be constructed for us with the expenditure of scarcely a single dollar of Canadian money. We are told that unless we have a Canadian line the immigrants crossing to this country will be inviegled by American agents and decoyed into settling on American lands. The hon. Minister of Agriculture could answer that objection. We know very well that these immigrants arrive at Quebec during the season of navigation, reach Montreal by the St. Lawrence route on the Grand Trunk, thence proceed to Ottawa, whence they go westward by way of the Canada Central and the Sault extension, then to Thunder Bay by water and thence to Winnipeg. There would be therefore little danger of immigrants being decoyed by American land agents to settle in Dakota or Minnesota. We know, further, that when emigrants leave the old country for Canada they start with their destination in view, and are generally ticketed from the old country to the point to which they intend to go. This being the case, what possible danger could there be of their being led aside by American agents? If we are prepared to offer to these emigrants a free home in the North-West, giving them the advantages of settlement in a civilized country, upon the fertile prairies of these territories, without subjecting them to any of the inconveniences which are proposed in this scheme, I venture to say that all the influences of the American land or railway agents could not prevent those who are intelligent from settling in the country where they would be most comfortable. We are told it would be an unpatriotic thing on our part to abandon the North Shore branch and utilize the American railways. We are told that by utilizing the American railways the trade of the country would be made tributary to the South Shore. But, Sir, what was the case in past years? We know that for many years the winter port of the Grand Trunk Railway was at Portland and that that railway passed through a portion of the United States. Who objected to that arrangement, and said it was an unpatriotic thing in sending our produce to the old country to send it through a part of the United States? And if it is unpatriotic for Canadians to use American railways, to what extent can we esteem the unpatriotic policy of the United States when they use our Canadian railways from day to day and from week to week. Do not the United States contribute a large portion of the freight which is shipped to and from the old country, and passes over the Grand Trunk Railway, the Great Western Railway and the Canada Southern? And if the Americans appreciate the advantages of shipping their produce to the old country by a short route over Canadian soil, surely we who copy so many things of them—our land policy and many other things—would not be committing a very great mistake if we were prepared to transship our produce over American railways in order that it might reach its destination. I have done with the objections which I have been endeavoring to urge against the scheme so far as it involves the construction of 1,190 miles of railway unnecessarily. I proceed to consider another objection. I say that the country expects that any contract that was made for the construction of the Canadian Pacific Railway would relieve the Government from contract letting, and as we have seen from the reports of the Railway Commissioners, from contract jobbing. The present scheme does not at all fulfil that end. The impression in the country when this scheme was first announced was, that the bargain would enable the Government once and forever to wash their hands of all contract letting in connection with the Canadian Pacific Railway. But the fact is that we have ten years yet in which the Government are to go on completing the works already under construction, and all the evils, many of them to be deplored, connected with the contract letting, so far as the Government is concerned, may prevail and will prevail for that period. But more than that, Sir, we are entering into a partnership with the Syndicate. We are promising to construct 90 miles of road as a new contract, and instead of the Government being relieved, they are, as I said before, entering into a partnership—the Syndicate on the one hand going on with their work to connect with the works constructed and to be constructed, and the Government, on the other hand, undertaking fresh responsibilities and agreeing to continue those they have already incurred. I ask why, when the Government were in secret communication with the Syndicate, they did not so arrange the bargain that the work of construction should be taken out of their hands, at least so far as the Yale and Port Moody section is concerned. We have here the disagreeable and unusual spectacle of a Government entering into partnership with the Syndicate, partly for the running of the road and partly for its construction; and this is really an objection which I think is worthy of the attention of this House. There are besides the objections I have pointed out, some minor ones to which I shall briefly refer. The first one is, that we are accepting the standard of the Union Pacific for this road. I cannot understand why it should have been selected as the standard; and we have no explanation from the Government why it was chosen. Could not the Minister of Railways have found in Canada some road that would furnish a suitable standard—some road in Nova Scotia or New Brunswick—some road in this vast Dominion, in regard to which he sometimes waxes so eloquent. By the time our road is built, the standard selected will be a very ancient one. The Union Pacific was constructed in May, 1869—ours will not be completed until 1891—when the standard agreed upon will be 22 years old; and, besides, how shall we ascertain the standard when that period arrives? It has been clearly shown by hon. gentlemen on this side, that the standard of the Union Pacific, when first constructed, was a very poor one; and then we were told by the Government that the standard by which they hold themselves bound, was the standard of that road in 1873-74. By that time even the road will be 17 years old, and how are we going to ascertain what the standard really was. The Union Pacific is at considerable distance from the Canadian Pacific Railway; how are we going to bring our witnesses into court? You will see what expense the country will have to incur in the settlement of disputes. Had we adopted the standard of the Intercolonial or the Great Western, or the Canada Southern, the settlement of disputes would have been an easy and inexpensive affair,

but by adopting a standard thousands of miles away from the Canadian Pacific the difficulty and expense of settling disputes are greatly increased. I also notice as a minor objection that the mode of settling disputes under this contract is a somewhat loose one. Clause 3 says:

"And if the Government and the Company should be unable to agree as to whether or not any work done or materials furnished under this contract are in fair conformity with such standard, or as to any other question of fact, excluding questions of law, the subject of disagreement shall be from time to time referred to the determination of three referees, without any regard to their qualifications."

We have another contract drawn by the same Government which, so far as the settlement of disputes is concerned, is far more satisfactory. In the Allan contract was inserted the following provision:—

"Provided always that if the Government and the Company should be unable to agree as to the details of any of the matters in the clause mentioned, the same shall be, from time to time, referred to the determination of three competent engineers, one of whom shall be chosen by the Government, one by the Company, and the third by such two engineers, and the expenses of said references shall be defrayed by the Company."

There are two points here worthy of consideration. In the one case referees are to be named, irrespective of their technical qualification for the work; in the other case the referees were to be competent engineers—men qualified to decide as to whether the road was up to the standard from an engineering point of view. The contract we are considering also allows the referees to determine by whom the expense is to be borne; by the Allan contract the expenses are to be paid by the company. Why such looseness, such vagueness in so important a matter? Millions of money may depend on the decision of these referees. In the United States, when Commissioners were sent out to examine into the work done on the Union Pacific Railway, they reported that five or six million dollars were required to bring the road up to the proper standard; and if these referees are to be entrusted with such important powers, how essential it is that we should see that they are competent. Again, you will notice by clause 5 of the contract a very strange power is conferred on the Company. It says:

"The Company shall pay to the Government the cost, according to the contract of the portion of railway, 100 miles in length, extending from the city of Winnipeg westward up, to the time at which the work was taken out of the hands of the contractor and the expenses since incurred by the Government in the work of construction, but shall have the right to assume the said work at any time and complete the same, paying the cost of construction as aforesaid so far as the same shall then have been incurred by the Government."

By this clause, I understand that the moment this contract is ratified, the Company may ask the Government to transfer to them, at cost, the 100 miles west of Winnipeg, now almost completed. What does that mean? It means that the Company shall get from the Government 100 miles of road for at least $860,000. You will notice by the contract that for every mile the Company constructs west of Winnipeg, they receive $10,000 in cash. For taking the first 100 miles west of Winnipeg from the Government, they receive a clear bonus of $1,000 a mile. But they get more. They get at the rate of 12,500 acres of land per mile, that is to say, the moment this contract is ratified the Company will have 100 miles of railway in their possession for which they receive a bonus of $1,000 a mile, and in addition they will receive one and a quarter million acres of land to be selected by them at their sweet will in any part of the North-West Territories. Is that reasonable? The Company do not pay of their own as much money as the Government allows them by $100,000 and gives a million and a quarter acres of land besides. I think this is an outrageous provision, one which the Government should reconsider even at this stage of the proceedings; and if they are going to hand over this hundred miles of road already constructed, they had better make some fresh provisions by which the sum appropriated to this hundred miles is to be better regulated.

Mr. Ross (Middlesex).

You will notice by section 7 that the Company are given the control of the trade of the North-West. It says:

"The railway constructed under the terms thereof shall be the property of the Company; and pending the completion of the eastern and central sections, the Government shall transfer to the Company the possession and right to work and run the several portions of the Canadian Pacific Railway already constructed or as the same shall be completed."

This means that within 24 hours after the ratification of this contract by Parliament, the Company can ask the Government to transfer to them the control of the Pembina Branch, and that gives them the control of the trade of the North-West. We know that the St. Paul and Minneapolis Railway Company and this Syndicate are the same thing. They have already their road as far as Emerson. Give them the Pembina Branch to Winnipeg and you give them the control of the only gateway we have to the North-West; and if, as has been shown, their rates on the Chicago, St. Paul and Minneapolis Railway are extortionate, what will they be when they have control over the whole railway system of the North-West? If the Government held in their own hands the Pembina Branch until the whole road was completed, then they would have some protection. Had the Government held in their hands the Thunder Bay Branch until the other sections were completed, we might even then have some protection, but by clause seven of this contract so soon as the Thunder Bay section is completed it must be handed over also. Suppose for a moment the Company had the Pembina Branch; they would then have the control of the trade of the North-West by that route, but if the Government kept in its hands the Thunder Bay Branch until the other sections of the road were completed, then for a time they would have a competing line on Canadian soil to compete with this road lying to the west. But the Government have bound themselves that so soon as the Thunder Bay section is completed that must be handed over to the Company also. They have one route by Pembina, they have another route by Thunder Bay, and whichever way we wish to approach the North West we are obliged to travel over one of the roads of which this Company has control and we are at the mercy of the Company. If the Government had had any disposition to protect the interests of the North-West, they could have reserved in their possession control of the Thunder Bay Branch until the eastern section was completed, and they could have reserved the Pembina Branch until the whole road was completed; they could have protected themselves and the country against extortionate rates of freight tolls and passengers, etc. But in neither case have they protected the interests of the people. They have shut up both gateways to the North-West; they have placed the entire trade of the Dominion and the world, in so far as the North-West is concerned, at the mercy of this Syndicate, and whosoever wishes to send his produce into that country must pay such rates as the Company may demand, subject to the proviso that these rates shall not exceed 10 per cent. of the proceeds of the running of the road. Now, I object again to the provisions of this contract by which this Company may receive lands for every 20 miles of the road which they may construct without the Company being bound to provide railway facilities. In that respect the contract seems to have been very loosely drawn up. It says:

"Upon the completion of the remainder of the portion of railway to be constructed by the Government, that portion shall also be conveyed to the Company, and the Canadian Pacific Railway shall become and be thereafter the absolute property of the Company, and the Company shall thereafter and forever efficiently maintain, work and run the Canadian Pacific Railway."

Who is to say what the words "efficiently maintain, work and run" mean? We have no explanation of this. There is no standard by which to govern ourselves in this matter. In the Act of 1874 every matter pertaining to the running and construction of the road was under the control

of the Governor in Council definitely determined by this Act. Under this contract the terms are vague; we cannot have a vaguer term that that applied to the running of the road. By section B, clause 8, I find the following:—

"Upon the construction of any portion of the railway hereby contracted for, not less than 20 miles in length and the completion thereof so as to admit of the running of regular trains thereon, together with such equipment thereof as shall be required for the traffic thereon, the Government shall pay and grant to the Company the money, and land subsidies applicable thereto, according to the division appropriation thereof made, as hereinbefore provided."

In these words there is no obligation to run trains. All the Company has to do is to construct the road so as to "admit" the running of trains; but there is not one word in this contract from beginning to end which compels the Company to run a fixed number of trains—a train a week, a train a month or a train a year. On the other hand the Government is bound hand and foot so that when a 20 mile section of this road is completed they must hand over the land and money subsidies due for that section. So that the Company comes into the possession of that money and land applicable to the construction of a 20 mile section, and the Government has nothing in return, but the simple fact that the road has been constructed so as to "admit" of the running of trains, no obligation at all existing on the part of the Company to run those trains. I object again to another clause which permits the Government to become bankers to the Company. You will observe that by clause 9, section C, it says:

"If at any time the Company shall cause to be delivered on or near the line of said railway at a place satisfactory to the Government, steel rails and fastenings to be used in the construction of the railway, but in advance of the requirements of such construction, the Government, on the requisitions of the Company, shall, upon such terms and conditions as shall be determined by the Government, advance thereon three-fourths of the value thereof at the place of delivery."

I want to know if this Syndicate is to be so supplied with money, and if the whole resources of the country are to be taxed in order that abundant funds may be placed at their disposal. Why, the whole revenue of this country might be applied for the purchase of steel rails for that Company. If at any time the Company should feel that the market was favorable for the purchase of a quantity of steel rails, what are they to do? Invest their own money? Not at all, but they call on the Government to advance 75 per cent. on the cost of these steel rails, and then the Government has to wait to be recouped until a certain subsidy of money is to be appropriated for that part of the road on which steel rails were laid, and without interest. They have here, then, a real advantage conferred upon them by the Government to which I take objection. I object again to the fact that we are giving the Company the road-bed, their stations and so many privileges free. I am aware that in the Act of 1874 the intention of the Government was to give the Company the road bed and the land for the stations, &c., free. But this contract carries with it even more than that Act, in these words:

"In further consideration of the premises the Government shall also grant the Company the land required for the road bed of the railway and for its stations, workshops, and the water frontage of the termini, navigable waters, buildings and all other appurtenances required for the efficient construction and working of the railway, in so far as such land shall be vested in the Government."

I would like to ask the Minister of Railways if this will cover all the property they have at Kaministiquia, Yale and Selkirk? Is there any limitation to be placed upon the extent of lands which the Government will feel disposed to give to the railway Company? For aught we can see, so far as this contract is concerned, the Government may hand over the excellent water frontage we have at Kaministiquia, the excellent privileges we have at Selkirk, and the property we have at Yale. It would seem as if the Government were exceedingly anxious to bestow everything in their power upon this Syndicate in order to facilitate the working of their road and that they may derive the largest profits from their undertaking. I object, in the next place, to the propositions contained in clause 10 by which the material used in the construction of the road is to be admitted into this country free of duty. At London, the Minister of Railways said that the entire material used in the first construction of the road, if taxed at ordinary rates, would not contribute more than $100,000 to the revenue. I am not so sure that the Minister has correctly calculated what the duty is on the material. But why give them such an advantage? When the Union Pacific Railway in the United States was constructed it was stipulated that, in consideration of the Company receiving subsidies in land and money, the Company should equip their road in every point entirely with material of American manufacture, the object being, of course, according to the American system of encouraging native industry. Well, we have our policy to encourage home manufactures. We have heard a good deal of Canada for Canadians. What do we see in this charter? We see that the principle which now generally allowed to be in the interest of this country, namely, reserving Canada for the Canadians, is set aside, and we are going to have, as far as this railway is concerned, Canada for the Syndicate. Whoever may have to pay taxes, this Syndicate is to go scot free. The workman in Toronto is to pay 50 cents duty per ton on his coal, but this Syndicate pays nothing for whatever material they may use for the first construction of the road and branches, steel rails, spikes and fastenings; but the toiling fisherman, for instance, in Nova Scotia and New Brunswick has to pay his extra duty of 50 cents per barrel on flour, and has to submit to all the inconveniences which the tariff of hon. gentlemen opposite impose. He is poor and cannot resent such an injury in such an effective way as to make himself felt at the Capital. But this Syndicate, with their 25,000,000 acres and all the advantages this contract confers, are to be exempted from the duties on such materials as are contained in Section 10, used in the first construction of the road. Is this fair? What does it mean? It means that whether they be exempted from the payment of $100,000 or $1,000,000, that amount must be contributed to the revenue by somebody else, if it is to be kept buoyant. Every dollar of which that Syndicate is relieved is so much added to the burdens of some other consumers. But that policy seems to be objected to by many hon. gentlemen opposite. I noticed in the *Mail* that, previous to the announcement of the terms of this Syndicate, the following words were written in an editorial:

"In view of the fact that steel rails are being largely imported into the United States, just because the demand exceeds the supply, and the enormous requirements of the Canadian Pacific, it is claimed that the ability of Pictou's iron region to supply the demand should not be overlooked. An outlay of $2,00,000 in the home manufacture of the nails required for the Canadian Pacific would eventually be the saving of $5,000,000. It is urged that a representation should be made to the Canadian Syndicate of Nova Scotia's iron prospects, and an inspection invited, with a view to their exploration."

It was expected, so the *Mail* thought, that a great quantity of steel would be required on the Canadian Pacific Railway, and that it would lead to the development of the iron mines of Nova Scotia and New Brunswick. What must be the astonishment of the editor of the *Mail* and the people of this country, who were taught to believe the Government would take every pains to foster Canadian manufactures, to find a clause in this bargain exempting from duty such materials as we can conveniently manufacture ourselves? I object, then, to the exemption made in regard to such materials for the benefit of the Company. But we are told: "Oh! if the Government constructed the road itself, it could import its material free of duty." I say that is no answer to the objection, for this reason, that the Government and a private company are in two very different positions.

Supposing the Great Western Railway company interviewed the hon. the Minister of Customs when they were importing locomotives or other material for the equipment of their road and said "it is very unfair to charge duty on this material"; the Minister of Customs would naturally ask why?" "Because," the manager would say "when you import material for the Intercolonial Railway you pay no duty yourselves. Why not let us import our material free of duty in the same way." On precisely the same basis should the Syndicate be placed; when they import material for the construction or equipment of their road, let them be placed in precisely the same position as other Railway Companies. We have here a precedent for any number of demands from other Railways which the Government cannot very well refuse to consider. In view of the fact that it is the policy of the hon. gentlemen opposite to tax whatever material comes into this country and to foster such manufactures as a tariff is supposed to encourage, I do hold that the hon. gentlemen are not acting consistently with their professions when they place such a clause in the contract. I want to notice, as another objection, a small concession, but still an important one: the steel rails purchased by the Government since 1879, are to be handed over to the company at cost price. The clause reads as follows:—

"And will convey to the company, at cost price, with interest, all rails and fastenings bought in or since the year 1879, and other materials for construction in the possession of or purchased by the Government at a valuation; such rails, fastenings, and materials not being required by it for the construction of the said Lake Superior and western sections."

Now, what does that mean? We were told when the hon. the Minister of Railways made the purchase of a large quantity of steel rails at something like $25 a ton, that he made an excellent bargain for the country. We were prepared from this side of the House to give the hon. gentleman credit for having made an excellent bargain. We thought that it was made in the interests of the country, and that at some future time the people would benefit by the advantageous character of that bargain. How does it appear now? We have here the fact stated in the 10th clause of this contract that all the advantages to accrue from the excellent terms made by the Minister of Railways when he purchased these steel rails are to be handed over to the Company, and that the bargain was made, not for Canada but for the Syndicate. The value of that simple concession to the Syndicate is put by some at $790,000. I do not know what it may be; I care not what it may be, but it is on the face of it one of those many concessions which show how completely the Syndicate must have had the Government under its control before it could wring from them day by day and step by step one concession after another until it piled up for itself advantages which, if this contract is ratified by Parliament, will no doubt net to them many millions in future. Then, I take objection to the 11th clause. Instead of the Company selecting lands of average quality, they are to select lands fit for settlement. There is every difference, as hon. gentlemen will perceive, between lands of average quality and what may be lands fit for settlement. Professor Macoun says there are 200,000,000 acres in the fertile belt; of that 80,000,000 are arable, about 80,000,000 more only fit for pasturage, that the balance is swamp, muskeg and sand hills. If the Company were obliged to take the average lands, then all the various characteristics of the land in the North West could be estimated and what was an average quality agreed upon; but the Company have the Government in this position, that when a section of land comes to be inspected, the question is not: Is this land of average quality? but: Is this arable land? Is it fit for settlement? Is it such land as a pioneer would choose to build a house upon and make his home? The effect will be that this Company will have a roving commission through the North-West, rejecting section after section and appropriating in each case for their own use such lands as will be fit for settlement. The hon. Minister of Railways, at London, said that the Company would be obliged first to take lands in the fertile belt, and then to take their lands in the Peace River District. And then he read to his audience, at London, the 11th clause of this Act which says:

"The grant of land hereby agreed to be made to the Company, shall be so made in alternate sections of 640 acres each, extending back 24 miles deep, on each side of the railway, from Winnipeg to Jasper House, in so far as such lands shall be vested in the Government, the Company receiving the sections bearing uneven numbers. But should any of such sections consist in a material degree of land not fairly fit for settlement, the Company shall not be obliged to receive them as part of such grant, and the deficiency thereby caused and any further deficiency which may arise from the insufficient quantity of land along the said portion of railway, to complete the said 25,000,000 acres, or from the prevalence of lakes and water stretches in the sections granted (which lakes and water stretches shall not be computed in the acreage of such sections), shall be made up from other portions to be selected by the Company in the tract know as the fertile belt, that is to say the land lying between parallels 49 and 57 degrees of north latitude or elsewhere at the option of the Company."

Now, the Minister of Railways, in the City of London, said that the company could not go elsewhere—that they must select their lands in the fertile belt. He said:

"Why sir, we are told the Syndicate have the option of picking out the best lands in the North-West. Where did they find that out? It is not in the contract, but the very reverse."

And then he read the 11th clause until he came down to the words "fertile belt," but he failed to read the words "or elsewhere" thus plainly misleading his audience in regard to that very important section of the contract. Does the hon. gentlemen mean to say that this company cannot go into any part of the North-West and select such lands as they may require? Why, we have it here, in the contract that if the land is not to be found in the fertile belt they may go into any part of the North-West. They may exhaust the lands in the fertile belt and go elsewhere and get lands that are fit for settlement, and having got those lands, they can take possession of them and hold them for their own use and benefit. Sir, this is, to characterize it in mild terms, a monstrous proposition. It gives the Company such a monopoly of the lands fit for settlement, of such lands as the settler may desire, such lands as would be an inducement to emigrants, as must materially affect the prosperity of that country. And I would like to know, when the Company has selected such lands as are fit for settlement, how much land will be left for the Government. We have had various estimates as to the quantity of that land, but we have had no definite estimate yet submitted to this House, as to the quantity of good land fit for settlement that will remain after the Company have taken their 25,000,000 acres, and strange to say they can not only take these 25,000,000, as far as it goes along the main line, but they get the same privilege along the branch lines, and the privileges conferred along the latter are even more liberal than those are on the main line. Before they can get the land on the main line, they must construct the road, but the land given to them on the branch lines does not involve the construction of those lines; all that it involves is that the Company, if they find that there is an area of land in any part of the country fit for settlement, should sketch that area of land upon a map to indicate where they intend to build a branch line, send that map down to the office of the Minister of Railways and thenceforward that land is pre-empted for the benefit of the Company. Could there be any proposition more absurd? If we expect, and we may expect, to appropriate lands along the line where it involves the opening up of the country and construction of the railway for the benefit of colonization we may, accept that proposition. Surely hon. gentlemen do not ask this House,—surely they are not serious in asking this House to accept a proposition which will give the Company 14,000,000 acres of the 25,000,000 millions appropriated for them along the

branch lines north and south through the fertile belt, through the coal regions, and wherever there may be good land, without imposing on the Company the responsibility of opening up the country by the construction of roads. It is bad enough to give the lands where the construction of the road is required, but it is infinitely worse to pre-empt the land without providing for the construction of the line of railway through those regions. I hope that even yet the Government will see their way to withdraw this clause, the worst of all clauses in this very bad contract. Then, Sir, I object to the mode in which provision is made for the extinguishment of the Indian title. We have already paid largely for the extinguishment of the Indian title in the North-West. If it was in the interest of the Company that we should expend $1,000,000 a year or a sum at once for the extinguishment of those titles north of the Saskatchewan, the Government has no option. When provision was being made for the Union Pacific lands the title had to be extinguished as soon as it might be to the interest of the Government or the company, but in this contract the matter is peremptory—the title shall be extinguished the moment the Company require it. I object to the contract because the location of the road is not more definitely laid down. True, the location of the road is to be subject to the approval of the Governor-in-Council, that is, the Executive; but, Sir, when I view the provisions of this contract, I almost lose confidence in the Governor in Council. After the liberal concessions which the Executive have already made to this Syndicate what guarantee have we that they will not be very liberal with the Company and allow them to deflect the line anyway it suits their interests, however much they may disregard the interests of the country in doing so. Another astonishing provision of the contract is, that this road is to have no competition in the trade of the North-West for 20 years. I do not propose to enlarge upon this objection, because it has been discussed at considerable length, but I simply wish once more to call attention to it, so that the voice of members on this side of the House may be heard and their sentiments known, in the hope that even yet the North-West may be saved from the disastrous consequences which such a monopoly must inflict upon it. Another clause to which I object is the one which provides for the exemption of the property of the Company from taxation forever. The Minister of Railways stated at London, according to the *Free Press*, that the Union Pacific property did not pay taxes, but I find from Poor's Railway Manual that in 1877-78 that road paid for general expenses and taxes $505,329. Surely that hon. member could not have weighed his words or could not have considered the responsibility which is attached to all his statements when he made a remark of that description. I find also that the Central Pacific, a road of which we have also heard a good deal in this debate, paid in the same year $378,986.27. The Railways in England and France pay taxes upon their property; but the Company with which we are dealing enjoy special advantages in almost every respect. The hon. Minister also said that, according to the laws of Minnesota, railways were exempt from taxation in that state. In reply to that I shall quote the clause of the law of Minnesota, which deals with that subject:

"All property, whether real or personal, in this state, all moneys, credits, investments in lands, stock, joint stock companies, or otherwise, of persons residing herein; the property of corporations now existing or hereafter created, and of all bankers, except such as is hereinafter expressly exempted, is subject to taxation; and such moneys, credits, investments in bonds, joint stock companies, or otherwise, or the value thereof, shall be entered in the list of taxable property, for that purpose, in the manner perscribed by this chapter."

And when we turn to the list of exemptions, we find public school houses, grave-yards, county buildings, institutions of a public or charitable character, but there is no exemption of railway stock or properties. Hon. gentlemen say we are copying the railway system of the United States; but we are doing nothing of the kind. The Minister of Railways further said that in the State of Wisconsin, railway property was exempted from taxation. I will quote from the laws of that State:

"It shall be the duty of the railroad companies to pay or cause to be paid to the treasurer of the State, for the use of the State, on or before the tenth day of January in each year, a sum equal to one per centum of the gross earnings of their respective roads so returned, which amount of tax shall take the place and be in full of all the taxes of every name and kind upon said roads, or other property belonging to said companies."

So that, while the property of railway companies may be exempted from direct taxation, these companies have to pay one per cent. of their gross earnings instead of taxation. But this Syndicate is not only exempt from taxation, but there is no provision at all in this contract or charter that the Province or the Dominion shall receive any part of the earnings of the road in lieu of taxes, and I challenge hon. gentlemen opposite to mention any leading line of railway in the United States, from Maine to San Francisco, whose property is exempt from taxation. They may find one or two insignificant roads in a small part of the country exempt from it but the universal system with respect to roads of any importance is that they shall either pay taxes or contribute a certain portion of their earnings in lieu of taxes. I am aware that the charter of the Northern Pacific Railway, provided that that road should be exempt from taxation in the territories of the United States, so long as they remained territories. But here we have the astounding monopoly given to this road that, not only is it exempt through Dominion lands, but that any municipal government that may be erected in these territories will not be allowed to exact taxes from station grounds. A similar question came up some years ago in connection with the Hudson's Bay Company, when my hon. friend from Halton (Mr. Macdougall) and Sir Geo. E. Cartier were negotiating for the transfer of Rupert's Land to the Dominion of Canada. One of the claims made by the Hudson's Bay Company was that no taxes should be imposed on any lands belonging to the Company, or on the Company's property or the Company's servants. This demand was made by the Hudson's Bay Company before they were prepared to transfer their interest in the lands of the North-West to the Dominion. But were these demands conceded? The member for Halton, in his report to the Government, says:

"In 1868 these conditions for the surrender of territorial and governing rights over the whole territory remained at £1,000,000 as in the first proposition of 1864, with large reservations of land at 'selected' points, specially exempted from taxation, and with full liberty to carry on their trade free from the export and import duties, to which all other subjects of Her Majesty in the country would be exposed. In 1869 these various proposals, which no Secretary of State could possibly entertain, have all been apparently merged in one grand proposition 'to sell out the territory at once for a sum of money,' in cash or bonds, the amount of which is not stated."

The hon. gentleman was mistaken, Sir. He was not then aware that we were going to have a Government in the year of grace, 1880, that could entertain proposals far more extensive and far reaching than the proposals which he believed in the interest of the country should be rejected so far as the Hudson's Bay Company were concerned. He said that no Secretary of State could entertain a proposal to exempt the land of the Hudson's Bay Company from taxation, and yet we have come down to a period in the history of the country, when not only a Secretary of State, but a First Minister and a Finance Minister, and a Minister of Railways, and the whole executive of the country, are prepared to accept a proposal by which a fair greater area than the Hudson's Bay Company proposed to reserve, is exempted from taxation. I know the impartiality of my hon. friend from Halton in matters of this kind, and I know that his past record on such important questions

as the purchase of Rupert's land will lead him to consider that the clause to which he refused his assent in that case is repeated in this Syndicate's proposal, and I trust that he and other hon. gentlemen in this House will reject it. We are told, however, that if we build the road ourselves, it will be exempt from taxes. I suppose the cases would not be parallel. In the first case, the road would be exempt from taxes, and would be our own road ; in the other, it is exempt, and is the property of a private company. Suppose the Minister of Railways has a farm of 500 acres, and a man comes to him to rent the farm. "Well," asks the Minister, "what rent will you pay?" "Why, I don't pay any rent," replies theman. "No," says the Minister, "but you don't expect me to give you a farm without any rent." That is the case exactly. We own the railway, and it may be exempt, but when we transfer it to a private company, we should no longer exempt it. The analogy does not hold, the argument is futile and is of no value. But the Minister of Railways said in London that the railways in New Brunswick were exempt from taxes. Let me notice a slight defect in his statement. I have in my hand an Act to exempt the property of railways from taxation in the Province of New Brunswick. I am aware that the exemption extends to the railway, the rolling stock and the station ground. But notice the last clause of the Act:

"The exemption provided by this Act shall not extend to actual profits derived from the running of any railway, after deducting expenses."

The Act of the Province of N. B., is a restrictive Act ; it is not so wide or general in its application as the one we are considering. If the provision I have quoted applied to the Pacific Railway, the moment the Company had a profit of one or two millions dollars, the road would be liable to taxation; but there is no limit in their case. And here let me remark that this is an invidious distinction. No railway in the Province of Ontario is exempt from taxation. The Canada Southern, the Great Western and the Grand Trunk pay taxes. And why not? They get the advantage of all local improvements, for which the public are taxed, and they, who share the advantages, should not be relieved of the burdens. Suppose this company has its shops and station grounds in a nice little town in the North-West and schools are opened in the town. The workmen employed in the Railway Company at that town can get the advantages of the schools and all other advantages and contribute nothing for them. Here you are building up a specially favored class in the community. What does it mean? It means that the people of the North-West, as far the Railway Company is concerned, must tax themselves extra to the extent from which the Company is relieved, in order to secure such advantages as schools, highways, sidewalks, and other advantages of civilization. Now, I contend these are privileges which this House should not sanction—privileges in the shape of a bonus which if they are to be conceded, their value should be estimated. We are told that this scheme is cheaper that the Mackenzie's scheme of 1874, but if we had a cash value placed upon all these advantages we might then know what we are paying and how much of our property is to be transferred to this Company. There is another grievance to which I must refer, and that is: when a new Province is erected and we come to confer upon it those advantages which it can claim under our Confederation Act, we will be bound to consider the exemption from taxation of the lands and property of this Company. This will mean, then, that the whole Dominion must be taxed in order to provide a larger subsidy for the maintenance of the local institutions of such new province or provinces. We pay Manitoba already 80 cents a head and several other perquisites. If we handed over to Manitoba her wild lands the subsidy to that Province from the exchequer would not need to be so large. When you come to form a Province in the North-West, and when the people come to find that the railway lands are exempt from taxation, with all the railway property, and that the means for maintaining the municipal institutions in that Province are closed against them, they will say: "If we are going to erect ourselves into a Provincial Government we must obtain a larger subsidy from the Dominion Exchequer, because we have not the advantages of taxation which other Provinces have." For instance, if one-fourth of Ontario or Quebec were exempt from taxation in what position would they be? Evidently, in order to maintain prosperity, they would have to draw freely from the exchequer of this Dominion; and the whole Dominion, from Vancouver's Island to Halifax, would need to be more largely taxed, because of the exemption we are now considering under this contract. I hope the House clearly understands, that when the property and land of American railways were exempted from taxation, in nearly every case there were some other considerations such as I have referred to. Now, I am about to consider another objection, and that is, the lands of this Company are exempted from taxes for twenty years, or until occupied or sold. I am of opinion that the hon. the Minister of Justice, if reported aright to me, in considering the question, did not give that attention to which we would expect him to give to a matter of so much importance. I am told that at Almonte, the other night, the hon. the Minister of Justice stated that the railway property, under the Act of 1874, was also exempted from taxation. I could hardly believe it, but, of course, it must be true. It is quite in keeping with what we have seen in the case of the standard of the road. How many more revelations of that kind may be made before the discussion closes, I cannot say. The hon. the Minister of Railways, in London, said that the moment the Company put their finger upon the land, that moment it would be taxed. I do not know what he means by that. As I understand it, this land is exempted from taxation for twenty years, or until it is sold or occupied, and I cannot understand how placing a finger upon these sections will be proof of occupation. Another objection is that this exemption will retard the settlement of the country. I think the hon. member for Monck (Mr. McCallum) in making a confession to the House the other night, said that he did not like that. I think the hon. member for Essex (Mr. Patterson), also put in a disclaimer in regard to that matter. But it is true nevertheless that, according to this contract, the lands are exempt from taxation for 20 years. You, Sir, will remember a discussion we had last year, on a motion of the member for North Norfolk (Mr. Charlton), in which it was proposed that the land to be sold for railway purposes in settlements should be sold on conditions of long credit. We argued that they would be occupied by speculators until such improvements were made in the neighborhood by others as would advance their price. In respect to that objection the right hon. the First Minister said:

"Municipal institutions have now been introduced into Manitoba. At first they only passed a permissive Bill, but now they have passed a compulsory Bill. They have divided the Province of Manitoba into twenty-eight town districts, and these are compelled, in the course of this summer, to adopt a municipal system, which is that of Ontario in principle. Every one of these districts is obliged to establish a municipal system with the organisation that obtains in Toronto so that the people who own every second lot, will have a direct interest in insisting upon and in unpassing a non-resident tax upon all peculators. The danger of large tracts of land getting into the hands of speculators is absolutely out of the question. They cannot get them continuously in large blocks, and only in blocks of 640 acres. By no possibility can they get more than that, and they are checked by the fact that the actual resident settlers will see that a non-resident tax is put upon these lands, so that the operation will be the same as it was in the old Province of Upper Canada. I remember the time before the land tax was passed, when every old inhabitant had a large tract of land which he kept for speculation; but the land tax system altered that, and we had yearly sales of lands for taxes, and the speculators were obliged to sell their lands because they could not afford to pay the taxes put upon them.

Mr. MACKENZIE. It was precisely the land speculators that bought up the lands.

Sir JOHN A. MACDONALD. But they sold again. Of course the land speculators bought them and paid the rates, and the municipalities got the money and laid it out in roads and bridges, and the improvement of the country; and the new speculators who bought those lands were obliged to sell them or continue to pay taxes, and we all know the consequence was that such things as large land proprietors, which have been pictured to us by the hon. member for North Norfolk, do not exist in Ontario."

Now, Sir, that was the answer the First Minister made to the objection we brought against the sale of railroad lands without the absolute condition of settlement. It is a tolerably good answer. The fact that taxes could be imposed would ultimately compel the speculator to dispose of those lands; otherwise, the taxation from year to year would absorb the profits that would, perhaps, accrue in the increased price of the land. But in what position will this Syndicate be placed? They will have their 25,000,000 acres exempt from taxation, and, as I have shown from the Order in Council of 1866, they will derive the profits of the energy and industry of the settlers. Every man that settles on a section of Government land in the North-West will be a hewer of wood and drawer of water to this great corporation. Every road he makes, every bridge he builds to span a little stream or rivulet will be clear gain to this Syndicate. Every dollar he invests in the improvement of communication between the back parts of the Government lands and the front will benefit the Syndicate. Moreover, if the settlers wish to levy rates to secure the construction of roads or erection of school-houses, instead of levying a single rate which they would do under other circumstances, they will have to levy two rates on their own properties, because the Syndicate property is free. I believe this will be a practical bar to the settlement of the lands in the North West. It is tantamount to telling every man we invite from the other side of the Atlantic that, the moment he settles on our lands in the North-West, instead of contributing of his means for his own advantage and the comfort of his family, every dollar he invests for the benefit of himself and neighbors will be so much to the advantage of the Company that contributes not one dollar itself. This exemption is more monstrous and more burdensome, and will be so found by the settler than, perhaps, any other. How was it in old Canada with the Canadian Company's lands? Those of you who are older than myself and more familar with the early settlement of the country, know at what disadvantage the settler was placed in having to build his road past the Canadian Company's lot that did pay a certain amount of taxes; and such disadvantages will accrue in a much more painful and serious degree to the settler in the North-West. This provision is worthy of consideration and should be struck out of the contract. But we are some times told by hon. gentlemen that railway lands in the United States do not pay taxes. I have shown that the Union Pacific Railway lands were exempt in the territories, only so long as they so remained. When they were erected into States, each State was permitted to exercise its sovereign right of imposing taxes upon railway lands; and I notice a quotation from the Chicago *Railway Age*, under date of December 30th, as follows:—

"The Illinois Central Railway is an institution in which this State ought to take great satisfaction. During the six months, ended October 31st, this Company earned on its Illinois lines $2,893,728, of which $202,561 was paid over to the State, being the seven per cent. tax on its receipts."

Thus we have the Illinois Central Railway paying, in about one year, $400,000 into the State treasury in lieu of taxation; and I have a statement which shows that the road, since 1870, has contributed $2,934,654 to that State, and to the State treasury of Iowa, $371,840. If there was a provision in that charter, that the lands of the Syndicate be exempt from taxation, and that, in lieu of it, this railway should pay into the treasury of the Dominion, or into that of the provinces to be erected in the North-West, a certain proportion of their cash earnings, then there would be some reason in asking the House to consider this proposition. But instead of there being any return to the Dominion, or the future provinces for this exemption, we have, on the contrary, a proposal of this Government to bind the provinces hereafter to be erected so that they may not exercise their sovereign rights in taxing those lands. If the North-West happens to be settled, as I trust it will be, by people of the spirit and independence of the inhabitants of Ontario, I venture to say there may spring up in the North-West a series of troubles and annoyances to the Syndicate, in regard to which the Government may be called to interfere. By this exemption, I fear, we are sowing the seeds of future trouble in regard to the social and political quietude of that vast territory. I object, again, to the provision by which the land is given to the Company in alternate blocks of 640 acres. I think this is not a wise allocation. The Bill of 1874 gave the company large blocks extending from the railway 20 miles back—the same as in the Sir Hugh Allan charter and in some of the United States Railroad Acts. The Canadian Government has an opportunity of considering a better plan than the alternate blocks, by giving the Syndicate a larger area, or blocks of, say, 10 miles square, and reserving for themselves a similar area, by which settlements could be more easily promoted; that is to say, settlements could be in such areas and over such an extent as would enable settlers to assist each other, and obtain all the advantages of our modern civilization. They could have easy local communication with each other, which advantage would be impossible under the present system. I find, besides, that among the other concessions made in this contract all the exertions of this Government in the promotion of immigration and the settlement of the North-West will redound to the advantage of the Company. We employ emigration agencies in the old country, and have an extensive immigration system in Ottawa, the whole machinery costing between $200,000 and $300,000 a year, sometimes more. We suppose that, in maintaining such an immigration bureau, the people of the Dominion will be exclusively benefitted. But, under the present contract, every immigrant brought into the country, and whose expenses are paid by it, may settle on the Company's lands, which he may buy without benefitting the Government of the country. Sir, there should have been some partnership in regard to this matter. There is a partnership in regard to the construction of the road; why not negotiate a partnership in regard to the expenses of immigration? And then I object to another provision in this contract, as explained in section 22, by which the Company is made a close corporation. The capital of the Company is $25,000,000, subscribed stock $5,000,000, $1,000,000 paid into the treasury, and by section 22 no transfer of the stock of the Company can be made by one person to another without the consent of the shareholders. Under the Sir Hugh Allan charter no transfer of the charter could be made for six years without the consent of the Government. The Government had security that the original shareholders of the company would be such men as they might approve. Why, Sir, this is a close corporation that, under the shadow of some ministerial office in the city of Ottawa, negotiated with Ministers this bargain erecting themselves into a close corporation of seven men, provided seven men take up this stock, and no other man can share the profits and emoluments connected with the road, except at the sweet will of the corporation. How different the case was even with the Sir Hugh Allan contract. The stock was divided among different provinces. A national character was given to that contract. Ontario had five-thirteenths of the stock, Quebec four-thirteenths, and Nova Scotia, New Brunswick, British Columbia and Manitoba the other four-thirteenths, so that a national character was given to

the scheme. What is the national character of this? It is simply that it is mainly in the hands of American shareholders, to which I am not prepared to offer objection now; but men of means and enterprise, who should have a right to share in any public undertaking out of which a Canadian citizen can make a dollar, are practically debarred by this contract from investing one cent in this undertaking. Why confine it to those few? Why not open the stock books as the stock books of the Union Pacific Railway were opened at the leading cities of the United States, and the citizens of that republic, from San Francisco to New York, permitted to invest? They nationalized the undertaking. We, instead of nationalizing our road, propose to denationalize it. Instead of enlisting the sympathies of thousands in this country if it is to be a profitable undertaking (and I have no doubt it will be) we are confining the profits of it to seven men who subscribed their names to this contract, and no other man can share in those profits without their consent. I object to this proposition, and I say the Government has no right to make this a close corporation in the manner in which it is made. I say again, this contract prevents suitable railway development in the North-West Territories. You will observe the main line will require the construction of 900 miles of railway to be completed in ten years. Inside of ten years, so far as this Company is concerned, all the railway the North-West will have will be 900 miles. The branches, in order to absorb the land, would need to extend 1000 miles more, but there is no obligation on the Company to construct the branches in a given time. They may postpone the construction of the banches until the lands located on this map which I have referred to become so valuable that it might be in their interest to construct them. What do we provide? We have a territory there of 250,000,000 acres. The railway accommodation which we provide for it is 900 miles of main line, and we shut out everybody else from constructing branches except in particular directions, and I venture to say that their railway, by locating on a map branch lines, can forestall any person from building a branch line in any conceivable direction. Is this fair? We have in Ontario, 6,484 miles of railway, and we are binding the further settlements of the North-West to accept one-seventh of the railway accommodation that we claim for ourselves. In the States of Ohio, Indiana, Illinois, Michigan, Missouri, Iowa, Wisconsin and Pensylvania, covering an area about equal to the North-West, they have 38,422 miles of railway accommodation. We are confining the North-West to less than one-fortieth of the railway accomodation which is provided by local enterprise and otherwise for those States. Is that fair? We boast of our enterprise in developing that country. We say that it is worthy of us, as a young people, to put forth all our energes to secure the development of the North-West, and yet while making those loud, those vain and vapid boasts, we are binding for twenty years the resources of that country to 900 miles of railway. If you want to develop the North-West, you should allow every facility for the construction of railways. You should not put into the hands of a monopoly power to prevent the construction of such branch lines as the state of settlement might require. Having referred to so many objections to this contract, I want to call attention to a few omissions. Not only has the Government been guilty of sins of commission, but it has also been guilty of sins of omission, and perhaps the sins of omission are almost as serious in some instances as the sins of commission. In the first place, they have omitted to make any provision for inspecting the work which this Syndicate is to lay out in the construction of the road. They have omitted to make any provision for the inspection of the road as constructed. Under the Sir Hugh Allan contract, provision was made for the inspection of all the material to be used in the construction of the road. Under the Act of 1874 the material in the construction and equipment of the road was to be subject to the inspection of the Government, and approval of the Governor in Council. Here we may have repeated the construction which the Commissioners in the United States reported on the Union Pacific Railway of the United States. There is no guarantee but this road may be constructed in the cheapest and plainest manner possible. But we are told that it would be in the interests of the Company to make a good road as they are going to run it. How do you know the Company are going to run this road? How do you know that after they have completed it in such a way as to admit of the running of trains as the contract requires, and after the lands and subsidies are conveyed to them under this contract, but they will renounce and repudiate the running of the road? How do we know but they will adopt this plan? If, however, the Government see fit to inspect this road as it progresses we have some guarantee at least that the road will be constructed of suitable material. Again, I notice that the Government is exercising no control whatever over the directorate of this road. Under the Union Pacific Railway charter, the directorate consisted of twenty members, five of whom were to be appointed by the United States Government, and on every Committee of the Union Pacific Railway one of the Government Commissioners was to be a member. Under the Sir Hugh Allan charter the subsidies and lands were to be handed over to three trustees, one of whom was to be appointed by the Government. Here we have 25,000,000 acres of land and $25,000,000 handed over to a Company, and yet the Government is to exercise no control over the deliberations of that Company; no representative of the Government is to be on the managing board of that Company, and what appropriations they may make of the land, what dispositions they may make of the money is a matter the Government does not seem to have considered. I see there is no provision for the number and character of the trains to be run on this road—a very serious omission. We are told the road is to be efficiently worked; who is to be the judge of that? Why not make such a provision as in the Act of 1874, that the character of the equipment, the rates to be charged on passengers and freight to be under the direction of the Government? Again, there is no provision made for the survey of lands. Such a provision existed in the Sir Hugh Allan charter of 1872. Again, we find that while, as there was, in the Act of 1874, provision whereby military stores and troops and material required for military purposes, were to be transmitted over the road on special rates, or on rates to be agreed upon between the Government and the Company, in this charter there is no special provision of the kind. Again there is no reservation by the Government of coal or mineral lands. Wherever the Company may find such land all they will have to do will be to locate their line, put in their map, and, presto! the mineral lands are preempted by the Company. Mr. Fleming says in his last report:

"On the North Saskatchewan at Edmondon, and further down the river near Victoria, coal of fair quality is known to exist. Exposures have been observed on this river as far as the Rocky Mountain House, and one seam of 18 to 20 feet is mentioned by Mr. Selwyn of the Geological Survey. Mr. Macoun found coal 150 miles east of Rocky Mountain House on an affluent of Battle River. It is again seen 100 miles south, and has been traced to the Blackfoot crossing on Bow River, where there are seams from three to six feet thick. South of Bow River many fine seams have been found, and near Fort McLeod coal is now regularly worked. Brown nodular iron-stone is reported from various localities in connection with coal and shales, but not as yet in workable quantities."

Another omission of which I complain is, that there is no provision for the sale of the lands within a reasonable time—they may keep them just as long as it suits their interests to do so. In the case of the Union Pacific, the Company was compelled at the end of three years to allow the Government to preempt the lands and sell them the same as any other lands, at the rate of $1.25 per acre; but in the present case the lands may be held not only for 20 years, but unless they are conveyed to the Company by the Crown, they

may be held for thirty or forty years, and we have no guarantee that they will not do so. There should have been a provision by which, if the Company held their lands beyond a certain reasonable time, the Government could take possession of them and dispose of them for the purposes of settlement. There is no provision for taking the road off the Company's hands, or for compelling them to keep it in repair. The hon. member for Annapolis (Mr. Longley), while discussing the contract, said that the whole question at issue rested on the simple question: Is this a better plan than the one of 1874? And the hon. gentlemen answered his question in the affirmative. I deny that this plan is better than that of 1874. The Minister of Railways, in his speeches in this House and in the country, says that the scheme of 1874 involved an expenditure of $104,000,000 which he makes up in this way: cash subsidy, $27,970,000; land subsidy, at $1 per acre $55,240,000. And here is where the hon. gentlemen made a mistake. He assumed that as part of the provisions of the plan of 1874, the contracting Company for the construction of that road were to receive 4 per cent on a certain sum to be named by the directors for 25 years. He accepted the sum named by the directors for the Georgian Bay Branch, $7,500 per mile, as a basis. That sum at 4 per cent would yield $300 a year. The Minister of Railways assumed that an annuity of $300 for twenty-five years was equivalent to a cash payment of $7,500; but in that assumption he was quite in error, for an annuity of $300 for twenty-five years is equivalent to only $4,862 of a cash payment, so that the total cash payment would be $13,116,742. The cost under the plan of 1874, instead of being $104,000,000 as stated by the Minister of Railways was only $97,026,742, a slight difference of about $7,000,000. If the hon Minister of Railways cannot calculate better than that he certainly does not evince much ability as an arithmetician, whatever he may be as a railway manager. But that is not all. In the plan of 1874 there is the following provision:—

"In every contract for the construction of the said railway, or of any section or sub-section thereof, the Government of Canada shall reserve the right to purchase, under the authority of Parliament, the said railway, or section, or sub-section thereof, on payment of a sum equal to the actual cost of said railway, section, or sub-section, and 10 per cent. in addition thereto,—the subsidies in land and money granted, or paid by the Government, for the construction of the said railway, being first returned or deducted from the amount to be paid, the lands sold being valued at the full amount the contractors may have received from the sale of such lands as may have sold."

Now, under this Act, if the Government purchased the road from the Company, they were to pay the cost plus ten per cent., deducting the subsidies in land and money. The hon. member for Lambton, in discussing this subject in the House in 1878, said, it was the intention of the Government, if they could make a contract with a company, to deduct from that contract the amount expended on the Thunder Bay Branch. Here are his words:

"It was the intention of the Government, as soon as the surveys were completed and the line located, to invite tenders under the Act of 1874, and under the terms of that Act the money expended upon the 228 miles under contract and to a great extent finished would be deducted from the contractors as part of the $10,000 per mile which the Act provides to be paid as a cash subsidy."

In the Act of 1874 we have it definitely provided that money expended by the Government in the construction of the road was to be deducted from the subsidies in land and money given to the Company. By accurate estimate, $97,000,000 was to be the cost of the road under that Act. Instead of voting $28,000,000, which the Government has expended, or is to expend, on the construction of the sections which they are to give over to the Company, that amount, as explained by Mr. Mackenzie as the intention of the Act of 1874, should be deducted from the whole appropriation. Then what would we have? Under the plan now proposed, the cost is $78,000,000; under the plan of the Act of 1874 we would have the road for $69,025,742.

Mr. PLUMB. Fifty-five million acres of land were given by the Act of 1874. How do you bring them down to $69,000,000?

Mr. ROSS. I have taken the lands at the estimate of a dollar an acre, given by the Minister of Railways. I am aware that if we break down this argument of hon. gentlemen, they have nothing else to lean upon, they do not pretend to have any other support. There is not an hon. gentleman on the other side of the House from first to last, who has stood up to defend this contract on its merits. I challenge any hon. gentleman to stand before any audience in the Dominion of Canada and take up that contract clause by clause and defend it. The hon. member for Monck (Mr. McCallum) did not like certain clauses, the hon. member for Essex (Mr. Patterson) did not like certain clauses, and, I venture to say, the hon. gentlemen on the Treasury benches themselves do not like some of the clauses. But these were wrung from them under circumstances of which we have no knowledge, and we have this contract thrust upon us simply because they did not throw the matter open to the wide world and receive tenders above board as they have received for other works. But, Sir, without insisting on the valuation to which I have referred, we find that the Act of 1874 was exceedingly different from the one we are considering. The Act of 1874 did not exempt the lands from taxes for 20 years. How much is that worth? Let the hon. member for Niagara put a cash valuation on that. The hon. member has been reading the Railway Acts of the United States. He will find that some of the railway lands of the United States were taxed 14c. an acre, and some 11c. an acre, and the hon. gentleman knows that lands in Manitoba held by non-residents are taxed from 5c. to 6c. an acre. Put that same rate on 25,000,000 acres for 20 years and it will amount to $10,000,000, an enormous sum, which shows the immense gain which this tax is to the Company. It not only relieves them from a regular payment of say $50,000 a year, but enables them to hold their lands in order that they may increase in value. By the Act of 1874 the road-bed and station grounds were not exempt, nor were the privileges connected therewith so extensive as those under this Act. It did not exempt the materials named in this contract from the payment of duty. What is the value of that? We do not know what it is; but we know that one of the members of this Syndicate, Mr. McIntyre, estimated that perquisite at $5,000,000. Under the Mackenzie Act there was no monopoly of trade for 20 years. Will my hon. friend from Niagara put a value on that? These exemptions are cash to the Company, and every one of them is a valuable consideration. Under this contract the lands are to be fit for settlement? Under the Act of 1874 they were to be of average quality, and they were to extend from Nipissing to Vancouver—a very different thing from giving the lands in the fertile belt, or wherever the Company choose to take them. Let us put a valuation on these lands, chosen in the different ways I have mentioned, and let us see the difference. Under the Act of 1874, the Government was to control two-thirds of the lands and to sell them on terms to be agreed upon between the Company and the Government. Under this contract the Company can hold the lands as long as they please. There is no compulsion to sell the lands, while, under the Act of 1874, they could be compelled to sell their lands. Again, in the Act of 1874, there were provisions as to freights, tolls and charges. Under this contract the Company can charge just as much as they please, so long as the charges do not exceed 10 per cent. of the cost of construction—of the money which we give them with which to construct the road. If it were 10 per cent. on the money they themselves invest, it would be a different matter. Under the Mackenzie Act of 1874 the Government

retained the power of stopping the work when they saw fit. We could purchase the road from the Company by paying 10 per cent of the cost. Here we have a road—it may be worth purchasing or it may not—but once in the hands of the Company there is no provision by which it may be taken out of their hands. They may mismanage it and do whatsoever they please, and we have no relief. Under the Act of 1874 we had that power. Under that Act there were limitations and restrictions on the company which are not contained in this charter. Before I dismiss this point allow me to ask some hon. gentlemen on the other side of the House, before they tell the country that this road under the present scheme is going to cost only $78,000,000, to put a valuation, a fair, honest, reasonable valuation upon the exemption from taxation upon the lands and property of the Company and upon all the other privileges they obtained under the contract, and let us know what this road is going to cost. Let us not be dealing with hypothetical estimates, but let us have an estimate that covers all considerations which the Company receives, and then we will know what the road really does cost. Now, a word or two in regard to some of the dangers incident to the country from this contract. The first danger is the fact that the Company which is to construct this road is interested in another road. While that Company is running a road from Selkirk to Thunder Bay the same Company is running a road in the United States that might be a competing road with us, so that practically its interests in Canada are competing with those in the United States. That means that it will be able to protect its interests in both places. If the same Company is interested in lands in the United States to the value of $20,000,000, and we are giving them lands in our country, what guarantee have we that the Company will not direct the emigrants they bring out to this country upon their American lands rather than upon the Canadian lands, especially since they pay a certain percentage upon their earnings in the United States, I think 3 per cent. in lieu of taxes, and that our land in Canada upon which they pay no taxes for 20 years will be allowed to grow in value with the natural improvement of the country? Here is a serious danger which I think the Government has not considered. We have no guarantee in this contract that the immigration interests of this Dominion will not be made subservient to the settlement of the lands of this Company in the United States. Another danger is that this Company has control of the Pembina Branch, and is at the same time getting control of the Thunder Bay Branch, which will enable them effectually to control the traffic of the North-West. They have control of the two gateways into that country. I have already pointed out that if the Government had reserved control of one branch there would have been some protection, but giving the Company control of both we have no protection whatever. Even if we build the North Shore Branch there is no protection. They are interested in getting as large a dividend as possible from the American sections also. Suppose it would appear that by sending the traffic along by the Canadian section it would increase the profits on that road beyond 10 per cent, they could very easily divert the trade along the American section, and thus effectually dispose of their trade so as to steer clear of that restriction which is the only one placed upon their traffic. Again, I say the large grants to the central section are exceedingly dangerous. I say that the amount of property for the construction of the central branch—I say it on the authority of the Minister of Railways—will suffice to construct that central branch without the Company investing one dollar of their own money. Let me see if I can prove this. Last year the Minister of Railways, in discussing the Pacific Railway, said:

"The 1,000 miles from Selkirk to Jasper Valley, the dividing point just beyond the foot of the Rocky Mountains, including a light equipment

Mr. Ross (Middlesex).

—all that will be required for some years—Mr. Fleming estimates at $13,000,000, that is $3,000,000 more than the average estimate for the 200 miles west of Red River, in order to be entirely safe. We have 100 miles actually under contract, and have received tenders for the other 100 miles, and I do not expect the average cost to exceed that of the 100 miles just let

Mr. BLAKE. What is the amount estimated for the equipment per mile?

Sir CHARLES TUPPER. A light equipment is all we shall require for some years.

Mr. BLAKE. Will it be $1,000 or $2,000 per mile?

Sir CHARLES TUPPER. When the traffic demands a heavier equipment there will be means for providing it.

Mr. BLAKE. I only want to know your estimate in dollars.

Sir CHARLES TUPPER. It is $13,000 per mile as against an estimate we should be justified in giving of $10,000 a mile, making $3,000,000 more than the average of the amount probably needed to complete and supply with a fair equipment the 200 miles we have under contract on the prairies."

There we have the statement of the hon. Minister of Railways that he is going to construct and equip the prairie section of this road for $10,000 a mile, and not simply to construct it, but to equip it with a light equipment. I find in this contract that for the 900 miles of road to be constructed on the prairie section, he is giving this Syndicate the exact amount which he estimates himself it will take to construct and equip the road, and that in cash; so that the Company, on his own showing, can sit down to-morrow, if this contract is ratified, and build 900 miles of that road from Selkirk to somewhere near the foot of the Rocky Mountains, and not invest one dollar of their own money. The hon. Minister furnishes the money; and if he only furnished the money it would be all right, but he does more than that, he gives them 12,500 acres of land per mile. According to his own statement he gives them altogether 11,250,000 acres of land. Is there anything more monstrous than this? Is there anything in the records of this House, since Canada had a Government in 1759, that shows such astounding recklessness on the part of its rulers? If they gave them $5,000 a mile, and then required that they should sell a part of that land and use the money to supply the deficiency, good and well, but he actually gives them just as much money as is necessary to construct and equip the road, and when that is done, when the 900 miles are built, the Syndicate can sit down and demand their pound of flesh, amounting to 11,250,000 acres. And this land the Minister of Railways valued, in 1874, at $5 an acre, and the First Minister, last year, at $4. If the members of the Syndicate can have $7,000,000 or $8,000,000 a piece by simply building 900 miles of road, will they construct the difficult and costly parts? Not at all. Why should they? They are commercial men, they understand their business. They have had a good thing in the St. Paul and Minneapolis Road. They bought it for $7,000,000 and could sell it for $30,000,000. Would they sell it? Not at all. We are giving them an entire monopoly. We are building, with the hard earnings of the people, 900 miles of road for this Syndicate, and are endowing them with 11,250,000 acres. I call the attention of the House to the fact, because I believe it is one of the most serious dangers in the contract. If the appropriation to the central section was a small one—if the appropriation for the eastern section could not be given to the central section, we should then have some guarantee that the eastern section would be completed. But we have no such guarantee. On the contrary, if it were possible to put in a contract a corrupt, unfair and tempting inducement to break through an obligation, it is there; and the Company would be more than human if they did not construct the central section, claim the branches, and then tell the Government: "We do not want any more land, build the eastern section at your sweet pleasure, we have got a good thing as we are." I say again the security for the construction of the road is not sufficient. It amounts to what? About one and a quarter cent in the dollar. Imagine a man being held in bonds for $1,000 of your money by the sum of $15 security. What security would that

be? The security under the Allan charter was much more effective and substantial. This Company are only bound in $1,000,000 to construct the road. They may construct the central branch, forfeit the $1,000,000, and let the Government construct the rest, and after they have constructed the road they are only bound in $5,000,000 to run it. Supposing they have constructed it; they have got the $25,000,000 cash, the Government holding only $5,000,000 security for the running of the road. The Company may say: If we refuse to run the road we shall lose only $5,000,000; we shall have to pay to the Government only $200,000 a year as a penalty. How will they argue? Like this: "If we run the road—I am calculating on the eastern or Lake Superior end—it will cost us $1,422,950 a year, it costs $2,343 to run a mile of railway in Canada; so 650 miles would cost $1,422,950." Now, supposing the road not to pay they would save the difference between that amount and $200,000. That is precisely the position. Is not this an inducement to the Company to complete the road, get possession of the land—for it must absolutely be conveyed to them the moment it is completed—after which the Company may forfeit their $5,000,000 and refuse to run the road. We are told we are giving these lands to compensate the Company for running the road till it pays expenses. We ought, then, to take the strongest guarantee possible that it shall do so. But this bond is not worth the paper it is written on; and ten years hence, when the road is completed, and it receives our lands, we shall be in the unhappy position of having parted with our lands and money, and having cast on our hands an expensive and unprofitable railway, to be run at the public expense. If the Government will hastily and unnecessarily construct this eastern section, posterity for whom we are supposed to be legislating will not be protected against the serious consequences of losing the value of our lands in the North-West, of paying interest upon the debt which will accrue from the building of the road, and also the much more serious obligation of running this unproductive road. There is still another danger—this road may be a big political machine. The Americans have had their attention recently called to the danger of their political welfare from extensive railway combinations. In the Report of Hepburn's Commission in regard to the State of New York, Jay Gould is reported as speaking in the following strain:

"I do not know how much I paid towards helping friendly men. We had four States to look after, and we had to suit our politics to circumstances. In a Democratic district I was a Democrat; in a Republican district I was a Republican; and in a doubtful district I was doubtful; but in every district, and in all times, I have always been an Erie man."

We may have members in the Syndicate who may think it necessary to assist friends in elections. They may be in certain constituencies Conservatives, and in certain others Liberals, in others they may be doubtful; but following the analogy of the United States, in every case they may be Syndicate men, and the interests of the Syndicate will be paramount to the interests of the country. Are we not placing in the hands of these men vast power and endangering the future political equilibrium of the country and its future political safety? What would it matter to a Syndicate like this, of such large means to be liberal—what is to hinder its appropriating $500,000 and charging it to contingencies, to aid its friends in the elections?

Mr. PLUMB interrupted.

Mr. ROSS. Does my hon. friend from Niagara (Mr. Plumb) expect a little assistance? Was he asking me to speak for him? If that majority of two is not going to be lost he had better look sharp.

Mr. PLUMB. It cost Mr. Hughes $17,500 to oppose me.

Mr. ROSS. I am afraid my hon. friend opposite has lost his majority of two already. I had a majority of 48, which was very small.

Mr. PLUMB. You would not have it to-day.

Mr. ROSS. Well, I will risk my 48 if the hon. gentleman will risk his two. I do not think the danger would be as great in my case as in that of my hon. friend. However, allow me to say that it is in the interest of the country to consider this matter at the present moment. If the future prosperity of the country depends upon the integrity and morality of our legislators, it would be well, if we pass this contract, to see that every possible means was adopted to prevent undue influence upon members of Parliament. I would not for a moment suppose that they would be amenable to any unhallowed influence—but we do know that money is a very potent influence in some constituencies. We know from the records of the election courts that it is frequently resorted to, and I see that Mr. Gladstone intends, by legislation in the Imperial Parliament, to limit the expenditure in elections in constituencies in that country according to the size and population of each constituency in order to prevent corrupt practices. We may require legislation here in regard to this particular matter. I trust hon. gentlemen opposite will pause before they finally ask us to ratify this bargain. If I were speaking here to-night as a party man I would tell them this is the best weapon they could place in our hands with which to secure their defeat. I am prepared to pledge my honor and my word for what they are worth that if I had physical endurance to travel from one end of Ontario to the other with this contract in my hand, I venture to say that out of 88 constituencies in the Province, I could carry 60 or 70 without anything else but this contract. I know it, Sir.

Mr. PLUMB. Why do you oppose it then?

Mr. ROSS. I would not be afraid to enter the little borough of Niagara with the two of a majority which my hon. friend has received there. I know that constituency pretty well; I know that there are more than two honest Conservatives in Niagara ready to change their votes, and that is all that would be required—or half that number. If I were speaking as a party man I would say to the Government to ratify that bargain forthwith. "You did well to conceal it from Parliament; you did well to put these exemption clauses there and not to exact any proper security for the construction and running of the road." It is a magnificent weapon: it is a Krupp gun for us. Let us go through the country with that and constituency after constituency would be carried; and seat after seat now filled with smiling faces would be vacant after the election was over, but, Sir, I am not speaking as a party man. I would willingly forego a hundred times all the party advantages which this contract contains if the Government, to-night, or at any time, would stand up in their places and tell Parliament and the country that this contract was no more; and I venture to say, from one end of the Dominion to the other, wherever this contract is understood, wherever intelligent men have considered it irrespective of politics, no more joyful news could be spread throughout this land than the tidings which the telegraph would flash from the Atlantic to the Pacific, that this contract was abandoned and that Canada was emancipated and free from any of the terrible consequences likely to flow from it.

Mr. RYKERT. Mr. Chairman, if the hon. gentleman is so confident of success throughout the country, as regards the scheme, it is wonderful that he did not allow the contract to pass, so that the people would have an opportunity to hear him discuss the question on all its merits. Hon. gentlemen on the other side of the House, who have spoken on this question, have introduced it by stating that they hoped it would be discussed on purely patriotic grounds. Everyone who has spoken has expressed these sentiments, but, before he uttered fifteen words, he showed he was a party man and desirous to place party before country. We are told by certain hon. gentlemen in this House, that it is one of

the most important questions ever brought before Parliament, not even excepting the great question of Confederation. It may be so; but hon. gentlemen on the other side of the House have prostituted it as far as they possibly could. I am not going to discuss the question and say how important it is, because, after much discussion, the universal verdict has been that it is one of the most important subjects ever submitted to Parliament. We have been told, during this debate, by hon. gentlemen opposite, particularly the hon. member for Bothwell and the hon. gentleman who has just taken his seat, that we ought to forget all party considerations on this side of the House and come out as true patriots and support hon. gentlemen on the other side, in opposition to the scheme. The hon. member for Bothwell in his historical record, taking us back to feudal ages, the time of the Stewarts, and bringing us down to the time of Sir Robert Peel, and later to our own time to Sir Allan Macnabb, has told us there were men in Parliament sufficiently patriotic to stand aloof from their party, and abandoning all party considerations, vote in the interests of their country. He told us, further, as an inducement, if we follow his example we will not be read out of our party. He tells us that he was once placed in that same unfortunate position and felt it his duty to withdraw himself from his party and oppose a measure in which his Government was interested; and he told us, as some consolation, that he was not read out of the party. I think the hon. gentlean's memory is at fault. I think I can show him that he was read out of the party and blacklettered by the organ of his party. I venture to say, if he will look at the blackboard in the *Globe* office, he will find a long list of names, in which his own is included, of Reformers who have been blacklettered. I think I have traced the histories of Hon. Messrs. Mills, Blake, Ross and Paterson on that blackboard; and if I recollect well, they were characterized as men who ought not to receive the confidence of the people, because they had not voted with their party. They were characterized as traitors to their party. The hon. member for Bothwell no doubt saw in the *Globe* what that organ thought of his vote on the occasion to which he has referred —on the Esquimalt and Nanaimo Railway Bill. On the motion of my hon. friend from South Norfolk the vote was fairly large against the Government, and in that vote there were the names of the gentlemen I have mentioned, and most of the leading Reformers. On March 31st, 1875, I find in the organ the following language:—

"Those divisions only proved the hold the Administration has upon the confidence of the country: not because the followers were asked to make any sacrifice in order to support them, but because the temporary defection of certain members met with so small a response from the party generally. It is quite certain the country, generally, will fully sustain the action of the majority.

"Could any one having regard to all the surrounding circumstances suggest a better mode of settlement? It is easy to criticize or even to pull down, but not so easily to construct; and the defeat of the bill under discussion would simply have destroyed the compact, thrown British Columbia into a ferment, and produced at home and abroad the worst possible impression as to security of bargains made with Canadian Governments and of the national spirit of the Canadian House of Commons. It is for those who voted with Wallace & Co. to justify the course they elected to take. The Government and their supporters need no justification. The action of the minority in the recent division is even less explicable, the majority simply affirming that the road should be commenced forthwith. In three or four months at the furthest, the link will have been begun in accordance with that agreement. The majority of the House of Commons took the correct view of the situation, and so will the electors, if they are ever asked to record their decision on the matter.

"There will always be politicians, as there always has been, anxious above all things to keep down national expenditure and to get credit by way of eminence for being careful of public funds. If ever there was an enterprise which justified a liberal expenditure of public funds, it is our great Canadian highway across the continent. The necessity for the construction of that line is evident to every one who takes—we shall not say a statesman-like view of what our Dominion is and what it will become, according as that railway is constructed or not. It is never to be lost sight of that Canada was solemnly and officially pledged to that bargain. The compact was deliberately and explicitly entered into, though technically the present Government might have repudiated it as a whole, and have told British Columbia to go out if she liked. It would have been neither for the profit nor the credit of Canada to have followed such a course. It is not a prudent proceeding for any Government to repudiate engagements of its predecessors

"The attempt to catch a majority against the Ministry on the point of the contracts not being submitted to Parliament was equally unworthy and transparently factious."

Such was the opinion of the *Globe*, and if that is its treatment of its supporters the less attention we pay to the advice of the hon. gentlemen opposite the better. On another occasion the hon. member for Bothwell (Mr. Mills) became a little obstreperous. He was determined to tear down the Senate, and he moved a resolution in the House of Commons for the purpose of taking steps in that direction. He was told that he had better look out, and that if he dared to face the electors on the subject he would be turned to the right-about-face. Here is what *The Globe* said of him:

"Some of the representatives need be warned against the tendency to constitution-mongering, and those who recklessly manifest such a tendency will some day or other receive such a lesson from the people as will serve them for the rest of their natural lives.

"Providence has not seen fit to give him the tongue of the eloquent, and he is fain therefore to persuade himself that in compensation he has been privileged to be profound.

"Mr. Mills is hard on the members of the Senate. Himself originally a teacher, but meagrely educated, he has managed at last to be an inspector of schools."

I think, then, I have shown you good reasons why I should not, for one, consent to go over with hon. gentlemen opposite and oppose the Government, in whom I have every confidence, in regard to this important matter. It is unfortunate however, that during the course of this debate one hon. gentleman has seen fit to use language totally unfit for the mouth of any member of Parliament. Outside of the House and inside, that hon. gentleman seems to have a mania for abusing the right hon. leader of the Government, whether because he would not recognise him as a great financial genius, or because that hon. gentleman is smarting under some grievance, I cannot say, but such is invariably his course when he has occasion to speak of the leader of this House. In every speech he has made in this and the last Parliament, the hon. member for Centre Huron (Sir Richard J. Cartwright) presented us with a rehash of the Pacific Scandal, and charges the right hon. gentleman with all sorts of crimes and misdemeanors; and in the present debate we find him using language which is unbecoming to a member of Parliament, and language which is unworthy of a gentleman. I speak strongly on this subject, because I feel that hon. gentlemen who sit on the Treasury benches should not be persistently attacked by the hon. member for Centre Huron in such language as that hon. gentleman too often employs in this House. I say, Sir, that it is an extraordinary thing that a gentleman who has been permitted to wear the Queen's livery, should charge the Minister of Railways with being either grossly ignorant or out of his mind when he brought down this scheme. For the benefit of the hon. member for Centre Huron, I will read an extract from May's Parliamentary Practice, so that he may see in what kind of a position he is placed by the use of such language:

"The use of temperate and decorous language is never more desirable than when a member is canvassing the opinion and conduct of his opponents in debate. The warmth of his own feelings is likely to betray him into hasty and unguarded expressions, which the excitement of his adversaries will exaggerate, and he cannot be too careful in restraining himself within those bounds which Parliament has wisely established. The imputation of bad motives, or motives different from those acknowledged; misrepresenting the language of another, or accusing him in his turn of misrepresentation; charging him with falsehood or deceit; or contemptuous or insulting language of any kind—all these are unparliamentary, and call for prompt interference."

Hon. gentlemen opposite have found great fault because, as they say, this scheme is being hurried through the House, and they appear to think there should be an appeal to the

electors. They forget, however, that upon two occasions already, the question of building the Canadian Pacific Railway has been submitted to the people, and that these hon. gentlemen admitted that it had been fairly and fully placed before the electors. They themselves held that the question having been properly decided, the verdict of the people was irreversible by this House. I shall show that the leader of the Opposition took this ground. It does seem to me a little extraordinary that these hon. gentlemen should be so anxious for an appeal to the country, particularly in view of their own experience for the last few weeks. The hon. member for West Middlesex (Mr. Ross) says that, if he had an opportunity of going through the country, he could satisfy the electors that the Ministry are not worthy of confidence, that they are prostituting their position and sinking the country into ruin, and that they should be turned out of power at the first opportunity. We have seen these hon. gentlemen before the electors during the last few weeks, and we find that they have not turned the Province upside down. The small number of petitions which are presented to the House in opposition to the scheme, show that the efforts of these hon. gentlemen have been without avail. I know that a meeting were called in my own county for the purpose of getting up petitions to present to this House. I have not seen them yet. If I receive them I shall be glad to present them, but I feel pretty certain that there are very few in my county who are opposed to the scheme. The hon. member for West Durham (Mr. Blake) must be satisfied, after holding his hole-and-corner meetings, that the people are in favor of the bargain. The hon. gentleman has frequently said, and he has placed his views on record, that on all public questions there should be public discussion, and to prove that that is his view, I need only read from the *Parliamentary Companion* for 1880, his opinions as expressed by himself—for it is generally known that hon. gentlemen are directly responsible for their biographies and opinions as therein recorded. And I would like to ask the hon. gentleman, after that enunciation of his views, why it is that, on every occasion on which he and his friends address the electors, only one side of the question is allowed to be heard —why it is that they pack their meetings with their own supporters. At every meeting which has been held, from Kingston westward, where public discussion has been allowed, the voice of the people has been against these hon. gentlemen, and that is the reason why they are afraid of public discussion. In the *Parliamentary Companion* the hon. gentleman says that he "thinks political progress essential to political vitality, and advocates the fullest freedom of discussion on all topics affecting the public interest." If I recollect rightly, the hon. the Minister of Railways has asked that he be permitted to attend the hon. gentleman's meetings and discuss this question; but I would ask the hon. gentleman if he can point to a meeting held in Ontario where he asked for public discussion. He has never dared to do so on any occasion. I have followed the hon. gentleman pretty closely since 1867, when he was first introduced into public life by the gentleman he has now turned his back upon, and I can find no instance in which he has allowed public discussion on any public question. It seems to me the hon. gentleman and his friends must be satisfied that the country is not fully aroused as to the necessity of opposing this contract. The hon. gentleman tried to induce the electors to believe, by misstatements of the most exaggerated kind, that this Syndicate bargain was one of the greatest outrages presented by any Government to any country. These gentlemen must be satisfied, from what they have seen for the last two weeks, that the people are not so easily aroused by gentlemen who have always gone back on their own record. They had the opportunity before 1878 to educate the people, especially on the question of Free-trade and Protection; but the people said: We are not going to follow men, who, in Opposition, advocate certain principles and will not carry them out in office; and I believe whenever they appeal to the people it will be with the same result. I think this is the second instance in which the hon. gentleman has tried to induce the electors of Ontario to believe that some great crime was being committed by the Government. In 1871, when the hon. gentleman was in the Ontario Legislature, and when a motion was made to appropriate $1,500,000 for railways in newly settled portions of the Province, he moved an amendment that the expenditure should be submitted to Parliament. He and his friends went about the country telling the electors that Hon. Sandfield Macdonald had the money in his pocket and was purchasing and prostituting the electors. The result was that the electors returned to Parliament fewer supporters than the Government had previously, and the hon. gentleman, by his persuasive eloquence, and by some means we could not fathom, induced a prominent member of the Government to foreswear his allegiance and leave the Government. What did the hon. gentleman then do? Instead of saying to Parliament that he would spend the money in the way Parliament indicated, he coolly asked the House to give him $400,000 more. When he was asked the reason for his action, he stated that a million and a half was the amount promised by Hon. Sandfield Macdonald, and when he was asked to point to that promise he could not do so. He was afraid to tell the House what railways he was going to aid until after the money was voted, and after the money was voted he came down and in a very short time hurried his scheme through the House. And what was the result? We found that only one railway had been promised aid; and he himself, after examining all the claims made could only appropriate $1,421,000, so that the $400,000 extra which he then got was not required for railway purposes. The hon. gentleman having had a *coup d'état* in the Province of Ontario, thinks he can spring one on the Government here. I think this House and the country know, from the hon. gentleman's public actions, that he is not such a leader as they should follow. It is somewhat singular that the organ of the party now wants the hon. gentleman removed. I cannot tell why. It wants to give him over to the tender mercies of the right hon. leader of the Government, to be made a Chief Justice for some reason or other. Perhaps it wants to take him out of Parliament, where his restless and turbulent spirit has always been injurious to his party. The hon. gentleman, in his public life, has abandoned principles which he himself announced as the true principles of constitutional government. I remember the hon. gentleman, on many occasions in the Ontario Legislature, declaring that no money should be placed in the hands of the Executive without their being responsible to the representatives of the people in Parliament. We find that the hon. gentleman was not always of the same mind when he came to this House. In 1875, on a motion for the approval of an Order in Council relating to the construction of the Georgian Bay Branch, a motion was moved in amendment by Mr. Masson, seconded by the Minister of Railways:

"That no contract should be entered into with any company for the construction of the Georgian Bay Branch of the Pacific Railway, nor any subsidy granted for the construction of the railway from the eastern terminus of the said Pacific Railway to Douglas or near Douglas, until a thorough and complete instrumental survey shall have been made of the route proposed."

Although the hon. gentleman had laid down the principle, that no railway should be built until after a thorough survey, yet he voted against that amendment. He also voted against the Nanaimo Railway and in favor of an amendment introduced by the hon. the Minister of Railways, in these words:

"Provided always that any such contract should have been previously approved of by Parliament."

Now you find him voting one way, and then you find him voting another way. A man who has so many different views is not a safe leader for this House. I have pointed out that his course, as regards the Nanaimo and Esquimalt Railway, did not meet with the favor of the party. That organ thought that he was going to gain popularity, that he was a disturber in political life, and therefore ought not to be encouraged. The hon. gentleman felt so uneasy at the castigation he received on that occasion, that on another occasion, when the question was under discussion, he shirked it, and was seen leaving the House rather suddenly. I find that, on April the 2nd, 1875, a motion was made to lay before the House contracts for a portion of the Canadian Pacific Railway. Mr. Bowell moved an amendment:

"This House regrets contracts have been made by the Government for the construction of the lines of telegraph from Lake Superior to Carle Creek, before the locating of the line of the Canadian Pacific Railway has been determined."

Mr. KIRKPATRICK moved the following amendment:—"Contrary to the Statute authorizing the construction of the said telegraph line, and therefore this House does not approve of said contracts."

Messrs. Blake, Moss and Mills ran away.

Mr. PLUMB then rose and said the hon. member for South Bruce had not voted, and asked where was the member for Bothwell.

Mr. PALMER. Yes, and the member for West Toronto.

VOICE—"Canada first," has vamosed.

Now, there is a principle which should guide hon. gentlemen in reference to contracts in this House, and therefore he knew that the Government of Mr. Mackenzie was acting in direct violation of the Statute. Nevertheless, that hon. gentleman, when called upon to vote, shirked the vote and was seen running out of the House, followed by the hon. member for Bothwell (Mr. Mills) and also by the member for West Toronto, the late Chief Justice Moss. Public attention was drawn to the fact, and those hon. gentlemen had to plead ignorance. Now, I think that to plead ignorance in a matter like that, especially by the member for West Durham (Mr. Blake), shows that he is not a safe leader for this country. We have also other references written by the hon. gentleman himself. In a speech made last year, the hon. gentleman said that if certain events had happened he would have been called restive. Well, that is nothing new with the hon. gentleman. Some time ago the hon. gentleman went out to Aurora, and there he made what he called a disturbing speech, and upon that occasion he used this language—and I would ask hon. gentlemen on this side of the House whether, in view of his opinion of matters, he is a safe man to lead us in this House. The *Globe* of October 6th, 1874, reported the hon. gentleman thus:

"I know that I have made a rather disturbing speech, but I am not afraid of that. As far as I can judge, not much can be done without disturbing something or somebody, and if that is the only objection to be made to the sentiments I have uttered, I am quite ready to meet it. I may be said also to have made an imprudent speech, at least it might be said, if I were one of those who aspire to lead their fellow countrymen. This is the function of Ministers, we know it—and we do not quarrel with it—to say nothing that can be caught hold of—nothing in advance of the popular opinion of the day, to watch the current of that opinion, and when it has gathered strength to crystallize it into Acts of Parliament."

Now, I would like to know if the hon. gentleman can point to a single Act of Parliament that he has ever crystallized, whether he can point to a single Act of Parliament of his own authorship, that can stand the test of constitutional law? When that hon. gentleman led the Ontario Legislature he secured the passage of a memorial asking the Queen to take some action, by means of which the Confederation Act should be so amended as to prevent this Parliament voting extra subsidies to Nova Scotia and other Provinces. I voted against that resolution, feeling that it was an usurpation of the rights of the Dominion. I was one of the celebrated twelve who opposed that measure, and for which I received credit from the *Globe*. That memorial was sent to the Queen, and the hon. gentleman knows what the result was. Earl Granville told him he had better mind his own business, that Ontario had nothing to do with the action of the Dominion Legislature. Now, knowing that the hon. gentleman has spoken many ways on this question, that he has made speeches for and against the railway, depreciating the lands and encouraging emigrants to go to American territories, we are justified in believing that he is not a fit public leader of the House. Some hon. gentlemen doubtless think otherwise, and will follow him, as he can be all things to all men. When I read the speech of the hon. member in answer to the Minister of Railways, not having had the pleasure of hearing him in this House, and having seen the speech made on a former occasion, his celebrated Kansas speech, I kept looking ahead of me to see when the answer was coming to the speech on a former occasion. I kept turning over page after page, but not a word did I find. I think the best answer the Minister of Railways can make is to place the speech of 1880 before the general public as an answer to his speech of this Session. It must be gratifying to the hon. gentleman to know that his efforts on that occasion have been appreciated. It must be satisfactory for him to know that he has become a medium of communication between intending emigrants in Europe and the holders of lands in the United States. He must be flattered when he sees his likeness paraded all over the country as the great emigration agent for the United States. However, that is a matter of taste. Probably the hon. gentleman may be satisfied with that speech, in which he belittled his own country; but I can hardly think, in view of his great reputation for ability and as the recognized chief hair-splitter of the age, I am satisfied the House and country will not believe the statements made by the hon. gentleman regarding this great question, especially when they look back to his history in the past and see the course he has pursued. Now, I propose to show the views expressed by gentlemen, both in this House and out of it, upon the importance of building the Pacific Railway. We all know that, years ago, when the first Pacific Railway was projected in the United States, there was a feeling that such a line should be subsidized across the American continent. Early in the history of the country and the history of the Canadian Pacific Railway, leading men in the United States recognised the importance of building a road through Canadian territory. The late Wm. Henry Seward, a gentleman whom no one will accuse of being favorable to Canadian or British interests, whose opinion on public questions was received with the greatest favor, particularly by the hon. member for Bothwell, used the following language on the subject after he had travelled across the continent:—

"The route through British America is, in some respects, preferable to that through our own territory. By the former, the distance from Europe to Asia is some thousand miles shorter than by the latter. Passing close to Lake Superior, traversing the water-shed which divides the streams flowing towards the Acrtic Sea from those which have their exit southward, crossing the Rocky Mountains at an elevation of over 3,000 feet less than at the south pass, the road could be here constructed with comparative cheapness, and would open up a region abounding in valuable timber and other natural products, and admirably suited to the growth of grain and grazing. Having its Atlantic sea-board at Halifax and its Pacific near Vancouver Island, it would undoubtedly draw to it the commerce of Europe, Asia and the United States. Thus British America, from a mere colonial dependency, would assume a controlling rank in the world. To her other nations would be tributary, and in vain would the United States attempt to be her rival, for she never could dispute with her the possession of the Asiatic commerce, nor the power which that commerce confers."

I will not stop here. I propose showing, from the opinions expressed by hon. gentlemen opposite, that they considered the building of the railway to be of paramount importance. The words I am about to quote have been quoted before in Parliament, though probably not during this Session, but nevertheless, they have such strong bearing on the question, that I will venture to repeat them. On the 3rd

February, 1871, I find the following expression of opinion in the organ of hon. gentlemen opposite:—

"The success of one Pacific Railway points to others being constructed, and renders them more than ever a necessity. People could do with none, in fact, better than they will allow themselves to believe they can do with one. Accordingly, a 'Northern Pacific' is already in process of construction: another to the south has been projected, and one through British territory is a necessity, if the Dominion is to have anything like a fair chance of fulfilling its destiny and developing its mighty and varied resources. Many objections have already been urged against the road across British territory, and the promoters of that from Duluth to Puget Sound are specially kind in arguing that such an undertaking would be a sheer waste of money which could otherwise be far more usefully and remuneratively employed. Why not, it is said, use the one already in course of construction, with branch feeders stretching northward to Fort Garry and other points of the North-West, as the necessities of the country require? * * * A very cursory examination of the country to be traversed by the American road from the head waters of Lake Superior will show how falacious all such arguments are, and how not only the line through British territory may be carried through from strictly commercial considerations, but must be, if British authority is to be maintained on this continent, and our new Dominion made practically, as well as in theory, a great fact. (Apart from all other cousiderations the very fact that the line now under construction is through American territory, would be a fatal objection to its being made the great trunk line for the Canadian North-West. Those who had the command of it would, in a few years, command the country.) All the intercourse, both social and commercial, of the people of our north-western region would be directly with and through a foreign people and what might at any time become a hostile country By the mere stroke of his pen a foreign ruler might lay an embargo upon the whole intercourse of that part of Canada with what lies to the east. * * * Our neighbors know the value of the prize involved, and are making gigantic efforts to secure it exclusively for themselves. Our rulers will be traitors to their country and to British connection if they lose a single season in making it practicable and convenient for settlers to go to Fort Garry through our own territory, and in putting things in a fair way for the Canadian Pacific Railway. It is a question not merely of convenience, but of national existence. It must be pushed through at whatever expense; we believe it can be pushed through, not only without being a burden pecuniarily upon Canada, but with an absolute profit in every point of view. Without such a line a great British North America would turn out an unsubstantial dream; with it, and with ordinary prudence and wisdom on the part of her statesmen, it will be a great, glorious and inevitable reality."

The *Globe*, on July 16th, 1872, said:

"After all the buncombe and clap-trap about taxing the older population of Canada for the benefit of the immigrant in the North-West, we know perfectly well that the immigrants after all are well worth paying for, and that handsomely too, as a national investment. If we could cover the whole North-West with hardy, industrious settlers to-morrow, the problem of Pacific Railway construction could be readily solved. It is not the price per acre, but the labor and capital sunk in the land, the dutiable commodities consumed by the settlers, the addition to the national wealth produced by his exertions, that a wise and prudent statesman would take first into calculation."

There we have the testimony of persons outside this House who thoroughly understand this question. But apart from the *Globe*, I can call into a court witnesses whose declarations no hon. gentleman opposite will discredit. I refer to the eader and the ex-leader of the Opposition. In his celebrated speech at Aurora, the hon. member for West Durham said:

"In my humble opinion the future of Canada, as a distinct state, the representative of British power on this continent, largely depends upon our success in colonizing that region, and what is equally important and perhaps more difficult, is our success in retaining its sympathies, its trade, its commerce afterwards."

The ex-leader of the Opposition also in May, 1874, said:

"I have a firm belief that the vast prairies of the west, with so many acres on alternate sections, will even within my own lifetime be filled with millions of a living population, that the vast mineral resources of British Columbia will be developed, and that its agricultural resources will prove much greater than at present we have reason to think they are. And, Sir, we have, also, reason to hope for traffic upon this road that will make it command success."

I draw attention to this statement because almost every hon. gentleman opposite argues, to-day, that the western end of the line cannot possibly pay. Going further, we find the hon. member for West Middlesex (Mr. Ross) giving his opinion on this subject. He said:

"This large tract of territory in the North-West, belonging to Canada, capable of sustaining 28,000,000, was lying waste; and hon. gentlemen opposite must know these lands would, for all time to come, be valueless and useless, except as preserves for the buffalo, unless dissected by railroads."

That was in 1878. I have shown from the testimony of hon. gentlemen themselves, the importance of building this railway. I am now going to show it by the evidence of witnesses whose testimony will not be controverted by hon. gentlemen opposite. In 1872, when the matter was under discussion in Parliament, the hon. leader of the Opposition on May 8th, said, *vide Globe:*

"Hon. Mr. Blake said he agreed with the remarks of Sir A. T. Galt, that we were bound to prosecute in good faith and with the utmost vigor this railway scheme as proposed by these resolutions. This side of the House entertained last Session the strongest objections to the form of that resolution, because they felt it was an undertaking of very great magnitude and because they felt the House was pledged absolutely to the undertaking, no matter how great its magnitude might be. Such having been the case last Session, and the objections having been overruled, it did not now become the duty of this side of the House to say a single word, no matter how great the difficulties might appear; but it was their duty to give their earnest endeavors to carry out in good faith the obligations we have incurred. He apprehended that it was solely in reference to the mode in which the Government proposed to carry out the undertaking that a difference of opinion could arise."

So we have there the opinion of the leader of the Opposition that that road should be built, and at the earliest possible moment. Then we find the hon gentleman going on further to say:

"I think that it behoves us all, on whichever side of the House we are, to extend to the Government that has to deal with this enormous question the most generous consideration."

The leader of the Liberal party said on April, 30th, 1872:

"The good faith of the country is involved in this matter; and it behoves Parliament to leave to no Ministry the power to trifle with so vast an interest, involving as it does the prosperity of the North-West."

We have also further testimony of this hon. gentleman, the then leader of the Opposition, who was determined that the road should be built at the earliest possible moment. He spoke in 1873 of the propriety of establishing speedy means of communication across the continent. This showed that the hon. gentleman's opinion was that the road should be built at the earliest possible moment. Without this development of the North-West, he thought that emigration to that region could not, on a large scale, take place. Now, this shows that he was always of opinion, as also when leading the Government, that the road should be built at both ends, commencing as well in British Columbia as at Fort Garry. The present hon. leader of the Opposition was so strong in his opinion on this point, so satisfied that the people were committed to this scheme that, in Parliament, in 1875, he pressed strongly the opinion that they had no right to go back on this question—that the country had expressed an opinion upon it and was committed to it. He said in 1875:

"The broad features of this policy were, as I have said, plainly stated to this country anterior to the late General Election, the verdict of the country was taken upon it, and the result was a decided acceptance of it. It is not reversible by us. We have no mandate to reverse it. Upon the most enlarged consideration of the rights of members of Parliament, I cannot conceive that we could have the right at all to listen to the appeal of the hon. member for Cumberland, and to enter into a consideration whether that policy upon which the country's opinion was asked and taken, and which opinion we were sent here to enforce, should be altogether reversed. I do not consider it would be wise for an instant to consider any such proposition."

And yet that hon. gentleman now is willing to reverse it. He went out of the Government shortly after, becoming a little obstreperous, a little restive, as he said himself, and then he was not quite so much in favor of this policy. He said, further:

"Our fault was, that coming into the Government at a particular time, we had agreed to carry out the policy of a necessary expenditure of public money, for which we were vilified."

I do not know who vilified him for that. He must have been drawing on his imagination; because his opponents always held that the good faith of the country was pledged to the building of the Canadian Pacific Railway, and that through Canadian territory. I am sure when hon. gentlemen opposite adopted the scheme of their predecessors, no

hon. gentleman inside or outside of the House, on our side of politics, felt inclined to say one word against their course. On the contrary, the records of Parliament show their scheme was encouraged by hon. gentlemen now on the Ministerial side, who were determined to carry out the great scheme of constructing the Canadian Pacific Railway. It is most extraordinary that, after speaking so much of the necessity of this road, they should have commenced to throw impediments in its way. The very moment they find Ministers in power, opposed to them, prepared to carry out any scheme, they will oppose it, never satisfied unless they themselves were entrusted with the project. The moment the House passed an Act favorable to the construction of the railway by a company, the present and then Opposition commenced to belittle the country, to convince the English public it could not be built. On the 20th February, 1873, after Sir Hugh Allan had received the charter, and was about launching the scheme on the English market, they determined to destroy the credit of the country and defeat Sir Hugh Allan's undertaking. Their organ denounced it as one marked by cool impudence, and connected with political intrigue. That it had no existence except on paper; of which no one knows the beginning, cost or ending; of which no one can tell the ultimate chances of profit or calculate the possible extent of loss. With that language scattered broadcast, English capitalists would not invest a dollar in the railroad. On the 19th April, 1873, came further hostile language, as regards the scheme, addressed to the London Stock Exchange. It was thought that if they could only defeat Sir Hugh Allan, they would probably defeat the Government and attain power. The moment they again stood in Opposition, they began to arouse the country against the scheme once more with the same object. The member for Lambton, in his speech at Glencoe, in July, 1872, gave a certificate of the value of this new territory which has been depicted in such glowing language as one of the greatest national heritages. He then said:

"From the Rocky Mountains to the sea in British Columbia—was exceedingly rough, and from the Lake of the Woods to the head waters of the Ottawa was the roughest country in the world."

Then the member for Gloucester (Mr. Anglin) deserves some attention in regard to this subject. He always was opposed to this scheme, his chief object being to prevent the Government accomplishing their great undertaking. He said on one occasion:

"The member for Lambton has not objected to the work itself, but to the mode of its prosecution, &c. We started from Lake Nipissing, and had to build through a perfect wilderness. If there was sufficient trade to maintain the road the case would be different, but there was not."

And then we find another gentleman, distinguished for his financial genius in this House, expressing his opinion on this subject. Mr. Young, of Waterloo, said, on July 3rd, it would take $8,000,000 per annum to pay running expenses, and $4,000,000 to pay interest expenses All this was done to destroy the charter of Sir Hugh Allan. We find further the member for Lambton, in a speech delivered in the County of Monck—and, by the way, I had the pleasure of hearing that speech delivered—said: that 50,000,000 acres of the best land of our country were to be given to a company, and in consequence it was estimated we would not have one acre left in the country. He said that we were to give the whole of the land to Sir Hugh Allan. That was the estimate of the extent and capacity of that great country. Then the hon. gentleman, on a missionary tour in Cornwall, made a speech in which he thought it well to belittle the country and show there was no land there at all. Now, there is an immense number of millions of acres, and it is a wonderful crime that a tenth part of what we have there now should be given to build a railway, although at that time the people were told that the whole of our patrimony was being given away and not an acre was left. On Nov. 4th, 1872, in Cornwall, he said: 'He was amazed at Sir John Macdonald stating at London that there were 350,000,000 acres of arable land in the North-West;" and having to make a statement a few days afterwards, he showed "that Col. Palliser estimated the extent of the lands at 41,690,000 acres, or a little less than one-eighth of Sir John Macdonald's estimate; the Government sent Professor Hind there who reported within one square mile of Col. Palliser." But it is a most extraordinary thing that after having belittled the character of the country, and told the people of England that this country could not bear the strain of building the Pacific Railway, after having told the country that the road could not possibly be built for 50,000,000 acres of land and $30,000,000, the hon. gentleman came into office and changed his tune. He said then: There is plenty of land in this country, and although I denounced the scheme of my predecessors, I am prepared to acknowledge they are right in giving over 50,000,000 acres of land and $20,000 per mile. I am prepared to give more than my predecessors, and in addition thereto, I will offer a guarantee of four per cent. on $7,500 per mile for twenty-five years. Now, if it was wrong to give $30,000,000 by the Act of 1872, was it not equally wrong to give $37,000,000 or more by the Act of 1874? I will only take the capitalization of the hon. member for West Durham, who, I observe, made it convenient just now to leave the House. I have seen him leave other meetings in the same way, and I have heard him stigmatize such conduct as cowardly in South Brant. However, I have no doubt he is ashamed to have the panorama of his past record laid before the country. I have noticed on all public occasions that the hon. gentleman cannot bear any interruption. The big I and the little "u" stick out so strongly that he cannot bear to hear anyone express views that differ from his own. The hon. member for Lambton, when he came into office, as I said before, propounded a scheme far more extravagant than that of his predecessors. I would like to know how he confined himself to the limit of $7,500 on which he wanted a guarantee. It is true certain tenders were asked for for the Georgian Bay Branch, and that a certain contractor said he would take interest at 4 per cent. on $7,500, but, if I recollect correctly, the other tenders varied from $7,500 to $100,000. The hon. member for West Durham says that the guarantee capitalized was $4,000 in cash per mile; but he was mistaken. He never was very handy at making his calculations, because anyone who knows anything about capitalization will say that interest on $7,500 for 25 years is over $4,000 a mile. As I estimate it, it is about $5,200 per mile. However, I am willing to take the smaller amount of $4,000 a mile. I say a scheme like that foisted upon the public, in view of their declarations against the previous contract, shows they are either political hypocrites or determined to deceive the people in some way or other. When these hon. gentlemen came into office, they were determined to carry out the scheme in its entirety. They over and over again said to Parliament the road must be built, that the good faith of this country was pledged with British Columbia, that this road should be built, no matter what the consequences were, provided always, they said, that it did not increase the present rate of taxation. Now, I shall call their own witnesses into court to prove they were not going to increase the taxation of the country at all. Even supposing we had a gloomy picture presented to us, I am prepared to show out of their own mouths, out of the lips of the great mixer and muddler, as the *Globe* calls him, at all events, that the road can be built and without increasing the present rate of taxation. Let me first take the member for Lambton. At page 949 of *Hansard*, 1875, I find the hon. member spoke as follows:—

"Rightly or wrongly, they had agreed with British Columbia to commence the construction of this road immediately, and this Bill was

introduced in accordance with that agreement. He could assent to nothing that would place the Government in such a position as would enable either British Columbia or the Imperial Government to impugn their good faith. * * * He did not propose to do anything but what he believed they could do, and he did not propose to do anything but what he believed to be within the preamble of the Bill of last Session, which was to the effect that the tax of the people, as it was when the original agreement was made, should not be increased."

Now, there is the hon. gentleman's own testimony that he was building that railway through British Columbia, spending $2,000,000 a year, building the Esquimalt and Nanaimo Railway and the telegraph line, and building the eastern portions of the road, without increasing the existing rate of taxation. I think if there is any meaning in words at all, those must satisfy hon. gentlemen on that side of the House, at all events, that what we propose to expend would not increase the present rate of taxation. Then, Sir, we have the organ of the party stating on March 31st, 1878:

"The expenditure annually of two millions in the Province during the progress of the railway is another item in the new terms, and we are disposed to believe that this will not in practice be found to have imposed any greater burden than can be met by our present rate of taxation."

Now let us see what that great financial genius, the ex-Minister of Finance, said on the subject. In delivering his Budget Speech of 1875, he said:

"My advice is in view of those numerous contingencies which always occur in a country like this, that we ought to consider the natural growth as a fair offset against the inevitable expenditure which must occur in the Dominion."

On pages 19 and 20 of the same speech he made use of the following language:—

"We have completed the Intercolonial and Prince Edward Island Railway, and are therefore free to turn our undivided energies and attention to the task of enlarging and improving our canals and constructing the Canadian Pacific Railway. We have succeeded in making such arrangements with British Columbia as, though involving us in very considerable liabilities, are yet quite within our power to perform, and may add that although many of us thought from the beginning that the demands made upon us by that Province were unreasonable and unduly onerous, we are, nevertheless, prepared to discharge our obligations fairly, provided they can be brought within due bounds, and in accordance with the spirit, if not indeed the true letter, of that contract. I have no doubt, therefore, that, if we persevere in the course I have indicated, in a very short time we shall be in a position of the highest credit. * * That such an enterprise is one which will require our utmost energies, I do not for one moment deny; but although I admit this, and admit also that while engaged in its prosecution we must be willing to forego other works of much greater immediate advantage, yet I hold that it is far better we should do so than even seem to fail in meeting the obligations to which I have referred. I believe that every man who has paid any serious attention to the future of Canada knows right well that with us this matter is a struggle for the possibility of carving out a distinct national existence."

Other hon. gentlemen have made the same statement to the House—that the road could be built without increasing the existing rate of taxation. I would like to ask if the rate of taxation was not to be increased by the expenditure of $39,000,000 and the grant of 54,000,000 acres of land which they proposed. Why was it that in August, 1878, they were determined to carry out that Act of Parliament and have the contracts let, and that, if possible, without increasing the existing rate of taxation; and why is it that they now profess to fear an increase in the rate of taxation when the present Government do not propose to give one-half as much? I think that if these hon. gentlemen will look at the matter in all its bearings, they will say that the scheme of 1874 was one of much greater magnitude than the present one, and if it could be carried out without increasing the rate of taxation there can be no manner of doubt that the present scheme can be carried out without adding to the taxation of the country. I find that the hon. member for West Durham, though he strongly opposed the building of the Esquimalt and Namaimo Branch, was prepared to take $750,000 out of the public treasury and hand it over to the British Columbians for nothing. These facts simply show that hon. gentlemen opposite are one thing in office and quite another thing out of office. When the Esquimalt and Nanaimo Bill was rejected by Parliament, these hon. gentlemen were determined to build the railway. They advertised for tenders, but they had to admit that the tenders were not a success. On May 10th, 1879, the hon. gentleman used these words:

"The hon gentlemen opposite, and the whole country are aware that we solicited tenders in England for some months upon this ground, before hon gentlemen opposite came into office; also that Mr. Sandford Fleming, the Chief Engineer, was instructed, while in London, to place himself in communication with contractors and financial men, and also to obtain the assistance of Sir John Rose, who, in many things, had been the active, energetic and patriotic agent of the Dominion, with a view to the carrying out of this scheme. But I am informed that, notwithstanding all our efforts, we signally failed in obtaining one single offer (there was one imperfect offer made) for the construction of the railroad on those terms, which were the grant of 20,000 acres and $10,000 cash per mile, with a guarantee of 4 per cent. upon such balance as might be represented as necessary."

So it appears that, at the very close of their governmental career, hon. gentlemen opposite were willing to expend so large an amount of money to carry out the undertaking. But the late Premier had to admit that after all his efforts, he failed to obtain a single offer to build the road. Could any more positive proof be desired of the fact that the late Government were desirous of building the road at an expense enormously greater than that proposed in the present scheme; but the very moment that the present Government spoke of setting aside 100,000,000 acres of land for the purpose of building this railway, these hon. gentlemen ridiculed the idea of the land realising $1 an acre, or that the road could ever be built by the lands of the North-West, and they expressed willingness to sacrifice every acre of land in that territory; they were prepared to sign a document foregoing all our rights then, if it were only possible to have the road built by the proceeds of the land. Although the hon. the Minister of Railways then asked for an appropriation of 100,000,000 acres of land of fair average quality, to be taken from what parts of the country they thought right, not a single objection was raised on the opposite side of the House; and the House and the country stand committed to a scheme which shows that it was intended that it should be built out of the proceeds of the land, and that that land should be appropriated at such points along the line of the railway, as the Government thought proper. Let me read the resolution:

"That all the ungranted land within twenty miles of the Canadian Pacific Railway belonging to the Dominion, be vested in such Commission; and that when the lands along the line of the Canadian Pacific Railway are not of fair average quality for settlement, a corresponding quantity of lands of fair average quality shall be appropriated in other parts of the country, to the extent, in all, of 100,000,000 of acres."

That shows that these hon. gentlemen were then prepared to have that road completed even at the cost of 100,000,000 acres of land. The hon. the Minister of Railways seemed to have a presentiment then that he was going to have a Syndicate; but he was ridiculed by hon. gentlemen opposite. They did not suppose any man would be insane enough to offer to build that railway for even $13,000 a mile through the prairie section and $26,000,000. The hon. the Minister of Railways, at page 1423 of *Hansard* of 1880, used this language:

"I have good reason to state that such an offer as that would secure the construction and operation of the whole line from Red River to Kamloops, with the operation and maintenance of all the road to the Pacific, at a cost not exceeding $13,000, or $10,000 per mile from Red River to Kamloops, and 26,000,000 acres of land."

The hon. Minister's prediction has been verified; he has not been proved a false prophet on that occasion at any rate. I only mention the fact to show that these gentlemen thought the Minister of Railways was insane to expect that a Syndicate could be found to build the road for such a consideration; but I am pleased to know that the Government have got a company to take the scheme in hand, and that

too without the expenditure of so much money or the appropriation of so much land. The hon. member for West Durham on that occasion, when he was acting in the interest of our American cousins and was endeavoring to gain for himself a reputation south of the 49th parallel, ridiculed the idea of there being that much land in the country. On page 1,457 the hon. gentleman said:

"My conclusion is this, that although we may receive, and I hope we will receive, in the time to come, a considerable revenue from our lands in the North-West, yet we cannot, as prudent men, expect that we will early receive such a large amount, or anything approaching it, or anything approaching one-half the amount which the hon. Minister suggested; that we cannot expect that the immediate charge and strain upon the resources of the country, involved in the Ministerial programme, will be early relieved by the receipts from lands. We must look, therefore, to our other resources for the present bearing of that strain, and when these large receipts do come in they will come in only to recoup us for the long years of arrears of interest which will meantime have accrued, and will not do much towards the liquidation of the original cost. These fantastic calculations do not bear investigation. They are based on extravagant speculations in everything tending to increase the receipts, and on erroneous figures besides; they are based on untrustworthy estimates in everything tending to diminish the charge, and on erroneous figures besides; and, on the whole, I declare that no sane business man would incur large liabilities on the chance of meeting them out of such resources."

But, Sir, the utterance of the hon. gentleman's own organ at that time was not in the same strain. In April, 1880, it had an article very strongly in favor of building the railway in the manner proposed by the Minister of Railways, and it came like a thunder-clap upon the House. While the motion for the postponement of the section in British Columbia was before the House, the organ said:

"It would not indicate extravagant hope to say that 1,000,000 people will be in the North-West Territories by the time that the 1,300 miles already considered have been constructed. But let us say that only 500,000 people are then in the North-West. If they contribute to the Dominion Treasury in the same proportion as the people of the other Provinces, they will increase the revenue by $3,000,000 a year. The 1,300 miles of railway we treat of will certainly not cost more than $30,000,000 when completed and equipped. That sum represents an annual payment of interest of $1,200,000, so that no less than $1,800,000 would remain to the good. Part of it would, of course, go in expenses of government and protection for the 500,000 people contributing the whole, but it is easy to see that the Dominion has nothing to lose by carrying the Pacific Railway to the Rocky Mountains at an early date.

"The Lake Superior section, from the eastern terminus of the main Pacific to Fort William, will be 620 miles long, and when completed it will offer to the traffic of the Canadian, and to a large part of the American North-West, the shortest all-rail route to the sea-board. It is not needed till the prairies have been opened up by the line to the Rocky Mountains. After that has been built, it may be safely completed as a commercial road, one that will pay better year by year, and will, ultimately, be a very valuable property.

"We find, then, that no less than 1,920 miles of the proposed Pacific road may be fairly considered as a commercial enterprise. That it is also a national enterprise is a very poor argument against the project. When the road has been carried from the eastern terminus to the Rocky Mountains it is safe to say that the population of the North-West will be great enough to contribute to the Dominion Treasury a larger sum than will pay the interest on the loan for which the older Provinces must first pledge their credit. We have taken no account of the land sales, which must, if well managed, put every year a large and continually increasing sum into the hands of the Government. The speed with which the road to the Rockies should be built depends on the immigration we receive, and to make this very rapid nothing is required but a land policy calculated to promote settlement. The present land regulations are contrived to keep many people out of the country."

That is the opinion of the *Globe* on that question. I think I have shown that the building of this railway is of great national importance and necessity. I think I have shown it satisfactorily, at any rate, to hon. gentlemen opposite, because I have only quoted their own evidence, that the country is bound to build the railway. I have placed before this House the opinion of the leader of the Opposition on this question, and I have shown from his own mouth that the country has been twice committed to this scheme and twice those hon. gentlemen have pronounced in favor of it. I have shown that he and his friends were prepared to undertake a much greater scheme in 1878, to which the good faith of the country was pledged. Now, how can the hon. gentleman say that they are not prepared to carry out this undertaking? We have a manifesto issued by those hon. gentlemen

to which very felicitous allusion was made the other night by the hon. member for Richmond and Wolfe (Mr. Ives). He attributed the paternity of the document to the hon. member for Bothwell (Mr. Mills). But in that I think he did not show sufficient discrimination. He did not see in that document, as I have seen, the hand of the chairman of the Opposition caucus, the hon. member for South Wentworth (Mr. Rymal). It was his bantling, but it was nothing but a huge joke perpetrated on the country. The hon. gentleman evidently got his figures from the great mixer and muddler. I could easily occupy many hours in showing the inconsistencies of the hon. gentlemen opposite, and the worthlessness of their arguments against this scheme. The hon. gentleman from West Durham, at that great ticket-of-leave meeting at Montreal the other night, portrayed the evil effects of the policy of this Government since it came into power. He pointed out that the debt of the country had swollen from $77,500,000 in 1871, to $140,000,000. If that hon. gentleman had been desirous of placing all the facts before the public he would have shown that the increase of that debt was in part legitimate, and that the illegitimate part of it was brought about by his own Government. But he left the impression that this increase of debt was due to the hon. gentlemen now on the Treasury benches. If he had been fair he would have shown that this increase was chiefly due to necessary obligations, such as paying provincial subsidies and constructing great public works. The hon. gentleman was not fair in stating that the debt had been increased, without showing how. I will now refer to the reasons given by the hon. member for Lambton to justify the scheme which he wanted to foist upon the country in 1874. When the hon. gentleman was trying to excuse this scheme to Parliament and the country, he said:

"It is the sheerest trifling with the public mind, it is the sheerest trifling with the House, to say that any company would undertake to build the entire road for $30,000,000 and 50,000,000 acres of land. The whole thing is a huge farce."

He then and there admitted that the scheme of 1872, which involved an appropriation of 50,000,000 acres of land and $30,000,000, was a justification of his own scheme, and stated that that money would not build the road even at $1 an acre. In order to justify his own extravagant scheme, he said: Look at the Intercolonial Railway; Sir Charles Tupper tells us we can build the Pacific Railway with $30,000,000 and 50,000,000 acres of land. How absurd it is, says Mr. Mackenzie. Every person knows it cannot be built for any such money; and he goes on to show that the Intercolonial, with the peculiar advantages of running along a frontier province, with easy access to all kinds of materials for building a railway, would cost $45,000 per mile. He wanted to justify the expenditure of $30,000,000 in building that railway, and yet he says the railway cannot be built for less than $45,000 per mile. The hon. gentleman for Lambton went on further to justify his extravagant expenditure, and cited the Northern Pacific Railway as an evidence of the cost of a road through those regions. It is rather curious that the hon. member for Centre Huron, who is always so careful in his figures, should have stated the other night that that railroad cost $17,000 a mile. It shows how accurate he is in placing figures before the House. But you are well aware that a matter of $10,000,000 or $15,000,000 makes no difference with the hon. gentleman when he is dealing with figures. The hon. member for Centre Huron wanted us to believe that the Northern Pacific Railway cost something like $17,000 per mile, while the member for Lambton says it cost $47,000 per mile. I purpose to show how these hon. gentlemen opposite justified their extravagant scheme in 1874. The hon. member for Lambton said:

"The Northern Pacific, in the account published by the Company, has cost so far as it has been carried, $47,000, or $48,000 per mile in round

numbers. Well, Sir, that road traverses almost wholly a prairie region easily accessible, and where materials were easily found, and is altogether quite as favorable as the most favorable spot of our territory; with this advantage, that it was much nearer the producers of supplies than any portion of our line, except that on the immediate borders of the lake."

Yet now, hon. gentlemen opposite are prepared to show the road can be built for something like $10,000 a mile. The hon. gentleman caps all by saying:

"But judging from the cost of our own lines of railway we have reason to suppose that it will be impossible to construct this line from end to end at a less price than $40,000 per mile, and it may exceed that by several thousands of dollars."

He was satisfied our road through the prairie section would cost at least $40,000 per mile. Then how did he attempt to justify the guarantee of 4 per cent. for twenty five years on any additional sum the contractors might require? Finding that he had gone far in excess of the scheme of his predecessors in giving that extraordinary addition to the scheme, he had to justify it by showing other countries did the same thing. He travelled all over the American continent, and finally found in South America that the Platte Railway Company had received a guarantee of 6 per cent. on $32,000 per mile for 40 years, and he said the Southern Railway Company received a like guarantee. Let us see what the Syndicate will have to expend over and above their subsidy, taking the estimate of Mr. Blake in the Session of 1880 as a basis of calculation. Mr. Blake estimated the cost of the road (*vide Hansard* page 1440) as follows:—

Canada Central Subsidy	$1,440,000
Surveys	4,000,000
Fort William to Selkirk	18,000,000
Pembina Branch	1,500,000
Red River Bridge	100,000
Selkirk to Edmonton	17,650,000
Edmonton to Burrard Inlet	45,000,000
Fort William to Nipissing	32,500,000
	$120,190,00

In order to see how the Syndicate will stand according to this, we have to deduct:

Pembina Branch	$1,500,000	
Red River Bridge	100,000	
Fort William to Selkirk	18,000,000	
Surveys	4,000,000	
Yale to Kamloops	9,160,000	
Yale to Port Moody	3,500,000	
Canada Central Subsidy	1,440,000	
		$37,700,000
To be built by Syndicate		$82,490,000
Deduct Subsidy and Land:		
Subsidy	$25,000,000	
Land, at $2	50,000,000	
		$75,000,000
To be made up by Syndicate		$7,490,000
Add—Rolling Stock, at $2,000		5,400,000
		$12,490,000

I estimate the lands to be worth $2 an acre for argument sake, although before I sit down I will satisfy the hon. gentlemen opposite that, by their own admission, the lands cannot possibly realize a dollar an acre. To prove this I will bring into the box the hon. members for Bothwell and West Durham. I am going to take the land at $2 an acre, for the sake of argument. The member for Gloucester seems delighted at that estimate. Take the subsidy, $25,000,000, and 25,000,000 acres at $50,000,000, which makes $75,000,000 for the Syndicate. Deduct that from the cost of the road, according to the member for West Durham—namely, $82,490,000—and you will have to make up $7,490,000, to enable the Syndicate to build the road; railway stock, $2,000 a mile, $5,400,000, or $12,490,000, which they will be out of pocket. But we have to add a little more. Take the testimony of the member for West Durham and see what he says:

"* * * * And that ($120,000,000) wholly exclusive of the legitimate and necessary charge which must be added in all cases, the charge for interest during construction. Now, there is this enormous expense to which I have referred; besides this aggregate of I do not know how many million dollars, the interest of which, according to the whole expenses—these I estimated in former years at $8,000,000, but my hon. friend's estimates, will be $6,000,000 a year—we have got to consider the running expenses which he estimates at a gross sum of $6,750,000 a year for the whole line, or $1,500,000 a year from Fort William to the Pacific. Of course against this sum are to be set the receipts, which will be considerable, and will on some sections of the road perhaps meet expenses, but in the early days, and for a long time, the road, as a whole, will, I believe, be run at a loss."

We have also the testimony of the member for Centre Huron, who showed that the Intercolonial fell behind the expenses $750,000, though it runs through a country which some hon. gentlemen described as a good farming country. We have also the evidence of the member for Lambton who, in 1867, speaking on Confederation, said:

"The line through which the Intercolonial runs is as good as any on the Great Western."

So we ought to consider that those gentlemen, besides building the road at the enormous loss of $12,490,000, as shown by the member for West Durham, have to add the running expenses, which will amount, at any rate, probably to $3,000,000 or $4,000,000. The mathematical member for Bothwell (Mr. Mills) can tell what, if it costs $750,000 to run 450 miles of Intercolonial, it would cost to run 2,700 miles. The member for Lambton also made an estimate of the cost of the scheme, amounting to $121,500,000, which, at the estimate of $2 an acre for the land, would leave a balance against the Syndicate of $13,800,000, independent of the cost of running the road, which would be large. Let us take a little testimony from the experience of the United States, to which hon. gentlemen opposite were so partial, but which I do not much care to quote. Of 23 railroads built through Kansas, a prairie region, the average cost was $36,000 per mile; the Delaware and Lackawanna cost $81,317 per mile; the Lake Shore and Michigan, $75,000; the Philadelphia and Reading, $116,000; the Boston and Providence $81,000; Central Pacific, $106,780; Northern Pacific, $48,000. The member for Centre Huron was astray in this last amount $30,000 a mile, not a very large error considering the source. Comparing the cost of those different railways and the cost of those in the Dominion, running up to at least $40,000 a mile, we are justified in concluding that the scheme of the Syndicate will cost at least $40,000 a mile. With regard to the value of the lands, I will take the testimony of leading hon. gentlemen opposite, including the member for West Durham, who does not deem it worth while to pay me much attention, unlike in that respect the member for Gloucester, whom I will also notice. At page 541 of Commons Debates, 1875, the hon. member for West Durham used this language:

"It is an entirely absurd calculation to say that these 1,700,000 acres are worth $2 an acre to this country. Even valuing them at $1 would be, in my judgment, an excessive valuation."

At page 1719 of the Commons Debates, 1877, the hon. member for Lambton is reported as saying:

"I do not place the lands at $5 an acre. I wish I could say they were worth $1 an acre."

And yet these gentlemen say that the whole character of the country is changed, the circumstances are changed, and we wish you would take our valuation and drop a veil over our speeches in Parliament. Take our present valuation of $2.50 per acre. The member for Gloucester, who never exaggerates at all, and who is so very careful in giving utterance to any opinion on the floor of this House, remarked, no later than last April:

"Let me say, without intending any depreciation of the North-West, that I do not, for one, believe there is there anything like the amount of fertile land hon. gentlemen on the other side say there is. Even if this were established beyond doubt, it will not deter a single emigrant from settling in the North-West, where, I believe, there is abundant room for millions of people in the fertile lands that really exist; but, when we come to calculate on the land as a means of paying for the construction of the railway, we ought to know, beyond doubt, whether we have as much land to sell as hon. gentlemen say. At $1.50 per

acre, or thereabouts, which will be the average price, according to the calculation made by the hon. member for West Durham, it would take a very great quantity of land merely to pay the increasing interest on the cost of construction. Since the discussion commenced, I have looked very carefully into the pamphlet published in 1870 by Archbishop Taché, with a view of directing public attention to that country as a desirable place for settlement. The general terms of his description are these: Within our boundary, from the dividing line northward and westward, there are not less than 6,000 square miles of land unfit for settlement to any considerable extent. A large portion of it, he admits, to be slightly covered with what he describes as exceedingly nutritious grass, but unfit for agricultural purposes. All that district is nearly worthless. Of what he calls prairie lands, he says there are only 60,000 square miles all told, a large portion of which is comparatively inferior in quality. More than that, he told us that a large portion must be regarded as uninhabitable to the average settler, and incapable of settlement on a large scale, because of the intensely cold winters, because of the absolute impossibility of obtaining lumber for constructing dwelling-houses, and of obtaining wood for fuel, or in fact any kind of fuel. Large portions of the prairie can, for these reasons, only be used for pasturage purposes. He says that the portions most fit for settlement are those contiguous to the timber belts near the Rocky Mountains in the west, and towards what is now Manitoba in the east. Altogether, it must be concluded there are not more than 25,000,000 acres of land absolutely fit for settlement."

Now, I have no doubt the member for Gloucester was delighted to know, on his entering the House this Session, there were 250,000,000 acres of land of fair average quality in that country; and I have no doubt now, looking at it from a purely patriotic point of view, he will be ready to let the Syndicate have 25,000,000 acres of land when we have over 200,0 0,000 acres left, sufficient to pay off our debt. He was one of those who stated, on the floor of Parliament, that he was prepared to let the whole country go to have a railway built; but now, when only one-tenth of the land is required, he thinks it is a fraud on the country to give it. Now, let us go further and give another portion of the speech of the hon gentleman. He says:

"I think that no man can very well entertain the hope, on the other side of the House—even the most sanguine that we will realize from the sale of lands in that far west country enough money to pay for the construction of the road, even if the cost be reduced to $62,000,000."

How does that accord with the statement he made the other day, that it was a monstrous thing that the country should give away 25,000,000 acres of land worth $75,000,000?

Sir LEONARD TILLEY. When was that speech made?

Mr. RYKERT. No later than last April. But circumstances have changed, and I am not surprised that they object to going back to their own records. They say we should be judged by our past utterances, but they should not be judged by theirs. That is the ground they have always taken in the country. The hon. member for North Norfolk has a sort of genius for figures. He is accustomed to going across the line from time to time to make invidious comparisons between the two countries. This is what he said last Session:

"From the estimates, as to the extent of the arable land in that country, given by the hon. member for Lambton, it would appear that the total amount of arable land south of the north line of the Railway Belt really does not exceed seventy millions of acres. I have no doubt this is a very liberal estimate. In addition to that, in the region north of that line, known as the Peace River country, we may have some arable lands. The arable lands of this region would all be contained in a section of country bounded on the south by the north line of the Railway Belt, on the east by a line projected north from the east end of Lesser Slave Lake, on the north by the line of 57° latitude, and on the west by the Rocky Mountains. This region would contain, by a rough estimate, 30,000,000 acres of land. The arable land contained in this region, and all the arable land to the north of it, would not make a total of more than 20,000,000 acres, so that we may safely conclude that the entire arable land of the entire Canadian North-West does not exceed 90,000,000 acres. It is barely possible that it may reach 95,000,000 acres."

He wanted to show the 100,000,000 acres appropriated by the Minister of Railways had no right to be set apart there, because, in fact, it did not exist. Let me take the hon. gentleman at a later date, December 18th, 1880. I find in a speech made on a missionary tour, on an occasion, by the way, when he would not allow anyone to answer him, he endeavors to show that there is no land in the United States, or at least very little left for settlement, and he goes on to say:

"Referring to the value of the lands in the North-West, he showed that the railway when constructed would make them valuable, and that there being comparatively little cheap lands in the United States open for settlement, immigration must soon turn to the Canadian North-West. This would tend to make the land there valuable. The price of railway lands in the adjacent States was $6.25 per acre."

Now, he wanted to show, and wanted the people to understand, that immigration, if properly encouraged into our own territories, would be very large, because there was so little land on the other side of the line. It is extraordinary that, a couple of days before, the organ of the party had different views of the matter. On December 21st, 1880, the *Globe* said:

"Nor yet is it the interest of the Syndicate, whose members control immense land grants south of the frontier, that great masses of Canadian lands should be placed in the market so long as there are millions of acres of Minnesota and Dakota railway lands for sale."

According to the *Globe*, there were millions for sale; but, according to the hon. gentleman, they were limited in quantity in the United States, and were held at $6.50 per acre. Why, he did not say; and why did the hon. member for West Middlesex, when telling the House that those lands were sold for $7 per acre, state that it cost the companies over 80 per cent. to bring those lands into the market? They talk about lands being worth $6.50 to $7 per acre, but I have here a letter from the manager of the Northern Pacific Railway, offering a township near Bismarck at $2.50 per acre, and to take his own bonds in payment. Now, Sir, I say that the lands of the Union Pacific Railway are selling to day at $2.50 per acre, and if hon. gentlemen opposite wish to speculate in railway lands—and I see the hon. member for South Perth (Mr. Trow) who has a keen eye to a speculation, has at last awoke—they have now a splendid opportunity, for they can purchase lands along the line of the Northern Pacific, outside of Bismarck, for $2.50 per acre, and pay for it in bonds worth 66 cents on the dollar.

Mr. TROW. I saw these lands not long ago, and I would not give 2½ cents per acre for them.

Mr. RYKERT. I say that these lands are good arable lands.

Mr. MILLS. The hon. gentleman must be careful. He is advertising these American lands.

Mr. RYKERT. No, I am not. I wish to show how deceitful these hon. gentlemen are, and how reckless are their statements that these American lines are selling lands at $6 and $7 an acre. What these hon. gentlemen ought to do—to use a Yankeeism which would be quite familiar to the hon. member for Bothwell (Mr. Mills)—is to bamboozle the public rather than to inform them. The hon. member for Lambton (Mr. Mackenzie) said, on the 10th May, 1879:

"I am convinced, and have always been, that in order to make our road a paying one, we must have a large population thrown into the heart of the continent. We have already opened a highway through that country; and by building the Pembina Branch we have brought the railroad almost to the doors of the settlers in the North-West Territories. I do not understand why the hon. gentleman anticipates a large revenue from the lands to be sold, because it is absolutely necessary, in order to induce settlers to come into the country, we should furnish them with land free of charge."

The hon. member further stated:

"If the hon. gentleman's expectation should be realized of getting $2 per acre for those 100,000,000 acres, I will confess to him that I have been utterly mistaken in my ideas upon this subject."

The hon. gentleman had a different idea in 1880, for he then endeavored to show that, on account of the value of the lands, and from information he had received from English capitalists, it was quite impossible that any large settlement

could ever take place in that country. On the 16th April, 1880, the hon. member for West Durham said:

"Nor can I agree that the area of land in the United States available for settlement, although it is no doubt being rapidly diminished, is as yet all reduced to such proportions as to force the current of emigration to our North-West."

This remark was made in the course of the hon. gentleman's celebrated Kansas speech, and it would appear that he did not care how far he sacrificed his country so long as he sacrificed those who sat on the Treasury benches. We will now consider for a moment what were the estimates made by hon. gentlemen opposite, of the cost of the road. And first we will take the estimate of that very careful member, the hon. gentleman from Gloucester (Mr. Anglin). On March 30th, according to the report of the *Globe* newspaper, he used the following language:—

"He thought the estimate of $100,000,000 would be found small enough. At any rate the Government knew very little about what it would cost. The member for Wentworth had estimated the cost at $200,000,000. The member for Lennox (Mr. Cartwright), who was well known as a careful calculator, had estimated it at $240,000,000. Who could say that the Dominion with its present resources could pay the present debt and assume a debt of $240,000,000. * * * * But in addition to that, it would cost at least $2,500,000 to run the railway after it was built. * * The cost of carrying a railway through British Columbia would be money thrown away and a millstone on the neck of the Dominion."

That certainly should rather encourage the Syndicate to take the Yale-Kamloops section. The member for Lambton (Mr. Mackenzie), in November, 1873, as reported in the *Globe*, said:

"I may also add that I hope we shall be able to devise means by which this shall be accomplished at a very much less cost than was contemplated by the Company of Sir Hugh Allan. You are, perhaps, not aware that it was contemplated that the expenditure under this scheme would be $180,000,000. That fact is not generally known."

Then we have the member for Gloucester (Mr. Anglin) saying in May, 1872:

"He believed they were bound to carry out their engagements, but they were not bound to accept any proposals of the Government. He believed there was no sufficient guarantee that the work would be done for the grants asked. The work must be done, but he could not approve of the plan proposed."

The member for Lambton, in his celebrated Glencoe speech of 1872, spoke as follows:—

"That gentleman [A. P. McDonald] saw no difficulty in undertaking to spend at least 100 millions, and he believed very much more in the construction of the railway. It cost over 200 millions to build the American, which was one-third shorter and had less natural difficulties in the way than ours, except in one portion of it, from the Rocky Mountains to the Pacific through British Columbia, was exceedingly rough, and from the Lake of the Woods and Winnipeg River to the head waters of the Ottawa, the country was undoubtedly the roughest on the continent."

The Syndicate will, no doubt, rejoice that they are going to have the roughest piece of road on the continent to build. Then, Sir, we have the grandest estimate of all. We have the great leader of the Opposition making a speech in the County of Welland, which was replied to in a masterly manner by the member for Halton (Mr. Macdougall), much to the chagrin of the hon. gentleman. The hon. gentleman, who was then "huge on figures," is thus reported in the *Globe:*

"Mr. Blake then proceeded to criticize the Pacific Railway scheme, which was one of the maddest schemes ever thought of. The cost of equipment, construction and stock of our present railways ranged from $60,000 to $100,000 per mile. The first section of the railway from Ottawa to Fort Garry at this rate would cost 100 millions, the next was intersected by great rivers which would necessitate costly bridging, and the third section from the base of the Rocky Mountains to the Pacific coast was full of mountains, and one of the most difficult in the world for the construction of a railway. He showed the dangers attendant on the carrying out of the Act passed last Session, the probability that the road would cost 100 millions, the inadequacy of the present grant, and the dangerous power conceded to the Government."

I venture to say that the Syndicate, on reading this testimony, will give up the case, and we shall have an opportunity to inspect the new offer. The little bantling is to come down on Thursday, I believe. It is the result of one hon. gentleman connected with it having gone over to the enemy, and it would be possible, probably, in bringing it down, also to bring down the correspondence showing why the late Lieutenant-Governor of Ontario was dignified by his Sovereign with a title, especially, as in 1867, he was called a traitor to his party and a traitor to his country. It will be a little curious, at any rate, to know why Sir William Howland has jumped the fence and boxed the political compass. We have, also, the speech of the hon. member for Centre Huron (Sir Richard J. Cartwright), who, in 1874, said in this House:

"In order rightly to understand the real nature and extent of the burden we would be required to take upon ourselves, it must be remembered that the lowest estimate for building the road to the Pacific is something over $100,000,000, and on the supposition that a very much larger time would be given for the construction. I entertain no doubt that if it were incumbent upon us to finish the line through within the time specified (if it were possible), theexpense would be enormously increased, and that a moderate estimate would reach 150,000,000, or 160,000,000 of dollars."

The hon. member for Lambton, in May, 1876, also used this very choice and elegant language to show the electors how utterly absurd it was that so wild and mad a scheme should be carried out:

"He hated shams, and he had no hesitation in saying he never did believe, and did not now believe, that that could be built through any such wilderness, for any such money."

Again he says:

"We know, Sir, that the obligations of the road were not terminated with the conclusion of the construction. Supposing we only take the estimate of Fleming, 100 millions, you have a pretty good appreciation of what it will cost the country in the end."

Notwithstanding that, we find that the Government is prepared to carry out the whole scheme in its entirety, and that at a less cost than the hon. gentleman proposed, and far less than was proposed by themselves in 1872. Now, we have also to consider what will be the cost to run the road. With regard to that I will take the testimony of hon. gentlemen opposite, so as to give the Syndicate some idea of what a jewel they are going to have, and what a luxury they are going to possess after this contract passes the House. The member for Lambton says:

"Supposing we finish the road within seven years as estimated by the Minister of Finance, until at least 3,000,000 of people are drawn into that uninhabited country, it is quite impossible to expect the road to pay running expenses. The Minister of Finance estimates these at not less than $8,000,000 per annum, and they have still further to be supplemented by the proportion of money required each year to renew the road. It is known, however, to railway authorities, that in considering the difficulties of climate and with the ordinary traffic, the road will require renewal, that is the renewal of sleepers and rails, every eight or ten years."

They have got that prospect in view in accepting the proposition now before the House. By the time they got the road built they would have to build it over again. The hon. member for West Durham, who is a speculative gentleman in figures, in 1880, said: "The cost of running the Yale-Kamloops branch line will be $150,000." Then we have the member for Centre Huron, who stated in his Budget Speech in 1874:

"The deficiency arising from the working of the Intercolonial and other railways of the Dominion are reputed as likely to amount to the extraordinary sum of 1¼ million dollars. I desire to call the special attention of the House to one point which must be clear to every hon. gentleman. These railways run, for the most part, through a country which has been settled for the last fifty or sixty years. I cannot refer, of course, to the fact that these railways entail such an enormous expenditure without its becoming apparent to the House that the cost of the maintenance of a railway nearly 3,000 miles in length, and passing through a country which is almost uninhabited, must be of necessity very much greater. For a very long time, even after actual construction of this railway, an enormous charge must be levied upon this country in order to keep it in full working order and repair; and this fact must be steadily kept in sight in considering the real character of that project."

Now, there was the undoubted testimony of the late Minister of Finance, that it would cost over $1,500,000 a year to run the Intercolonial Railway; then, how much would it cost to run the road through the inhospitable and unpopulated country through the Rocky Mountains

to the sea for a distance of 2,700 miles? So I think that, after all, the Syndicate have not such a *bonne bouche*, as has been stated by several hon. gentlemen. I am going to quote the hon. member for West Durham again as an authority. It has been stated over and over again that there is great necessity for building the road as rapidly as possible with communication through the American territory, so that the produce from the far west can reach the sea-board. Now I can prove that this Syndicate cannot carry a bushel of wheat over that railway, and say this on the authority of a gentleman who, when he uttered the sentiment, gave weight to every word as befitted one who was destined to become the leader of his party. He quoted the revenue derived from the Union Pacific Railway, and came to the conclusion that no company could carry one bushel of wheat over the Canadian Pacific Railway.

Mr. BLAKE. No; I know what I said. It was not that.

Mr. RYKERT. Then we will go to proof. If the hon. gentleman has forgotten when he said that, I can tell him where to find his speech.

Mr. BLAKE. I know exactly what I said.

Mr. RYKERT. October 6th, 1874, the hon. gentleman said:

"I am of the opinion that the B.C. section of the railway, even if it turns out to be practicable for an engineering link, will involve an enormous expenditure amounting to 33 millions, and after its completion will involve an enormous charge on the revenue of the country for running expenses, and I doubt much if that section can be kept open after it is built."

Mr. MILLS. Hear, hear.

Mr. RYKERT. I am coming to the hon. gentleman shortly. The hon. gentleman from West Durham goes on to say:

"Fertile as is the soil, great as are the resources, glorious as are the prospects with reference to production, it is certain that the distance from the great markets of the world, of the inland portions of that country, will prove one great difficulty to overcome. * * *

"Of course there must be railways at once to connect the sheets of water, and eventually a through line; but I am confident that a bushel of wheat will never go to England over an all-rail route from the Saskatchewan to the sea-board, because it would never pay to send it."

Now, have I not proved out of his own mouth that this great bargain of the Syndicate will not enable them to carry one cent's worth of wheat over the whole line? Then, again, the hon. gentleman was giving us a lecture on freights, and went on to say:

"You have read of the war which is going on between the farmers and the railways in the western States, through the attempt which is being made to cut down freights by legislation. But I do not find that the railways are getting rich. The fact is the war is a war against distance, it is a war against time and space, and that is the war the farmer of the North-West will have to encounter."

Is that not language sufficiently strong to satisfy even the Syndicate who are to be so much enriched? Perhaps I am imprudent in making these quotations as they may frighten the Syndicate to back out of their bargain. But I hope those gentlemen, even though they are Grits, are sufficiently honorable to stand by the contract. The hon. member for North Norfolk (Mr. Charlton) said, in 1876, at page 79 of the *Hansard*:

"I believe the agreement to build the road 2,700 miles, for $22,000 a mile, should be looked upon as the height of absurdity."

The hon. member for West Middlesex (Mr. Ross) said, in 1875:

"Sandford Fleming had estimated that the running expenses of the road would amount to $8,000,000 annually, and its construction cost $100,000,000; the interest on that sum must be added to the running expenses in order to obtain the annual outlay. These facts proved that unless the circumstances of the country changed the railway would be an unproductive work. It was estimated that before the road would pay running expenses it would be necessary to throw a population of 3,000,000 into the country. No reason to anticipate that the population of the Pacific Province would be large within the next fifteen years. * * If the whole of the imports and exports of British Columbia amounting to $4,000,000 were to pass over the road, there would be no encouragement to hope that the road would for a long time pay running expenses."

Again, in 1880, the hon. member for Gloucester (Mr. Anglin) said:

"That road [the British Columbia section] when built cannot pay running expenses, and in the country through which these 125 miles of railroad are to be laid, at a cost of so much money, there are but few tracts of fertile land or land fit for settlement. As has been said, all these lands put together are only about the size of an average county in Ontario."

The hon. member for North Norfolk (Mr. Charlton) said, in 1880 (*vide Hansard*, page 1556):

"An expenditure of 30 or 40 millions of money among the rocks of British Columbia will make no returns for years to come, and that section ought not to be built until it can be reached from the east."

And again, on December 20th, 1880, according to the *Globe* report, he said:

"The line through the unproductive regions could not be made to pay as a commercial speculation."

I think I have shown you clearly that so far as the western portion of the road is concerned, the testimony of hon. gentlemen opposite is that it will never pay running expenses. I will now quote the opinions of hon. gentlemen on the character of the Lake Superior Branch which to-day they say is going to be built so cheaply by the Syndicate, will add to the revenue they are to derive from this bargain. In 1877, the hon. member for Lambton said, at page 1629, *Hansard*, 1871:

"The Government decided it would be a waste of public money at present to prosecute the construction of this railway from the western end of Lake Superior to Lake Nipissing, through a country totally uninhabited, a country so far as we know almost unfit for habitation. I do not say there may not be some tracts of land which may sustain human life in various parts of that rocky wilderness, but I do say that the general characteristics of the country bordering on Lake Superior and advancing very nearly to the border of Lake Huron and Georgian Bay, is unfavorable."

I could also quote from a number of other articles on the subject, but will not weary the House any longer on that point. I have shown from the evidence of hon. gentlemen opposite that the cost of building the road will be something enormous; that, according to their miserable predictions, the Syndicate should only be too glad to be allowed to withdraw from this bargain, and allow the Government to accept the proposition which we are promised will be made by the bogus concern that hon. gentlemen opposite tell us is being formed. The *Globe*, on December 21st, 1880, makes the following admission:—

"It is not the interest of the Syndicate to build the line north of Lake Superior, and it is pretty well known that the construction of this portion of the line was put into the contract against the wishes of the Syndicate."

The *Globe* thus gives up the whole case in showing that the right hon. leader of the Government was so mindful of our interest that he insisted on the Syndicate building the whole line through Canadian territory. It appears the Syndicate did not relish the idea of taking up that portion of the road which I have shown from the evidence of the Opposition is not the portion that will pay for some time. I have a distinct recollection of a speech made some years ago in the old Ontario Parliament by the hon. member for Lambton, when propounding the idea of extending the Sandfield Macdonald scheme of developing the Northern Territory by building railways through it. In his financial speech of 1872, in that Legislature, I find his view of the character of the Lake Superior and Nipissing country expressed. He said:

"We have felt that it is necessary to open up the back country—that large extent of territory bounded by the Ottawa and the French Rivers, and by Lake Nipissing, though it is not necessary to stop at Nipissing—and lying in the rear of the frontier counties on the lakes. The capabilities of this tract of country, judging from Sir William Logan's estimates, are of a very high description. Twenty or thirty-five per cent. is valuable land, making one-fourth of the whole eminently suitable for

settlement, while a large portion of the rest is excellent pasture land, and valuable for other purposes."

I recollect reading shortly afterwards an article in the *Globe* in which the writer stated that the only settler to be found around Lake Nipissing was an escaped debtor who ran a saw-mill that cut about two logs a day. At that time, I opposed the railway extension through that country, because I considered, from the evidence I had extracted from public documents and from surveyors' reports, that the country was barren and totally unfit for settlement; but from the reports of Mr. Fleming and other engineers, and also from the statements of hon. gentlemen opposite who pretended to know the character of that country, I came to the conclusion that there was a large section of land through it fit for settlement, and which ultimately would produce a revenue for the railway. I think that the testimony given us by the Minister of Finance of the Ontario Government, ought to go far to enable us to form a correct opinion on the subject; at any rate he was not justified in making that statement unless he knew it to be correct. I believe it is known there are tracts of country in that region not only fit for settlement, but good. The member for Lambton, quoting Mr. Fleming, says:

"That it is now established beyond doubt that a favorable and comparatively easy route, considering the line as a whole, has been found from Ottawa to the northerly side of Lake Superior. This result is the more satisfactory as unfavorable impressions have been created regarding the future of the country, many having considered it impracticable for railway construction."

Having been charged by Dr. Tupper with violating the compact as to the building of 1,300 miles, which in his address he stated he would not build, Mr. Mackenzie replied thus:

"He [Tupper] found fault with me for saying that the omission of 1,300 miles from immediate construction would save the country sixty or seventy million dollars, and he hoped I was now prepared to modify that statement with my experience; but I am not prepared to modify that statement."

Then the member for Centre Huron (Sir Richard J. Cartwright), in his Budget Speech, in 1878, gives the following testimony on the subject:—

"No doubt a certain portion of this expenditure may be fairly looked upon as productive on the score of bringing back into our coffers some return for the monies expended, and I may add that of all the schemes submitted to this House, I believe that proposed by the Premier, for opening up that fine and considerable tract between French River and the Ottawa Valley is the one which, on the whole, is most likely to add to the paying population of the Province of Ontario."

Mr. Mackenzie was then in favor of following as nearly as possible an air-line from Nipissing to Fort Garry. He is thus reported in the *Globe* of May 12th, 1874:

"We have reason to believe, that perseverance has already accomplished a good deal in this direction, and that a route will be found free from any very appalling obstacles to the construction of the railway.

"*First.*—It would be, of course, desirable to follow as nearly as possible, an air-line from Nipissing to Fort Garry; and secondly, it would be incumbent on the engineers to approach, as nearly as possible, to the head of the lake navigation communicating with the St. Lawrence. Every one is acquainted with the rugged and uneven character of this country immediately N. and W of Lake Superior. In the rear, however, of the rocky region it is alleged the land is tolerably level and free from serious obstructions to the progress of the railroad."

Again:

"The Canadian Pacific although running so much further north, will have less to fear from the rigors of winter than its competitor for transoceanic traffic in the more southern regions."

They do not want an air-line now, but a line through the United States. Thus we have the member for Lambton testifying that the line from Nipissing to Fort Garry could be easily built, that the region was fit for settlement and calculated to compete strongly with the United States region to the south. It is utterly impossible, then, to conclude that the road should not be built through British territory, not only on account of our pledges to British Columbia, but because we are not prepared to place ourselves at the feet of the American people. One objection to this road from hon. gentlemen opposite is that it is not going to the Sault. The country will be amazed at these gentlemen stating the Government are derelict in this respect and unwilling to discharge their obligations to the people—that they are not bound to carry out in good faith their pledges to British Columbia. Why, the opinion of these gentlemen in 1872 was in favor of building an all-rail line, and not one tributary to the United States. When Sir Hugh Allan spoke at Peterborough, in 1872, in reference to the building of the Sault Branch, how was he met by them and their organ. The scheme was pronounced dangerous to the interests of the Dominion and favorable to the United States, and the day after the speech the *Globe* asked:

"Is it to be the Great Canadian-Montreal-Carleton Place-Peterboro'-Toronto-Sault-Ste-Marie-American-Pacific Railway?

"This plan of Sir Hugh Allan would seem to mean, if anything, that the Act of Parliament and Imperial Guarantee, and all that, are to go for nothing, unless there is a great popular uprising to secure the line through our own territory."

The *Globe* of December 2nd, 1872, commenting on that subject, remarks:

"We quote from the *Gazette*: 'Fairly stated, the object which Sir Hugh Allan looks forward to, and which he is pledged to assist by his great influence and eminent commercial standing, is to draw down to the Canadian sea-board and over Canadian lines the trade, not simply of our own north-western country, but the trade as well of the States through which the Northern Pacific Railway passes.' That is to say, the trade of our own North-West, to carry which the Canadian Pacific is mainly to be built, and also the traffic of the States the Northern Pacific passes through, are to be brought to the Sault, and thence by Canadian lines to Montreal. And yet Sir Hugh is all the time the trusted agent for building the Canadian Pacific through Canadian territory."

The *Globe*, still further commenting on the subject on February 28th, says:

"If this scheme is carried out, our national enterprise, instead of being the successful rival of the American Company, competing for the Asiatic trade, which is now in its infancy, and building up the Dominion as no other undertaking will do, will simply be the Canadian branch of the Northern Pacific Railroad, entirely under its control, and dictated to by it relentlessly."

And again, on the 28th March, the organ thus speaks:

"True, the British Canadian road would be only constructing while its successful rival was already working; true, the emigrant seeking a home in British territory would be beset at every station by Minnesota land agents and touters of all descriptions; but the Allans would grow richer and the Allan ships be loaded to the water line."

Again, we read in the same organ, the following:—

"Why, the very first piece of road that is to be finished, if the terms of the charter are complied with, is to be a feeder of the Northern Pacific. * * * And this is to be completed, according to the contract, by the end of next year [December 31, 1874] while the Lake Superior route to Fort Garry—after years have been frittered away in which every effort should have been expended to open communication through British territory—is not to be completed till the end of 1878."

The member for Lambton on December 8th, 1874, made certain promises in connection with this route, in which he said:

"It will be seen therefore, by any one who desires to learn the truth, that the First Minister proposes to carry out ultimately the whole plan for building a great railroad through British territory from ocean to ocean; that he will begin with that portion which is most urgently needed, and will be attended, when finished, with the most direct profitable results; that he does not propose to do anything towards co-operating with American lines that his predecessor would not have and properly done."

Now, the last quotation I will give, in reference to that matter from the *Globe*, is the following:—

"There are but few settlers between Lake Superior and Lake Manitoba, but speedy and direct railway communication between the two great systems of inland navigation of British America is a matter of enormous importance, and all will agree that its construction ought to be undertaken at once and carried rapidly forward to completion. It is a necessity for the settlement of the whole north-west country. The means of ingress for settlers is wanted, and also for the egress of whatever supplies the new population can raise."

Then, Sir, a short time afterwards the *Globe* saw fit to change its tune, and then it indicated that the member for Lambton was about to build the Sault Ste. Marie Branch and had abandoned the other line temporarily.

I think, if anything was wanting to satisfy the general public that the Sault Ste. Marie Branch should not be built by the Government, it is the evidence I have quoted from what was furnished by the hon. gentleman. I could go on and quote for an hour from their own speeches upon that and subsequent occasions, and as late as 1878, they were determined there should be an all-rail line through the British American Provinces from the Atlantic to the Pacific, and on no account what ever should it be made contributory to the Northern Pacific line. I think I have established beyond all doubt that gentlemen capable of forming any opinion worth hearing, as to the propriety of building the railway, shows conclusively that a road through Canadian territory exclusively is the only road to be built. Place us at the mercy of the United States and where would we be? Suppose they took it into their heads to do away with the bonding system, where would we be? Of course, after the road is completed from Thunder Bay to Winnipeg during the open season of navigation, our trade would find a channel by that route, but suppose the bonding system were done away with, what would our people in the North-West Territories do during the winter season? I do not propose to place ourselves at the mercy of the Americans, if we can help it. I contend we should carry out, in its entirety, the pledge to British Columbia, and, as I have shown, it can be done without increasing the existing rate of taxation one dollar. It has been stated repeatedly there is going to be a grand land monopoly established. What does it amount to? Let us take the evidence furnished by the hon. member for Niagara. I shall not trouble the House with a repetition of it, but we have the united opinion of two of the most distinguished members on that side of the House when the late Government was in power—the hon. members for North Norfolk and Bothwell—that the granting of lands to railway companies was the greatest benefit to a new country. It affords means to develop that country, drawing immigration into it, and developing its vast resources. It is illustrated by the United States, by the success which has attended the granting of large tracts of land to railway companies in converting a wilderness into a populous and prosperous country, studded with towns and villages. That was the opinion of the hon. gentlemen, and I refer them to their own speeches in in 1878, pages 1491-1, and 1484 and 1486, Commons Debates, when they proposed to grant to railway companies $10,000 per mile to all railways built in the North-West Territory in addition to their Act of 1874 which gave $30,000,000 and 54,000,000 acres of land. We come now to consider a very important question, and I was amazed at the remarks made by the hon. member for Centre Huron—perhaps I should take that back—I am not amazed at anything coming from the hon. gentleman, especially when he has a question of figures under consideration. The hon. member for North Norfolk very candidly told the House that he was a speculative genius and he did not care about his figures being received by the House; he was satisfied with them himself and believed the country would accept them as correct. Now, I will show to the satisfaction, I believe, of every candid man, that there is nothing in the bugbear of taxation which has been raised and the land monopoly. I should like hon. gentlemen to tell me why all the railways in the United States are so anxious to sell their lands to settlers, speculators or anyone to open up the railway? Why, it is because they have undoubted evidence that every acre of land which is cleared on the line of the railway produced no less than $4.00 a year of revenue for the railway. And why do they make a reduction in prices? You buy 100 acres of land and break it up, and they will return you half the purchase money, simply because the land cultivated will yield $4.00 per acre every year to the railway. That is their idea in selling lands, and it is the best answer I can give to those who say the railway company will hoard up those lands. Take the scheme of the hon. member for Lambton: It provided for the granting of blocks of land twenty miles square. Those blocks were, of course, detrimental to settlement. But what is proposed now? Only sections of 640 acres are given, so that even though a settler cultivates 640 acres of land, he has not very far to go before he finds another section of 640 acres settled upon. It is not like going through a block of twenty miles. This scheme is of such a character that it is utterly impossible to lock up large blocks of land to the detriment of settlement. Now, on the question of taxation, I am surprised at the fraud attempted to be perpetrated upon this House by certain hon. gentlemen who spoke of the value of this exemption. Almost the last remarks of the hon. member for West Middlesex were, that Mr. Mackenzie's scheme was such a grand one, that he gave lands in alternate blocks along the line all the way from Lake Nipissing to Fort Garry. Where did he get the land? Who owned the land in Ontario? What has the Dominion Government to do with lands about Lake Nipissing? Why, the hon. member for West Durham said he hoped the Government of Ontario would be prepared to give their land along the line, in one of his speeches not long ago, and yet these gentlemen attempt to blind the people by saying the late Government were going to give lands all the way along the line through Ontario.

Mr. MILLS. Read Sir Hugh Allan's contract.

Mr. RYKERT. I do not care what the Allan contract was; I am stating facts. The Ontario Government has jurisdiction over the lands in this Province. Take the question of taxation. We were challenged by the member for West Middlesex to point to an instance where any railway company had its lands or property exempted from taxation. Finding he was mistaken, and his memory being jogged by the hon. member for North Norfolk, he took that back to a certain extent. He said the Northern Pacific Railway had its lands exempted in the territories, but the moment those territories became States they would be taxed. Where does he find that in the Statute-books? The law granting, in 1864, a charter to the Northern Pacific Railway granted certain rights and privileges to the Company, as far as the Central Government could give them through the territories, but did not say that when those territories became States those rights should cease. Every lawyer knows that they do not. I thought I saw the hon. member for West Durham hang his head about that time. I thought he saw a proposition of law laid down that was hardly tenable; but everyone knows that if the central Government has jurisdiction over a territory, and gives certain rights in it, the mere fact of that territory becoming a State does not deprive people of their rights within its borders. Section two of the charter says that the road-bed shall be 200 feet on each side of the track. We are giving only 100 feet here, and some wiseacre outside of the House said the contract does not limit the extent—that they can take 400 or 500 feet on each side of the railway. The General Railway Act for 1879 provides that the width of the railway must be 100 feet. Here is the section of the Northern Pacific Act:

"The road-bed shall be 200 feet wide on each side of the road, and all necessary grounds for station buildings, workshops, switches and turntables, shall be exempt from taxation within the Territories of the United States."

It goes on to say that the Indian titles shall be extinguished as far as practicable. But, Sir, I do not wish to justify my case by any such grounds; I desire to let my case stand on its own bottom. I wish to show that while the hon. member for Centre Huron said that the franchises of the road would be worth $600,000, these franchises are not worth more than $5,000. I assume, for the sake of argument, that we have a

jurisdiction over the 2,700 miles from Nipissing to Port Moody; I assume that the land is assessed for $5 per acre for the whole length of the line, and I believe that most men would say I am insane if I assumed that the property actually would be assessed at that figure for the next 20 yers. The whole Province of Ontario, including the cities, towns and villages is only assessed at $10 per acre; and no less than nine counties of that Province, comprising 5,150,743 acres are only assessed at $5 per acre. I propose to take first the county represented by the hon. gentleman who sits behind me (Mr. Haggart); I will take also the County of Bruce, the Counties of Carleton, Frontenac, Hastings, Peterboro', Prescott and Russell, Renfrew and Victoria, and I think that in selecting these counties I am taking a fair average. According to the records of the Ontario Legislature of the Counties of this Province, the whole assessed value of the property comprised in these counties is $5.20 per acre. I will show that the representations of hon. gentlemen opposite on this subject have been if not a fraud, to use the expression of the hon. member for Lambton, a sham, and I think I learned something about the question of taxation while I acted as the Reeve of a township for several years.

Mr. TROW. Take the County of Perth.

Mr. RYKERT. I can show that some of the townships in your county are not assessed for as much as $8 an acre. The member for Wellington told me that one of the best townships in his county was assessed for $17 per acre, but I showed him it was assessed for $8.25 an acre.

Mr. TROW. There are some townships in my county which are assessed for $50 an acre?

Mr. RYKERT. I ought to mention the Township of Grantham, in my own county, a good old Conservative township, which gives 150 of a Tory majority every election, and which would substantiate my figures. From Lake Nipissing to the extreme west of the county which the hon. member for West Durham once called a sea of mountains, there are 12 acres to the mile, which makes 32,400 acres. I allow one quarter of that for sidings and station-houses, making a total of 40,500 acres in the whole distance from the western terminus of the road to the Pacific Ocean. I will suppose that that property is assessed at $5 per acre, which would make $202,500. I will suppose that there are 150 station-houses, and I believe there will not be that many in our own time or in the time of our children, and we will put them at $1,000 each which will make $150,000. The workshops will not probably be taxed at all, from the fact that Winnipeg, like all progressive places, is willing to forego taxation for the benefit that these shops would be to that city. But I would allow $100,000 for workshops, which would make $452,500 altogether. The average rate of taxation in Ontario is three-fourths of a cent. per acre; but I would just double that amount, and say that the rate would be 1½ cents on the dollar. Upon the amount I have mentioned, this would be $6,787.50, as representing the taxation on the whole road-bed, buildings and everything else belonging to the road throughout that territory. But we must bear in mind that a large portion of the road would run through the Province of Ontario, which would enjoy the right of taxation, and without going into the question of how much territory belongs to that Province, I will allow a reduction on that account, which will reduce the total to $5,280 as against the $600,000 which was estimated by the member for South Huron (Mr. Cameron). Now, Sir, they talk about the taxation of the United States railways; I am prepared to show by documentary evidence that their statements on this subject are not correct. They tell us that $400,000 or $500,000 is paid annually in taxes by the Northern Pacific Railway, while Poor's "Railway Manual" for 1880, at page 823, states that the whole taxes of the Northern Pacific Railway amount to $107,292. The Northern Railway Company of Canada, which controls 325 miles of railway, with its valuable water-front, manufactories and vessels and lumber yards in Toronto, its buildings in Hamilton, and its great line of railway extending back to Muskoka and the northern lakes, annually pays, I am informed by letter from the manager, Mr. Cumberland, a total amount of $15,116 in taxes. The taxes paid by the Toronto, Grey and Bruce Railway, on their 191 miles of railway, is only $4,723. So that exemption from taxation is not such a bugbear as has been represented. I have been amazed at the stretches of imagination of the hon. gentlemen opposite; but when we come to understand that these gentlemen are trying to raise a cry in the country by which they hope to supplant this Government, we cannot wonder how they distort their facts and figures. The hon. member for South Huron (Mr. Cameron) alleged that a great injustice would be done, by the adoption of this contract, to the military and the mails. Why, this is a matter regulated by the Dominion Statute. The hon. gentleman knew that one of the first clauses of this contract provides that the General Railway Act should be applicable to it; and section 28 of that Act says:

"Her Majesty's mails, Her Majesty's naval or military forces or militia, and all artillery, ammunition, provisions or other stores for their use; and all policemen, constables or others, travelling on Her Majesty's service, should at all times, when required by the Postmaster-General of Canada, the Commander of the Forces, or any person having the superintendence and command of any police force, and with the whole resources of the country if required, be carried on the railway, on such terms and conditions and under such regulations as the Governor in Council may make."

But we are told that the Company can build the centre and leave the eastern section. It seems to me that section 4 of the contract sets that point at rest:

"The work of construction shall be commenced at the eastern extremity of the eastern section not later that the first day of July next, and the work upon the central section shall be commenced by the Company at such point towards the eastern end thereof on the portion of the line now under construction as shall be found convenient, and as shall be approved by the Government, at a date not later than the 1st May next. And the work upon the eastern and central sections, shall be vigorously and continuously carried on at such rate of annual progress on each section as shall enable the Company to complete and equip the same and each of them, in running order, on or before the first day of May, 1891."

I apprehend, and I think no one will refute my proposition, that if the Company do not advance vigorously and continuously with the work to the satisfaction of the Government, the Government can invoke the machinery of the Court of Chancery, which no one knows better than the hon. member for West Durham, to compel them to do what their contract says they shall do.

Mr. BLAKE. Then if I know anything about it, I deny that proposition.

Mr. RYKERT. If he denies that, he will deny anything. If the Court of Queen's Bench will not grant a mandamus, the Court of Chancery will compel the Company to carry out its agreement. The right hon. leader of the Government will compel the railway company to go on and perform the terms of the contract.

Sir LEONARD TILLEY. Certainly they can.

Mr. RYKERT. And if they will not obey the mandamus of the court the authority of the Court of Chancery can be invoked.

Mr. BLAKE. It is well laid down that a Court of Chancery will not enforce a railway contract.

Sir JOHN A. MACDONALD. I think the hon. gentleman is mistaken. Under ordinary charters, where there is a permission for a company to build a railway, the courts will not interfere; but when, as in this case, it is provided that the Company shall build the railway it might be compulsorily enforced.

Mr. RYKERT. Another objection is that the railway is to be the property of the Company. Now, why did not the

hon. gentleman state the facts? Sub-section 8 of section 8 of the contract of 1874 is exactly the same as the present contract:

"The property of the railway shall become the property of the Company when built."

Those are the terms of the two charters. The hon. member for West Middlesex (Mr. Ross) said:

"The Company would surrender the charter as soon as the road was finished, and that they would not finish it."

Section 7 provides:

"And the Company shall thereafter and for ever efficiently maintain, work and run the Canadian Pacific Railway."

Another objection is to the Company having the right of way free through Government lands. I merely point out that the charter of 1874 provides exactly the same as the present:

"The Governor in Council may grant the right of way through the government lands, and also any such lands as may be required for the purpose of constructing or working the railway."

Another charge made by the hon. gentleman for West Durham amazes me, though I suppose he thinks the end justifies the means. He says the Company can charge any tolls they please. He has been pleased to refer to the sections of the Statute. Those sections are so plain that any man who chooses to read them can understand them. Section 9 says:

"No tolls shall be levied or taken until approved by the Governor in Council, or until after two weeks publication in the *Canada Gazette*, of the by-law establishing such tolls."

Section 10 states:

"Every toll shall be subject to revision from time to time."

Now, the hon. gentleman did not read that, as I understand, to the Montreal audience, but he went on to tell them that the clause would be a dead letter as far as the Company are concerned. If the Company fails to fulfil their agreement they will be amenable both to the Courts and to public opinion, and if they violate the statute they can be prosecuted. The hon. gentleman, at Montreal, said: It is true that a law exists permitting the Governor General in Council to regulate tolls when the earnings of the Company amount to 10 per cent., but this law will be a dead letter—a position which amazes me on the part of an eminent lawyer like the hon. gentleman. He claims that the Company can charge whatever tolls they please until they receive 10 per cent., not only upon the capital invested by themselves, but upon that put in by the Government. Now, the hon. gentleman knew well that that law did not mean that they should get 10 per cent. upon what was put in by the Government.

Mr. BLAKE. No, I did not.

Mr. RYKERT. Then I think you ought to do so.

Mr. BLAKE. I do not know it now.

Mr. RYKERT. Now, it is stated that the Company can roam all over the country and take whatever land they please. Section 11 says:

"If they cannot get sufficient land fairly fit for settlement within 24 miles of the road, the deficiency may be made up between parallels 49 and 57 degrees of north latitude, by a grant therein of similar alternate blocks."

Now, those hon. gentlemen have constantly reiterated that the Company could go all over the country and select their lands in a block, and that in defiance of the Act of Parliament, which says they must select them in similar alternate blocks. If the land alongside the railway is not fairly fit for settlement, and they choose to go outside that territory for other land, wherever they take one section the Government must take another alongside of it.

Mr. ANGLIN. Who has said anything to the contrary?

Mr. RYKERT. I can quote such views from dozens of speeches made by those hon. gentlemen. Mr. Mackenzie's Act of 1874 provided that the land should be of fair, average quality, and that when a sufficient quantity could not be found in the immediate vicinity of the railway, then the deficiency should be made up from such other places as the Governor in Council might determine, but not in alternate blocks. Hon. gentlemen must see by this that the present scheme of the Government, as regards the selection of land, is much better and more in the interest of the country. The *Globe* has given a long string of absurd objections which some people may be innocent enough to believe. It says the Syndicate can abolish all competition by impeding river navigation by any kind of bridges they please. Now look at section 66 of the General Railway Act and you will find a provision there made for that purpose, so that no railway can impede the navigation of any stream. That section says: "No company shall cause any obstruction to impede navigation." Hon. gentlemen then go on and talk about the standard of the Pacific Railway. Now, I am prepared to argue that, according to their charter, they can build no other than a first-class road. "As first constructed" must mean, constructed as received by the Government. Section 7 of the Act of 1864, passed by the United States Congress, says:

"That whenever the said company shall have completed any one section of the 40 consecutive miles of any part of railroad and telegraph line, eastward of the eastern base of the Rocky Mountains, ready for the service contemplated by this Act, supplied with all necessary drains, culverts, viaducts, curvings, sidings, bridges, turnouts, watering places, depots, equipments, furniture and all other appurtenances of a first-class railroad, three Commissioners to be appointed by the President of the United States, to examine the same and report to him in relation thereon, shall proceed to perform their duty and if it shall appear to him that 40 consecutive miles of said railroad and telegraph line have been completed and equipped in all respects as required by this Act, then upon certificate of said Commissioners to that effect, patents shall issue conveying the right and title of said lands to said company, on each side of the road, as far as the same is completed, to the amount aforesaid; and patent shall in like manner issue as each section of not less than 40 consecutive miles of said railroad is completed to the eastern base of the Rocky Mountains; and also as each 20 consecutive miles thereof, west of said eastern base is completed upon like certificate of Commissioners to be appointed. No Commissioner to be appointed until verified under oath of the President of the Company, that the proper number of miles have been completed as the Act directs."

The width of the road is defined by the Act of 1879, so it is utterly impossible to go behind that. I think I have met fairly most of the objections which have been advanced, in and out of the House, with regard to the scheme, and I think the only conclusion that can be drawn is, that the Government, in undertaking this vast enterprise, have had but one view in their minds—to act in the interests of the country and, above all other things, to keep the faith and credit of this country intact. I am not prepared to accept the invitation of hon. gentlemen opposite to join a party which has not done anything towards the advancement of the best interests of the Dominion. I have searched in vain through the records of Parliament, and have yet to learn that the Statute-book contains one single Act of importance in the interests of the country introduced by the leaders of the Opposition. I am not prepared to join a party that continually parades its principles while out of office, and abandons them as soon at they reach the Treasury benches; a party which supported the union of the Provinces of Quebec and Ontario, and then made a dissolution of that union a plank in their platform; which raised the cry of representation by population when in opposition, and then at the earliest possible moment on entering office abandoned that plank; a party which advocated Confederation, and then so soon as Confederation was accomplished endeavored to obstruct the working of the machinery which the right hon. leader of the Government was endeavoring to put into successful operation; a party which would advocate the union of the several provinces in one harmonious whole, and then, when the Government was considering the claims of the provinces and endeavoring to adjust them equitably, raised the cry of extravagance and

corruption; a party which advocates one day the construction of the Canadian Pacific Railway through British territory, forming a great national highway from east to west, as necessary to cement in closer union the various provinces of Confederation, and cries out the next day that the scheme is too extravagant a one for us to undertake to carry it out; a party which boasted, over and over again, that it devoted all its efforts towards promoting immigration, and which when it has an opportunity of endorsing the conduct of the Government in endeavoring to fill up our country, endeavors instead to turn the tide of immigration to the western States by belittling the value of our lands; a party which for ten years declared our lands were not worth a dollar an acre and that it was impossible to build the road out of their proceeds, and now when the Government have introduced a scheme by which those lands will build the road, declare they are worth $5 an acre; a party which fell heir to an overflowing treasury and which during five years of power, by its reckless extravagance and abandonment of principle, succeeded in converting surpluses into deficits, and could only stand by with folded arms powerless to arrest the downward progress of the country, until they were hurled from power by a justly indignant people on the 17th September, 1878;—I have, on the contrary, faith in the honor and integrity of my leaders in Parliament, and believe I would be a traitor to the best interests of my country did I not extend to them my hearty support in passing a measure which I believe is fraught with great benefit to the people.

Mr. COCKBURN (Muskoka). I deprecate the line of argument adopted by some of the lesser lights on the other side in imparting feelings of rancour in the debate, which ought to receive the dignified attention of members. I will only refer to two gentlemen who, I think, have acted in extremely bad taste. I was rather surprised to hear hon. gentlemen on the Ministerial side encouraging the member for Essex (Mr. Patterson), who was hitherto considered a gentleman of dignity, in the exhibition he made of himself the other evening in indulging in much silly, irrelevant talk, in his assaults upon the Opposition. He took up much time of the House, in reading quotations that had little to do with the question. The charges that members in Opposition are unpatriotic, is the assertion of the Minister of Public Works; and the statements that they did not want the railway, were uncalled for. I believe the hon. members in Opposition are not second to gentlemen on the Ministerial side as to broad views and aspirations in reference to the development of this great country. I have never assumed that all the patriotism and virtues resided in any one party; and I have disliked the rancorous personalities introduced into this discussion. This question is of vital importance to the country, and should be dealt with on its merits. We and our leaders have been misrepresented throughout the country, and even on the other side of the lines and Atlantic. Portions of the speeches of the Opposition have been quoted and others left out, so as to destroy their meaning. Persons who systematically indulge in this garbling and misrepresentation can scarcely be exonerated from the charge of falsehood. We are called factious for maintaining this discussion at such length. I contend we are entitled to the highest thanks of the people for the manner in which the subject has been brought before their attention, and fully and freely discussed. Though a strong party man myself, and willing to make every legitimate effort to put my leader at the head of the Government, I will state, also, that if the Government had made any such good bargain as it pretends, I would cheerfully support its policy. I believe the great mass of the people, including the most rabid Grits, would have been prepared to accept any such arrangement. I could not help admiring the great joy, the ecstacies of the Conservatives over the reported brilliant success of their leader, who was described as a statesman able enough to rule the German Empire. We have heard much of this advantageous contract, but, on being appealed to, the Government withheld the details, despite the clamor of the country. In the light of subsequent events we see very good reason for that course. Ministers knew very well those details would not be satisfactory. So former eulogists of the right hon. gentleman's statesmanship are now crestfallen and will not defend the Syndicate. What was the understanding last Session? The First Minister stated he had a scheme whereby the railway would be constructed from the sale of the lands. I have a quotation from his speech, at page 1056 of *Hansard*, in which he prophesied as to the great number of people we should send to the North-West, and the amount of revenue derivable from them. The Premier said:

"We are told that 50,000 will go in this year, but let us take 25,000 and add 50,000 for the following year, and so on, proportionately every year. We assume, therefore, an increase of 5,000 a year till 1890, and expect in that year 75,000 settlers in our North-West.

Mr. BLAKE. Can you not make it another 10,000?

Sir JOHN A. MACDONALD. I think that is a very moderate estimate. On those figures, the estimate on the total cash revenue to be received for the lands, by 1890, is $38,593,000.

Mr. BLAKE. That is up to 1890.

Sir JOHN A. MACDONALD. Yes, and including 1890.

Mr. BLAKE. That amount with interest.

Sir JOHN A. MACDONALD. We expect $38,593,000, including simple interest for the lands sold in that period.

Mr. BLAKE. What proportion is principal and what interest?

Sir JOHN A. MACDONALD. I cannot say what will be the total sum received in cash to the end of 1890. But, besides, there will be all the instalments to come in after 1890, accruing yearly, so that the lands sold in 1890 will be one-tenth paid for nine years afterwards—for each year there will be an instalment of one-tenth paid. The actual value in 1890, of the pre-emption, up to that date, unpaid, will be $16,440,000. The actual value of the railway lands sold up to that date will be $16,272,000, making in all, $32,712,000. If you add to that total, unpaid, the $38,593,000 that will be paid in 1890, you get a grand total of $71,305,000."

So we are thus expected to realize sixty-nine millions of dollars, which would pay for the road according to the estimate of the Minister of Railways. According to the First Minister's estimate the receipts from lands would almost reach that amount. With such a glowing scheme of the right hon. gentleman, many of us were reminded of the school-boy lessons as to Capt. Bobadil's method of defeating an army, which looked very well on paper, but was otherwise not reliable. But the next thing we find, after we are all sent to our homes, is the visit to the old country, and shortly afterwards the alleged great success of the Syndicate is announced. I am free to confess that it did appear as if the Government had covered themselves with glory, as some of them still claim they did, in making such an arrangement, and I should have been glad if it had been as satisfactory as they represented it. We find hon. gentlemen opposite now trying to justify their bargain, by showing that the late Government offered better terms. I do not admit that, but even though it were so, that is not logic. Five or six years ago is not to-day, and the circumstances are quite different. A few years ago railway men were saying: "Let us have a rest." They have had a rest, and they are ready to embark in large enterprises, and it is not surprising that they should be ready to undertake a scheme of this kind. That shows all the more clearly that the Government blundered when they did not invite tenders for building this railway. If they were determined to place it in the hands of a private company they ought to have advertised. There may have been another reason for the haste of the Government to transfer the control of this Pacific Railway from their own hands to those of a private company. It may be that they had no confidence in themselves, and they feared the contract brokers while they held the control of it themselves. There is no quarrel about the principle of letting this work to a private company. We hear hon. gentlemen opposite boasting that the Intercolonial Railway is now earning its running expenses; that ought to be an encouragement to the Government to con-

tinue this work themselves, until they could make terms which would be satisfactory to the whole community. I will not repeat theories I have heard as to why the Government, at the eleventh hour, made this contract, but the date of it shows that it could not have been concluded at the time it was announced to the public. The Minister of Railways seemed very strongly in favor of the Sault connection last year; he seems to have thrown it overboard altogether now. I dare say it is a very good card for hon. gentlemen opposite to use to urge military considerations in favor of an all-rail route through our own territory. I agree with them; but there are portions of the eastern section which could very properly be left over until our resources would enable us to build it without burdening the country. I was quite interested in the statement of the Minister of Railways last Session, that we could have railway communication with Lake Superior, and winter navigation from the Sault to Thunder Bay. This extension to the Sault could be built to Goulais Bay all on our own territory, and from information I have from reliable parties, we could depend upon navigation on Lake Superior for nine months of the year, which would be a very great improvement on the present system. On the 15th April last, the Minister of Railways said:

"It is now evident that the attention of the whole of this country is turned to the question of obtaining the shortest line of communication to the great North-West by Sault Ste. Marie. Hon. gentlemen opposite may remind me that at one time I entertained serious objections to going to Sault Ste. Marie, but the case is different to-day. When I opposed the construction of the line to the Sault, it was at a time when we had no line under construction from Thunder Bay to Red River; but the moment the Government was committed to the building of that line, it was our duty to look for means by which we could make it productive. I have satisfied myself that that road, with its easy grade and cheap rate at which it will be able to bring down the products of the North-West, cannot possibly have a competitor."

This hon. gentleman also spoke of the advantages of the navigation of Lake Superior, which was known to be capable of affording open navigation all winter. That was one theory, and in support of it I quote from the speech of the hon. member for Algoma. The hon. member quoted from the Custom-house officer, Mr. Livingstone, and also from Capt. Tretheray, and gave a record for ten years showing that navigation was open. With the exception of two winters, the tug at Silver Islet ran all winter. He estimated that navigation could be kept open at least nine months of the year. Mr. Beaty, of the Sarnia line, informed me a short time ago that he would be quite willing to risk running his propellors there for at least nine months of the year. A railway to the Sault, navigation for nine months thence to Thunder Bay, and railway communication from there to Red River, would practically give us a line through our own territory for nearly the whole year. Aside from this connection with the Sault, it has been demonstrated already, much more ably than I can do it, that the Sault connection would accomplish very great commercial results; that we would annex commercially several large states in the North-West and have a large feeder to our own line by a small expenditure. That would pour into the lap of Montreal a trade which her citizens little dream of now. Therefore I hold that it is a matter well worthy of consideration; in fact the commercial interests of this country demand that this Sault connection be made first, and the Lake Superior section remain a few years longer. I do not think that there are any military considerations which would necessitate any very rapid or rash expenditure in securing its construction at present. It is claimed that the members of the Syndicate are good commercial men. That is granted; at the same time they are very shrewd men. Some of them, I believe, at any rate, have had a great deal of experience across the border in the construction of railways by the aid of land grants. In fact, some of them are thoroughly acquainted with the true inwardness of the way of making large fortunes by building railways with large land grants. But we have no guarantee that these gentlemen, with all their commercial strength and business capacity, are the men we shall have to deal with in future, because the Government are bound to incorporate them by Act of Parliament, and when they are merged into a joint-stock company they will be lost sight of entirely, and may sell out to foreigners or Shylocks who will take the pound of flesh from the people of the North-West. However, they are very worthy men looking out for a very good bargain, and they secured it indeed. They must have been very shrewd men to secure such a good one, even with a Ministry willing to concede everything. They seem to have had a very clear and comprehensive idea as to what would be suitable to themselves. One objection I have to the contract, among many, is this: the land monopoly. We have had some experience of that in Ontario, Quebec and Prince Edward Island, and other places, and I have had some experience myself and know that it is not at all satisfactory for actual settlers to be compelled to purchase railway lands. I have held for many years that the giving of lands to others than actual settlers is a great mistake, and that it might be fairly urged that in the exceptional case any objections should be waived and a small portion of the lands, the cleared lands, in Manitoba and the North-West might be devoted to securing railroads for that country. Years ago we had deputations of settlers for homestead lands, from settlers on Minnesota railway lands, to the Free-grant lands of Ontario, and had our lands in the northern portions of Ontario been more attractive there would have been a large exodus from the American railway lands to Ontario. I have travelled in the State of Wisconsin myself, and have noticed the evil effects of giving lands to railway companies. I noticed that, in one case, a large grant of land was given to build a colonization road, and years afterwards I found that there was not a single settler in that part of the country because the road had fallen into the hands of a land company. I do not wish to be offensive or to indulge in recriminations, but I must say that I think the present Government have badly mismanaged the lands of Manitoba and the North-West, both under their present rule and when they were in office before. We all know the heart-burnings that were produced at the very initial stage of the Government's management of these lands, and that if it had not been for the mismanagement of these territories then and since, they would now be settled by a much larger population. There is no doubt that the land terms of the bargain with the Syndicate will, at any rate, be most unsatisfactory to the people. I had a letter from a gentleman the other day, in which he expressed the hope that the Syndicate would not be able to control the mineral lands of the North-West; but the truth is, there is nothing to prevent them; they may go in and take alternate sections of the land, even if they are the most valuable timber and coal lands of the country. They can take up lands enough to make six of the New England States. This is a matter of grave consideration. My opinion is that the people have not realized fully the magnitude of a grant of 25,000,000 acres of good land. We have heard a great deal of late with regard to the feeling of the country on this question. The truth is that the people in the cities have already become considerably excited, and a similar feeling is rapidly spreading over the rural districts. They have become so accustomed to see references to the Pacific Railway, that they did not realize immediately the importance of its present aspect. We have had the most positive proof, in the shape of private letters, as well as by the meetings which have been held throughout the country, that not merely the Liberals but a large number of Conservatives are opposed to this bargain. Of all the Conservatives with whom I am acquainted in Toronto—for I have many friends in this House, and out of

it, who are Conservatives, I found only one in Toronto—a certain Bank Manager—who was not opposed to the Syndicate bargain. I found that two Conservatives of my acquaintance were vigorously denouncing the speech delivered by the Minister of Railways in Toronto. There was a very marked contrast between the enthusiasm with which the member for West Durham was received in Montreal and elsewhere, and the reception tendered to the Minister of Railways. The hon. member for Niagara (Mr. Plumb) did me the honor the other day, in my absence, of saying that one of the meetings had gone against the member for Muskoka. His compliment to my attainments as a speaker was rather a doubtful one, and my effort to-night is rather justifying what he satirically remarked; however, it was not owing to lack of speaking powers that my Gravenhurst meeting was not a greater success. However, I can cordially return the compliment of the hon. gentleman. It is true I am deficient in a certain commodity which the hon. member for Niagara has in profusion, namely, self-conceit and brass. I happened to be in a constituency last summer, not on a missionary tour, but because I had friends there. This was shortly after the North Ontario election, and I heard the Conservatives complaining of the damage that the member for Niagara had done their cause, and I believe that a telegram was actually sent to the U. E. Club by some young Conservatives in the riding urging that body to recall the hon. member for Niagara. Some gentlemen contrast the experience and cost of this railway with that of the Grand Trunk. The people of this country were novices when the Grand Trunk was built; and that railway cost about three times as much as it should have cost. Times have changed, and the building of railways and their cost are better understood. Now, I hold that we on this side of the House have done the country a great service, and I believe the country has appreciated it. Hon. gentlemen opposite may talk of factions and demagogues, but the people do not speak so. We have the country with us on this question, and I sympathize with the vast majority of hon. members on the other side who have been drawn into their present plight by their leaders. There is something to be admired in party allegiance, but there is a distance in that respect to which it is sometimes dangerous to go, and, in my humble opinion, a great many of my hon. friends on the other side of the House are asked to go to a much greater length than is consistent with safety. The hon. member for Lincoln (Mr. Rykert) spent the greater part of this evening in quoting from scrap books, and introducing other matters which are entirely irrelevant, and have nothing whatever to do with the subject before us. The details of this contract have already been very fully discussed, and I do not propose to weary the House with any remarks upon the grave and disastrous effects which some of its provisions are likely to produce. I would point out, however, that for the cost of the sixty miles of road from South Bay to Sturgeon River we could have a road all the way to the Sault, and that is a line which ought to be supported by the Independent members on both sides of the House, as it is supported by the wealthy commercial men of the country. One mistake which, in my opinion, the Government made shortly after their accession to power was to abandon the Georgian Bay Branch, and so disappoint a large number of settlers who went into the country through which it was to run on the expectation that it would soon be constructed. By a return I moved for last year, I find that the Government are likely to have wasted $135,000 by their action with regard to that branch. The Government could yet undo the harm they have done if they would utilize that road, part of which is graded. There is one clause of this contract on which we should have some definite explanation before the House rises. The Minister of Railways stated that the ten per cent. of profit which the Company were entitled to have, was on their own expenditure on the road. To me, without the advantages of legal knowledge, the plain reading of the Act is that it is 10 per cent. upon all the money expended upon the road, whether by the Company or the Government. In that way they could very well agree to take 10 per cent., and at the same time have a great advantage over ordinary railway companies which are allowed, by the General Act, to have 15 per cent. The first thing we shall know is that the Syndicate will have made St. Paul the railway capital for the whole entire Canadian territory, and poor miserable Canadians will be soon left nowhere, since the Government have attempted to give away their birthright. I have made a calculation of the earnings of the first 100 miles west of Winnipeg, now in operation, which alone will enable the Syndicate to net $6,000,000. Now that one instance is enough to show how the whole matter will terminate. It would be much better for the Government and their friends to own up at once that they have made a very bad bargain, and are going to recede from it. They would be perfectly justified in making another trial to see if they cannot do a little better next time. I think if they were to try another shake of the dice they would come out better next time. I think they have got themselves and friends into a very bad fix. This bargain will establish a railway despotism for the people who may in future inhabit those regions. It must be well known to the hon. gentlemen that the system of constructing railways in the United States, by means of land grants, have been productive of many hardships and troubles. We, however, are not to charge them with a want of astuteness, because it was an experiment on their part; but we ought to take warning by their experience and failure, and by the opinions of the eminent legal gentlemen who have investigated the workings of the American land system. There is no doubt whatever that if the Government go on with this scheme it will create great dissatisfaction, both among their friends and adversaries. It is our duty, in Opposition, to warn the country of its danger. The country has been fairly awakened and strong pressure will be brought to bear upon the representatives to reject this contract. The freemen of Canada will not submit to have their birthright bartered off in this way. With such choice lands as we have in the North-West, there should be no difficulty in raising money enough to build that railway. If this Company do build the Lake Superior section, they are not bound to run even a mixed train over it once a week, or once a month. Poor Canada will be left out in the cold, and St. Paul will be built up by means of Canadian money. The hon. member for Lincoln (Mr. Rykert) estimates that the land taxation to which this Company would be subjected would amount to about $5,000 or $7,000. I have seen it stated that the Union Pacific pays an annual tax of $250,000. The hon. gentleman estimates that there will only be about 50 stations on the Canadian Pacific Railway, which, I think, is far too low an estimate. The Northern Railway has 50 stations, though it is less than 200 miles long, and the Canadian Pacific will have, probably, some hundreds of stations. Some other estimates of that hon. gentleman are equally absurd. I will now read an extract from a speech of the right hon. gentleman, the leader of the Government, made on the 5th of April last. He said:

"We are told that 50,000 people will go in this year, but let us put it at 25,000 and add an increase of 5,000 for the following year, and so on, increasing in proportion every year, we will have then, at the end of ten years, the first instalments, amounting to $38,593,000, to which add the balance of the instalments, making in all at that date $71,395,000. Deduct from this $2,400,080 for surveys and land offices, and we will realize a net sum of $69,000,000."

Hon. gentleman will remember upon that occasion how suggestive the right hon. gentleman's calculations were of Capt. Bobadil's method of defeating an army. Instead of settling 25,0000 people, I am credibly informed that only about one-third of that number have settled in Manitoba and the North-West during the present year. The right hon. gentleman

boasts that he has found one customer who was going to buy 64,000 acres of land at the foot of the Rocky Mountains. How many settlers does he suppose that will bring into the country. On the subject of centralization I have a statement made by a gentleman of high authority on that point. He has travelled in many countries and climes, and is a first rate judge of soil. I refer to the hon. gentleman from South Perth (Mr. Trow). The hon. gentleman then read a lengthy extract from Mr. Trow's speech, containing statistics of the division of lands as held by landowners in Great Britain and Ireland; and concluded by warning the Government of the consequences which would ensue from the introduction of a much more powerful system of centralization in this country, as provided in the contract under discussion.

Mr. HACKETT moved the adjournment of the debate.

Committee rose and reported.

House resumed.

Mr. BLAKE called the attention of the Speaker to the fact that the motion put was "that the Committee rise and report progress," and did not ask to sit again, but that in the report made to the Speaker, the Chairman had falsified the statement, by adding the words: "and asked leave to sit again," and acknowledged it by resuming the Chair and putting the motion in that form.

Mr. KIRKPATRICK. So long as I have occupied the Chair in this House or in Committee, I have endeavored always to treat both sides with perfect impartiality; and I appeal to both sides whether I have not been successful. This is the first time such a statement was ever made at my expense. It is not the practice for members to make the motion in full. The motion is sometimes put thus: That the committee do adjourn; and sometimes: That the House do adjourn. I, as Chairman, always reported the motions, which is a mere matter of form and perfectly understood in the practice of the House as it was intended to be put, and in this case put it as follows: That the Committee rise and report progress and ask leave to sit again. As to my resuming the chair, I simply turned round while waiting for Mr. Speaker, and by way of banter pretended to put the motion in full. Wherefore I call upon the member for West Durham to withdraw his statement and apologise.

Mr. BLAKE said he was sorry if he had misunderstood the action of the hon. gentleman, and withdrew his statement. He simply called attention to what, he thought, was an irregularity, but after the explanation of the hon. gentleman he accepted his statements frankly, including his explanation of his resumption of the chair, and that he put the motion a second time in a humorous manner. He would simply suggest to the hon. gentleman that when he indulged in any such humorous remarks hereafter, he should wear a less serious countenance. He had no intention of imputing to the hon. gentleman anything like personal dishonor.

Sir JOHN A. MACDONALD said there was nothing in the matter after all; that if the Committee had risen and reported progress without asking leave to sit again, the House would not have received the report, but would have ordered them to sit again at once.

House adjourned (at 3.30 o'clock, a.m.,)

Mr. COCKBURN (Muskoka).

HOUSE OF COMMONS.

TUESDAY, 11th January, 1881.

The SPEAKER took the Chair at Three o'clock.

PRAYERS.

BILLS INTRODUCED.

The following Bills were severally introduced and read the first time:—

(Bill No. 17) to incorporate the Souris and Rocky Mountain Railway Company.—(Mr. Boultbee.)

(Bill No. 18) to incorporate the Saskatchewan and North-Western Railway Company.—(Mr. Boultbee.)

(Bill No. 19) to enable the Manitoba South Western Colonization Railway Company to extend their line of railway, and for other amendments to their Act of Incorporation.—Mr. Ryan (Marquette).

PEMBINA BRANCH RAILWAY.

Sir ALBERT J. SMITH enquired, The amount of the gross and net earnings of the Pembina Branch Railway, from the 1st of January, 1880, to December 1st, 1880?

Sir CHARLES TUPPER. The receipts from the 1st of January, 1880, to the 1st of December, 1880, were $330,045.36, and the working expenses $171,035.41, leaving as the net earnings, $59,009.95.

QUESTION OF PROCEDURE.

Mr. KIRKPATRICK. Before the Orders of the Day are called, I should like to call attention to a question of practice which arose before the House adjourned this morning, as it concerns the practice of this House, and my own duty as Chairman of the Committee of the Whole. A member of the Committee moved that the Committee rise and report progress, and upon that motion being carried, I declared to you that the Committee rose, reported progress, and asked leave to sit again, and for that statement I was called to order by the leader of the Opposition. I hold in my hand May's "Parliamentary Practice," wherein he states:

"It is the practice for members who desire an adjournment to move that the 'Chairman do report progress,' in order to put an end to the proceedings of that day,—this motion in Committee being analogous to that frequently made at other times for adjourning the debate. A motion 'that the Chairman do now leave the chair,' when carried, supersedes a question; and when the Speaker resumes the chair, no report whatever is made from the Committee."

I think that shows that the practice is for a member who desires simply to adjourn the debate to move that the Committee do rise and report progress. That was the motion made this morning, and that is the motion which, when carried, involves the necessary addition to ask leave to sit again. I think, therefore, that I was perfectly correct, and in accordance with parliamentary practice, in making that report.

CANADIAN PACIFIC RAILWAY.

House again resolved itself into Committee on certain proposed resolutions for granting and appropriating twenty-five millions of dollars and twenty-five millions of acres of land in the North-West Territories, according to the terms of the contract relating to the Canadian Pacific Railway transmitted to this House by His Excellency the Governor General by his Message dated December 10th.

Mr. HACKETT. I rise to make a few remarks on the important question now before the House. As representatives from the several Provinces have already spoken on the question, I think it but right that a voice should be heard from Prince Edward Island. I fully agree in the view that

this is one of the most important questions that has ever engaged the attention of this Parliament, and as such it is entitled to full treatment. I feel that I should not be doing justice to myself or my constituents were I to fail to give the reasons which will guide my vote on this question. It is contended by hon. gentlemen opposite that the propositions now before the House by which we are to give the Syndicate for building the Canadian Pacific Railway $25,000,000 in cash and 25,000,000 acres of land, together with the road when built, will be ruinous to the country—that it would be equalled in its disastrous effects only by the National Policy. On the contrary, I am of the opinion that these propositions are the most favorable to Canada that have been submitted for the building of this road. As I intend to support these resolutions I think I should briefly give my reasons therefor. The antecedents of this question are well known to the people of this country. When British Columbia was admitted into Confederation, one of the terms of Union was the building of a railway across the continent, connecting the railway system of Canada with the Pacific sea-board. This was not considered altogether necessary in the interests of British Columbia, but it was considered necessary for the purpose of more closely binding together the different parts of this Dominion, and also for the purpose of perpetuating British interests and sovereignty on the northern half of this continent. From the very inception of this undertaking it was considered best in the interests of Canada, and for the purpose of avoiding taxation, that the road should be built by a private company, subsidized by money and land, and be operated as a private enterprise. With this object Parliament, as early as 1872, placed at the disposal of the Government of that day, led by the present leader of the Government, 50,000,000 acres of land and $30,000,000, and authorized them to charter a company. This was done. A company was chartered having at its head a gentleman of high financial standing in Canada. That gentleman proceeded to England for the purpose of getting British capitalists to invest in it. After remaining in that country some time and making fruitless attempts to induce British capitalists to embark in the building of that road he had to return to this country and surrender its charter. About the same time the Government had resigned, and a new administration was formed by the hon. member for Lambton (Mr. Mackenzie). That Government endeavored as best they could to carry out the scheme of the preceding Government, and yet, to-day, we find hon. gentlemen who composed that Government are opposed to the building of this road, and their emissaries in all parts of the Dominion rai endeavoring to stir up the people against it. The areislation of that Government in 1874 provided that this legiway should be built from Lake Nipissing to the Pacific. The hon. gentleman who formed that Government and his supporters in Parliament, voted to place upon the Statute-book, a law authorizing the Government to offer the capitalists of the world a certain subsidy in cash and land for the building of the Canadian Pacific Railwav, and also authorizing them to build the whole of that railway from Lake Nipissing to the Pacific sea-board, including several branches. But, to-day, we find those hon. gentlemen rising here in this House and saying that this is a mad scheme, that it would ruin this country to undertake this work in the way proposed. They say, to-day, that we should not build either the Lake Superior or the eastern section or the section across the Rocky Mountains, and that to do so would be a useless expenditure of public money. Now, with regard to the Act of 1874, which provided that offers should be made to any company for the building of the road, that those offers should be $10,000 in cash per mile and 20,000 acres of land per mile, with guaranteed interest of 4 per cent. upon bonds for the amount required. The Government prepared maps and profiles of the country, and after expending a large amount in surveys, and advertizing for offers in all the leading papers of the world, not one single offer was made. But did they abandon the enterprise? No. While they were negotiating in this way with foreign capitalists they were authorized by the same Act to go on and build the Pacific Railway as a Government work, and we accordingly find them expending large amounts of money in the prosecution of this work. We find them giving contracts from Thunder Bay westward, and from Selkirk eastward, and terminating in the wilderness at each end. We find them building the Pembina Branch and sending steel rails to British Columbia, thus acknowledging the obligation to that Province of building the road, and in fulfilment of the Carnarvon terms to spend $2,000,000 per annum in British Columbia. This was the state of affairs in 1878 when the present Government came into power. They found that the late Government had expended large amounts of money, that they had expended $18,000,000 for the building of the Canada Pacific Railway. They had entered into large contracts and made it necessary for the present Government to expend still larger sums. They went on. They had to contract for the construction of the intermediate link of the road from Thunder Bay to Selkirk, and they had to complete the Pembina Branch, and they had, as contemplated by the Carnarvon terms and to keep faith with British Columbia, to commence the road in that Province. Such was the action of the present Government, and they continued in the same course and endeavored to find a company to build and operate this road according to the expressed policy of Parliament. I am glad to find they have been successful. I heartily supported the Government in 1879, when it asked for 100,000,000 acres in the North-West, for the purpose of building the Canadian Pacific Railway. It was thought only proper that this railway should be built by means of the land in the great North-West, which would be increased in value by its construction. The Government have succeeded in negotiating the contract embodied in the resolutions before us. These resolutions contemplate giving the Syndicate $25,000,000 in cash subsidy, 25,000,000 acres of land, and the portion of railway at present constructed and under contract. I look upon this scheme as largely in the interests of Canada. Not only does it utilize a large portion of the lands of the North-West, but it will relieve us of the necessity and expense of running the road after it is constructed. But hon. gentlemen opposite say this is not in the interests of Canada; that it is going to increase the taxation of the country; that if ratified, it will be ruinous to Canada. Now, how can we arrive at a conclusion with regard to this contract? How can we say whether it is a good or a bad scheme? Only by comparing it with former schemes for the building of this railway. The hon. gentlemen opposite say the lands have now advanced to a high value. What did they say? Last year, in the House, hon gentlemen would rise and decry that country, saying that the lands were of no practical value, and did not afford a suitable field for settlement, and that if emigrants went in there, they should get the lands free. When the right hon. gentleman made his statement with regard to the value of those lands, he stated it approximately at $3.18 an acre; but the leader of the Opposition scouted the idea, censuring the estimate as an erroneous one, arguing that the real value was only $2.10 an acre. Now we find the thing has completely changed. That hon. gentleman accepts the statement of the right hon. gentleman, which he then characterized as erroneous, as the basis on which to discuss this question. What are the facts? They say those lands are increasing in value; that a very large expenditure has been made in the North-West, and that intending emigrants are now attracted to that country, and, as a natural consequence, the lands are worth more than formerly. I am free to

admit that they are attracting a great deal of attention; but all these were very important factors in increasing the value last year—the same agencies were at work; we were then expending money largely, delegates were there from the old country, yet still hon. gentlemen opposite contended that the lands were of no value whatever. With regard to the present scheme, there have been two others for the building of this railway, and we can only arrive at a sound conclusion in relation to it, by comparing it with those others. The value of the land some years ago was reasonably considered $1 an acre. I am quite willing to admit with the Opposition that they have been increasing in value. Taking all these circumstances into consideration, I put that increase at one hundred per cent. which I shall assume in making my estimate with regard to this contract, fixing the value at $2 to-day. I am sincerely of opinion they are worth that figure. What do we find then? Under the Allan scheme which hon. gentlemen opposite denounced, stating we might as well expect to build the road for $10 as by that scheme, the company was to receive a cash subsidy of $30,000,000 and 50,000,000 acres of land worth $2 per acre, or a total amount of $130,000,000. We will next take the scheme of 1874, which received the support and approbation of hon. gentlemen opposite, then on the Treasury benches. It proposed to give $10,000 cash per mile for say, 2,700 miles; that would be $27,000,000. Then they give 4 per cent. on a certain amount of the company's bonds, as to what amount it is very difficult to arrive at a conclusion. We know an offer was made of $7,500 a mile and accepted by the late Government, which might be taken as a fair offer. But I am quite willing to reduce that a hundred per cent. again, and to take the interest on the amount for twenty-five years, which would be $10,000,000. Then we have 54,000,000 acres of land worth, say, $108,000,000; that would make a total of $145,000,000. What have we under the present arrangement? We have $25,000,000 cash subsidy and 25,000,000 acres of land, together with the road now under contract, making $105,000,000—an amount about equal to the estimate of the cost made by Mr. Fleming. It will thus be seen that the present arrangement is $27,000,000 better than that of the late Government, which they could get no party to accept. Believing that a fair basis of calculation, and that the land is worth $2 an acre, I contend that this is the best scheme ever submitted to Parliament, and consequently should receive the support of all parties. What is the next objection made to this bargain? That the standard of the road is a low one. It is said the Union Pacific Railway as first constructed is that taken for the Canadian Pacific Railway under this contract. This is correct. But when was the Union Pacific Railway first constructed? Hon. gentlemen opposite say, in 1869 the junction was made with the Central Pacific Railway. I am of a contrary opinion, believing the Union Pacific Railway could only be called first constructed or completed when taken off the hands of the contractors by the United States Government in 1873. I find the present Syndicate are prepared to accept that as the standard, and I think there need be no fears therefore of our road being first-class. Another guarantee of this fact is that it will be worked by themselves, for their own benefit; and it would not be to their interest to construct a flimsy road, as its maintenance of thousands of miles would eat up all their profit. Another objection is that the Syndicate will be allowed to import their materials free of duty. I cannot see why that clause should not be accepted. Hon. gentlemen opposite have very suddenly become friends of the National Policy when they say this clause is inconsistent, arguing that in the interest of the manufacturers and iron masters, it is not right to admit those articles free of duty. We know very well what sympathy those members have for the manufacturers—that if they had held the reins of power up to the present, there would not be a manufacturing industry in the country; and when we find they have suddenly become seized with such good feeling towards the manufacturers, we can only conclude their sentiments are not genuine, but simply put forward for effect. Another great cry raised by hon. gentlemen opposite is that a very large area is being given to those contractors, 25,000,000 acres; that the Syndicate will be a vast monopoly which will hold those lands long in the end, introducing landlordism. I have no fear of this result. We know that every alternate section of one square mile is to be held by the Government, so that while the Government holds its land—and we now know there are 170,000,000 acres of arable land, besides the amount given the contractors—there is no danger of the Syndicate being able to charge the emigrants too high a rate for land. But what was done by the hon. gentlemen when they were in power? They offered 54,000,000 acres to a company to build this railway, two-thirds of which were to be held by the Government, the other third being conveyed to the contractors. Those blocks were twenty square miles in extent, much larger than the present. How do the hon. gentlemen reconcile the pledges they made when they were in power with the granting of 54,000,000 acres of land to a company, the Government retaining control of two-thirds, and the other third becoming the absolute property of the contractors, to do with them as they chose? There is no difference in principle in the two cases. In the one case, the contractors had absolute control of 18,000,000 acres of land; in the present case, only 7,000,000 more acres are given, and yet these hon. gentlemen exclaim against landlordism and speak of the huge monopoly we are about to create in the North-West. As I said before, their conduct is utterly inconsistent, and they are acting simply for the sake of effect. It has also been stated by some hon. gentlemen that a state of affairs would prevail in the North-West similar to that which obtained in Prince Edward Island. I think I know something of the state of affairs on the Island, and I say that the conditions are entirely different. In the North-West Territory there is a large area of land, something like 175 or 200 millions of acres, in the possession of the Government, in addition to the land which is to be granted to the Syndicate, and there is no doubt that those who immigrate into that country will settle upon those lands which are most easy of access. Prince Edward Island, on the contrary, is a small Province with a limited quantity of land; when the immigrants arrived their means were generally exhausted, and as there were no free lands, they were obliged to take the lands on lease and they did so, as their descendants did after them. It was in that way that the landlordism of Prince Edward Island was introduced—the area was small and there were no free lands in the Province. I wish to make a remark or two with regard to the effect of the contract upon that Island. There has been a good deal of agitation there against the ratification of the contract. An hon. gentleman who occupied a prominent position in that country—a Dominion Senator from that Province—immediately that these resolutions were laid on the Table, became suddenly possessed of a mania to get up an agitation. With all the enthusiasm of a fanatic, with all the fiery ardor of a Parnell, he rushed into print and issued a manifesto to the people of the Island. That manifesto occupied a prominent place in the Opposition press of Prince Edward Island, and the hon. gentleman hastened away from Ottawa immediately afterwards, and endeavored, with the aid of my colleague in the House, to start up an agitation. The language of that manifesto is not such language as we should expect from a statesman or a true Canadian; on the contrary they are the words of a demagogue and a

fanatic. I will quote what is said with reference to the Prince Edward Island Railway:

"But the Railway debt rapidly accumulating beyond the ability of the Island to sustain, compelled your local Government, two years later, to apply for admission to the Dominion, thus staving off the present difficulties by the sacrifice of the independent constitution you had enjoyed for one hundred years."

Here we find that a gentleman, who occupies a seat in the Senate of his country, appealing to the honest feellings and prejudices of the people of the Island, before he himself had any opportunity of fully understanding the provisions of the contract, and he endeavors to stir up an agitation which will prove prejudical to the interests of the Province. But, Sir, this hon. gentleman was the one who headed a delegation to Ottawa, to appeal to the Dominion Government, when the debt of the Island was found to be beyond its resources; he was the first to lay violent hands on the Constitution which we have enjoyed for 100 years. In an insane moment the people of Prince Edward Island placed him at the head of their affairs, but, true to the instincts of his party in the Province and in the Dominion, he forgot in office the pledges he made in Opposition. He not only carried out the policy of his predecessors with regard to the railway, but added to the obligation by building more than they had promised. After incurring a large debt and endeavoring to sell the debentures of the Island in the money markets of America, he was compelled stealthily to go away from the Province in the night and knock for admission at the gates of the Dominion. It was well known to this hon. gentleman that this Dominion Government was pledged to the construction of the railway when application was made to enter the Union, and the hon. gentleman himself was glad to enter the Confederation, for he had his own little railway to get rid of. Three years before Prince Edward Island was admitted into the Union, the Dominion was pledged to the construction of the railway; that obligation was not placed on the shoulders of the people of the Island, by any vote of their representatives here—it was assumed by the delegation from the Island, of which he was a member. Taking $100,000,000 as the cost of the railway, and as the population of the Island is 100,000, or one-fortieth of the whole Dominion, the obligation settled upon the people of that Province amounted to $2,500,000. But the people of the Island lost confidence in the hon. gentleman's delegation, and they sent another delegation to Ottawa who obtained very much better terms. If the terms which he had obtained had been ratified the people of the Island would have been reduced to beggary; but the improved terms were better than the other by $28,000 a year. What would be the effect of the present arrangement on the people of Prince Edward Island. Admitting that this road costs $100,000,000, now we pay about $53,000,000 cash, and a bonus of 25,000,000 acres of land to this Syndicate. The people of Prince Edward Island are relieved to the extent of $1,250,000 by this arrangement—one-half their liability. Am I to be told that they, who had to construct their own highways, support their own schools, build their own bridges, and support their own churches, have got such an interest in the lands of the North-West that they will object to this arrangement. When I consider that the building of this railway will open up the great North-West, that the circulation of money caused by the large expenditure of foreign capital to be invested in this road for the next ten years will help to build up the interests of the country and largely increase her prosperity, I believe it is in the interests of the whole Dominion, that this contract, which is the best that can possibly be made, should be ratified, and I will have much pleasure in voting for the resolution.

Mr. FLYNN. I do not propose to occupy much of the time of the Committee, but I feel it a duty that I owe to my constituents that I should give my reasons, briefly, for opposing the contract now under consideration. I regret that a resolution, involving the expenditure of millions of dollars, should be disposed of by a short discussion in this House before the people are allowed time to enquire into its merits, or to learn anything of the nature of the bargain. I regret, also, that an amendment, so reasonable as that moved by the leader of the Opposition, should have been voted down by a large majority in this House. That amendment simply asked that the discussion on this most vital question should be postponed for a short time to give the people time to examine it and give their opi ions on it. We were told by the hon. Minister of Railways, in his opening speech, that this contract was the most favorable one ever submitted to this House. If so, why any hesitation in giving the people time to consider its nature? At the meeting in Montreal the other night he admitted it was only right the people should hear the statements *pro* and *con.* on this great question before coming to any decision. Why, then, did he not give the people time to consider it? It is true that in some of the large centres, Montreal, Toronto, London and Halifax, public meetings have been held; but there are other portions of this Dominion equally interested in this question who should have time to consider it. For some time previous to the meeting of Parliament, the public were made aware that $25,000,000 and 25,000,000 acres of land would be given for the construction of this work. It has been contended here very justly that this contract should have been submitted for the consideration of the people previous to the meeting of Parliament, in order that the people's representatives might have had time to consult their constituencies, but the Government considered it would be an interference with the dignity of Parliament if they submitted this contract to the people before the House opened. I say they have interfered with that dignity, admitting that principle as correct, by submitting even a portion of the contract. The people were made aware of a certain portion while other features were kept carefully from them. If the contention of the Government is correct, they should have kept back the whole contract; and in giving a portion of it to the public they have themselves interfered with the dignity and infringed on the rights of Parliament. In making public a part of the contract the intention was quite obvious. It was to create the impression that $25,000,000 and 25,000,000 acres of land was all that would be given for the construction of the road. The contract, however, when laid on the Table of the House, showed that it involved double that amount of money, and had many other objectionable features. A great deal has been said by hon. gentlemen opposite in defence of this policy. Speeches have been quoted which were made by hon. gentlemen on this side of the House on this question. But the contract has never been defended on its merits. Now, we have nothing to do with considering whether the hon. member for Lambton, in 1874, brought down a proposition which hon. gentlemen opposite now say is worse, but which I contend is infinitely better in every respect than the one we are asked to approve. Even if it were, it is not in the mouths of hon. gentlemen to say that, because the hon. member for Lambton, in 1874, brought down a proposition involving a greater expenditure in the construction of the work, that we, in 1880, under the changed circumstances of the country, should be called on to ratify this contract. I do not intend to go into the calculation made here in reference to this contract. We have had a good deal said on that subject, and I would, perhaps, be repeating what has already been stated. It is evident, from the calculations made, that the cost in money, including the surveys when completed, and, according to the value placed on the land, will be from $108,000,000 up to $158,000,000. According to the contract now before the House, the Government agree to hand to the Company, when built, parts of the Canadian

Pacific Railway: From Lake Superior to Selkirk, 406 miles, costing $16,000,000 when completed; the road from Emerson to Selkirk, 85 miles, which has cost $1,500,000; 125 miles from Kamloops to Yale, under contract, for the sum of $9,169,000. The Government are also to build 90 miles, from Yale to Port Moody, which is estimated to cost $3,500,000. Add to this the cost of surveys, which amounts to over $3,000,000, it will make the amount already spent, and to finish existing contracts, $33,000,000. To this is to be added the $25,000,000 money consideration, which will make a total of $58,000,000 in money. If we place the land at the moderate estimate of $2 an acre, we shall have a total cost of $108,000,000. A good deal has been said in reference to the value of the land. In estimating their value, I think it will be fair and reasonable to take the estimate placed upon them by the Government. What is that estimate? They estimate $5 an acre for the inner belt, $4 for the second, and $3 for the third; or an average of $3.18 an acre. That would give the lands a value of $79,500,000, making the total cost of the road under this contract $137,500,000. What was the statement of the hon. Minister of Railways himself? He said the construction of this railway would give enormous value to the lands in the North-West. A year ago, in discussing this question, he said that the lands were the great plank in their platform in building this railway. I think, then, that we are fair in assuming their value to be $3.18 an acre. Now, the estimate of the Government of the total cost of this railway previous to the submission of this contract, I understood to be $80,000,000. Taking the lands at $2 an acre, we give the Syndicate $28,000,000 more for the railway than it was to cost the Government; and taking them at $3.18, we give them $57,500,000 more. And what do we give them besides? They are to be absolute and complete masters of the road and the North-West. Great as the cost is to be in money and land, enormous as the profits of the Syndicate are to be in this respect, there are other features of this contract more objectionable still. The cost might be, in some degree, recouped to us by the sale of lands; but the other advantages we give to the Syndicate are beyond our control altogether. By the terms of this contract, we, virtually, give them a monopoly of the trade of the North-West for the next 20 years. No other company can build a railway running in a south-easterly direction, or south-westerly, to within 15 miles of the American boundary. All the station grounds, the road-bed and buildings are to be free from taxation, municipal or provincial, for ever, and their lands are to be free for 20 years; yet every immigrant who settles in the country, and increases the value of the land by his labor, has to pay the taxes from which this wealthy corporation is free. It was hoped that the policy of the Government would be to get the North-West country rapidly settled, to lead the oppressed people of the old country to come and make that country their home. But, if this contract is approved of, with that provision in it, you bring the oppressed emigrant from the old country to a tyranny in the North-West more galling than anything he previously experienced. If this contract receives the sanction of this House, the question may suggest itself to the minds of many: "For whom was the North-West territory purchased by the people of Canada? For what purpose have we spent large sums year after year, swelling our public debt in order to develop that territory?" If we sanction this contract, we thereby create a huge monopoly, which for a long time to come will retard the prosperity of this Dominion. I have said that the public have been led to believe that the $25,000,000 and the 25,000,000 acres were all we had to give for this railway. But, besides the sections the Government have already built, they are still to build 90 miles from Yale to Port Moody. If it was desirable that this great work was to be done by a company, why not the whole of it? If the building of the road by a company meant its becoming freed from jobbery and corruption, why was not the construction of these 90 miles made part of the contract of the Syndicate? In this connection I may ask, why were not tenders invited for this work? Every portion of the Pacific Railway has hitherto been built by public tender; why was the departure made in this instance? Why did the Government not adopt the usual mode in all public departments of asking for tenders. Had they done so they would have been able to assure this House that the present contract is the best obtainable. The hon. the Minister of Railways cannot assure the House that this is the lowest and best bargain we can get from a company. This contract, if carried into effect, will not promote the best interests of Canada. We have also been told that this bargain will relieve the country from all further responsibility. This is a great mistake. There is no finality about this matter. For the next ten years this House will be called upon from year to year to deal with this question anew. Among other objectionable features of this contract is that which allows the Syndicate to import their rails and other materials free of duty. I ask if this is carrying out the National Policy? Is this the protection to home industry which was promised to the people of this country to import all the materials they require free of duty? We were told that every industry of this country was to be protected, that no Government was worthy the confidence of this House that did not foster and encourage our struggling home industries. I recollect the speech made by the hon. the Minister of Finance on that occasion, in reference to the iron industry, as found on page 421 of the *Hansard*. He said:

"The next class of articles is metal. The first item is pig iron. In dealing with this question, the Government had to take into consideration the important iron interest of the Dominion. It is quite true that a very large deposit of iron is found in the Province of Nova Scotia. Adjacent to it are immense beds of coal, inexhaustible, and no doubt for the Province of Nova Scotia this interest is a very important one, but it is not confined to Nova Scotia. We find, on examining the geological reports and the reports of the officials who have been charged with the enquiring into the extent of our iron deposits, show us that in every Province of the Dominion there are large deposits of iron. From the west we have had specimens of iron submitted to us of the most valuable character, made by the application of heat from petroleum, which appears to remove some of the difficulties that have been experienced in producing good iron before, inasmuch as it removes the phosphorus and sulphur which rendered to a great extent that iron valueless. If this be so, we may reasonably expect that in the western part of our Dominion, in Nova Scotia, in the valley of the Ottawa, in the Provinces of Quebec and New Brunswick, we may, by giving some encouragement to this manufacture, or its production, have these interests springing up all over the Dominion and producing the most beneficial results. We find in every country, no matter what country it is—take England for instance, take France or any other country that has risen to any position of wealth and commercial greatness—and you will find the iron interest is one of the most important interests of that country. I would also instance the United States. It may safely be said that it is the basis of every other industry. It is true we have not developed it to a great extent yet. We have one establishment at present in operation in Nova Scotia, but it will only produce one-fourth of our present consumption. There is no reason why we should not supply the whole of the trade in time."

Now, this was the utterance of the Finance Minister in reference to that great industry in 1879. A short time afterwards the Minister of Railways in speaking of the Tariff alluded to the iron industry; and I shall quote a few extracts of his speech on that occasion. He said:

"What about the iron industry? Every person who knows anything about the subject is aware that Providence has given us, not only magnificent mines of iron and coal, inexhaustible and of the best quality, for the manufacture of iron in close proximity to the iron deposits. The moment that interest was established, and British and Canadian capital was invested in that industry—the moment Americans found that American iron was being driven out of this market—they sent their agents here to ascertain at what price iron could be bought. They said: 'We can supply you with iron, equal in quality, and at less cost than you can obtain it elsewhere.' It is, indeed, well known that the agents came here and stated, whatever was the price of iron in Canada, they would supply it at ten per cent. less. That was not from a charitable disposition, or a desire to promote the prosperity of Canada, but from a desire to crush our industries, and enrich themselves after our industries were destroyed.

Under these circumstances it is not strange that the idea should force itself upon the minds of members of the Government looking to the prosperity of the country, it is necessary, not that we should adopt a hostile attitude against our neighbors, but that we should pay them the compliment of saying that their policy is so wise and just we are disposed to follow it."

Again, the hon. Minister of Railways said:

"The hon. member for Centre Huron objected to the iron industry being fostered in the manner proposed. The hon. gentleman objects to coal being fostered in the same way. Does he not know that the history of the world shows that every country that possesses coal and iron has risen to greatness just in proportion as it has developed those industries? This I know, that, in England and Belgium, where coal and iron abound, the progress of these countries is indicated as by a barometer, and has risen just in proportion to the output of the coal and the development of the iron mines."

These were the utterances of the hon. the Finance Minister and the hon. the Minister of Railways, on the occasion alluded to in 1879. Then there is another expression of opinion on this point. A letter appeared in the Pictou *Standard*, a journal published in the county represented by the Minister of Justice. Looking to the future development of the iron industry in that county, in connection with the Canadian Pacific Railway, the writer expresses a belief that the iron mines of Pictou would be able to supply the rails and other materials for the construction of that work. After the appearance of that letter there was an article in the *Mail* newspaper commenting upon the letter in the Pictou *Standard*. The following is the article of the *Mail*:—

"A writer in the Pictou (N.S.) *Standard* calls attention to the advantages offered by that locality for the iron industry. The quality of the different ores, the nearness of coal and lime, and the facilities of transit, make the future of mining and manufacturing operations very promising in Hopewell and neighborhood, a few miles from Pictou, where the writer thinks there is the making of a Carron, or a Merthyr Tydvil. Facilities for shipment are being daily increased, and no more eligible haven can be found than Pictou harbor. In view of the fact that steel rails are being largely imported into the United States, just because the demand exceeded the supply, and the enormous requirements of the Canadian Pacific, it is claimed that the ability of Pictou's iron region to supply the demand should not be overlooked. An outlay of two millions in the home manufacture of the rails required for the Canadian Pacific would eventually be the saving of five. It is urged that a representation should be made to the Canadian Syndicate of Nova Scotia's iron prospects, and an inspection invited, with a view to their exploration."

I would now like to ask this House whether the Minister of Finance and the Minister of Railways have fulfilled their promises to foster and encourage the iron industry of this country? The hopes that were held out at that period, that they would foster and encourage all the struggling industries of the country have been destroyed by the present bargain. Now, what do we find in this contract? The friends of this National Policy striking a blow at this great industry, and blasting the hopes of the people of this section interested in it, who were taught to look forward to the construction of this railway, as a great future benefit to the mines. We find, in the charter for the American Union Pacific Railway, it was specially provided that the materials used in constructing that work should be the manufacture of the country, thus carrying out protection in its entirety; but here we have the strong advocates of Protection abandoning it in this particular. I do not stand here the advocate of monopolists or Protection, being a Free-trader in the fullest sense. I believe the people of this country should have the right to buy in the cheapest and sell in the dearest market, and that the policy of any Government like ours should be to reduce the cost of living to the lowest possible amount, so that we could make a favorable comparison with other new countries, in efforts to attract emigration. But, while a Free-trader, if we are to have a National Policy, and Canada for the Canadians, why should not the iron industry of Londonderry and of Pictou be encouraged? It is in the interest of sections that I claim it to be unfair to violate the National Policy. The hon. Minister of Railways, in speaking in reference to that very question of remission of duties on materials to be imported for the construction of the Canadian Pacific Railway, referred in the most glowing terms to the operation of the National Policy. I am aware that any lengthy discussion of that subject at present would not be relevant; but as that hon. gentleman himself introduced the subject, I think I might be pardoned if I, for a few moments, refer to that portion of his speech. He told us that, under the able management of the hon. Minister of Finance, the country had become flourishing and prosperous. Now, I wish I could say that for Nova Scotia. I can assure hon. gentlemen that if I could I would do so with the utmost pleasure; nothing would give me greater gratification; but, on the contrary, one important industry, the importance and value to the Dominion the hon. gentleman knows well, I mean the fishing industry, has never been in a more languishing and depressed condition than in the last two years, particularly the last, not only has the catch been much smaller for years, but the prices obtained have been much less than for the last fifteen years. Meantime the fishermen have felt the effects of the Tariff in having to pay larger prices for everything they have used and consumed. We were also told, in the same speech, that the Finance Minister had changed a deficit into a surplus. If such is the fact, it does not appear from the Public Accounts, that there is a surplus this year. But if true, how has it been accomplished? By putting duties on the prime necessaries of life, coal, flour and meal, by taxes which are unfair because wholly sectional; the duty on coal being 60 cents to the consumer in Ontario, and on flour 50 cents and meat 40 cents to the consumers in the Maritime Provinces. I believe that west of Montreal little, if any, Nova Scotia coal finds its way, thus leaving out Ontario. Thus the people of Ontario have had to pay that tax for the benefit of the coal owners of Nova Scotia, while we pay those duties on meal and flour without benefitting the western people in the slightest. But suppose the coal owners were benefitted by that duty, who are they? A few wealthy capitalists in Halifax, New York, England and elsewhere. Are the great mass of the people of Ontario, 1,600,000, to be taxed for the benefit of those few wealthy capitalists? And, on the other hand, should we, in the Maritime Provinces, 800,000 people, pay those meal and flour duties to the advantage of a few millers in Ontario,—that is under the supposition that it does so? but these duties do not benefit the people of either Province, so that if the hon. gentlemen can boast of a surplus it is by these unfair exactions. We have only the returns of 1879. I find the importations of American coal into the Dominion. Anthracite, 469,532 tons; bituminous, 493,836 tons—in all, 963,368 tons. The duty of 50 cents per ton paid by the people of Ontario and other Provinces would be $481,684. The flour imported into the Maritime Provinces was 315,044 barrels, which, at a duty of 50 cents per barrel, realized $157,000; cornmeal imported, 221,488 barrels; duty, $88,595—total, $245,667, which, with the coal tax added, makes a total of $727,351. If we add 10 cents a ton to the coal tax imposed last Session, it will give an additional amount of $96,336, or a total of $823,587. But I have reason to believe that the imports of coal into this country, and of flour and meal into the Lower Provinces, have been much in excess of those of the fiscal year 1879. Therefore, if I had the trade returns of this year I might show that the total of these duties for the last year would amount to $1,000,000. These taxes are unfair, I repeat, because sectional. No system of taxation could be more unfair and unjust. The people of Ontario pay almost the whole of the coal tax without benefitting from those on corn meal and flour, and those of the Maritime Provinces pay these duties without benefitting by the tax on coal. If you put 75 cents a barrel on corn meal the people of these

Provinces will simply have to import it and pay the duty; and, therefore, I say that both the coal tax and the flour tax are sectional and unjustifiable; and it would be no wonder if a Finance Minister could boast of a surplus after imposing his taxation in that way. The Finance Minister of the late Government might have done the same thing if he had chosen to impose on the country a tax at once so burdensome and so unjustifiable. With regard to the contract which is before the House, I must say that, as a Nova Scotian, I desire to see a policy which will encourage immigration to the North-West and promote its growth and development; and I desire to see such a policy in order that our share of the burdens which the construction of the railway imposes on the country may be lessened. It is my belief that that burden can only be lessened by the rapid settlement of the North-West The people of Nova Scotia believed, at the time when the Government made an engagement to build the Canadian Pacific Railway in ten years, that at least half a century should elapse before the completion of that great work was undertaken. The United States had a population of forty millions before they undertook the construction of their trans-continental railway—they postponed it until the circumstances of the country justified its construction, until, in fact, it became a commercial and national necessity. But we, Sir, with a population of scarcely four millions, undertook the construction of this gigantic work, a few years after Confederation. I think it would have been better, if we had turned our attention, for a time, to developing the resources of the older Provinces; this would have been strain enough upon our energies; it would have added to our national debt quite rapidly enough without making so great an addition to it as the construction of this railway will involve. We have been told—and I believe the statement is correct—that our debt has more than doubled in ten years; that it is now about $160,000,000; and we were told by the Finance Minister that over $9,000,000 more had been added to our debt within the last year. The people of the Maritime Provinces feel that large sums of money have been squandered in the North-West, as we find that it is difficult to get even the smallest sums to promote the industries and facilitate the commerce of our Provinces. In the ten years which have elapsed since the purchase of the North-West, we have spent over 15,000,000 in that country, including the money paid for its purchase, or deducting that amount, $13,500,000. If we take the $22,000,000 which have been spent on the Canadian Pacific Railway, including surveys, the total expenditure up to this period upon that country amounts to $37,000,000. I ask if it is not reasonable that the people of this Dominion as a whole, and the Maritime Provinces particularly, should feel alarmed at the increase of our debt in that direction, and at our engagements for the construction of the railway. What proportion have the Maritime Provinces to pay? The population of Nova Scotia, according to the last census, was 387,000, and their share would be $6,500,000; that of New Brunswick, with a population of 286,000, would be $5,000,000, and the share of Prince Edward Island, with a population of 94,000, over $2,000,000, or a total for the Maritime Provinces of $13,500,000. Having so much to pay for the benefit of the people of the North-West, it is no wonder that the Maritime Provinces are asking what has been done for them since Confederation. It is now nearly 14 years since Confederation, and during that period we have only extended one railway 79 miles eastward from Pictou to the Strait of Canso. The Island of Cape Breton, with its mineral wealth and its inexhaustible fisheries, is yet without a mile of railway. Before I had the honor of a seat in this House, the question of making Louisburg the Atlantic terminus of this trans-continental railway was mentioned in Parliament, and in 1874 a motion was made by the present Lieutenant-Governor of Quebec (Mr. Robitaille) for the appointment of a Select Committee, of which I was a member, to enquire into the shortest route to Europe. The report and evidence were very voluminous and were not printed, but I may be permitted to read the following extracts from the report:—

"The Select Committee appointed to enquire as to the best and most direct route for the conveyance of mails and passengers between the Dominion of Canada and Europe, the possibility of navigating the Gulf of St. Lawrence during the winter months, and of finding on the shores of the Dominion a harbor accessible to both in winter and summer, to be the terminus of such shortest route, beg leave to report:

"1st. That there are but three harbors possessing the qualities necessary to commend them to the attention of your hon. House, viz: Halifax, Louisburg, and Paspebiac.

"2nd. That from the evidence given before your Committee, it has been shown that Louisburg is a first-class harbor, having the geographical advantage of being the nearest available harbor of this Dominion to Europe. It is 230 miles nearer to Europe than Paspebiac, and 196 miles nearer to Europe than Halifax, by the direct route. It should also be observed that the approaches to Louisburg are very easy, and that the anchorage is good in the north-east portion of the harbor, which is entirely sheltered from winds, and that the harbor is capable of floating vessels of any size."

A road about 90 miles from the Strait of Canso would bring us to Louisburg; if that portion of the road was built it would bring us 230 miles nearer to Europe than Paspebiac, and 196 miles nearer to Europe than Halifax by the direct route. It may be fairly claimed by that portion of the Dominion that while we are spending millions of dollars in the Rocky Mountains, we should provide them with this 90 miles of road that would open up and develop one of the finest and richest portions of the Dominion, the Island of Cape Breton. We have in Bras d'Or Lake a splendid fishery, but owing to the want of facilities for bringing the fish to market, the people are compelled to be idle during the winter months, while, if we had a railroad running to Louisburg, the whole section of the country would be open to them. It is no matter of surprise that the people of eastern Nova Scotia are opposed to the construction of the Pacific Railway in the terms of the contract. We know this road must be built. Unfortunately, it is a part of the terms with British Columbia, but we are only committed to its construction in such a manner as will not increase our burden of taxation. Parliament has solemnly assured the people, three different times, that its construction should not increase the burden of taxation. We believe that the western section should be delayed for some years; that a road through the prairie will give settlers all the facilities they require for bringing their produce to market. Holding these views on this contract, a contract which, I believe, is objectionable in all its features; which, if ratified, must retard the growth and prosperity of the country; which will increase the burden of taxation and bear heavily on all, especially the people of the Maritime Provinces, who have little to gain by the construction of the Pacific Railway, either in the present or in the remote future—I deem it my duty to oppose it. We were told, at the time of Confederation, that as soon as that fact was accomplished, our chief cities would become the Manchesters and Birminghams of the Dominion; that a tide of prosperity would flow into these Provinces; but I regret to say that the bright future predicted by the advocates of Confederation has never been realized. The reverse is the fact. To-day, discontent and dissatisfaction with our present position largely prevails in the Maritime Provinces. Nova Scotia is opposed to any scheme of constructing the Canadian Pacific Railway, that would increase the burden of taxation, or build the road faster than the resources of the country will permit. If the people of that Province had time to examine the contract it would receive their almost unanimous disapproval. With this knowledge, I feel it to be my duty to record my vote against that measure which, if adopted, will be fraught with consequences disastrous to the future progress and prosperity of the country.

Mr. PATERSON (Brant). Sir Charles Tupper, acting for Her Majesty the Queen, on behalf of the Dominion of Canada, has entered into a treaty with certain capitalists for the construction of a portion of the Canadian Pacific Railway. He has placed that instrument upon the Table of the House; he has asked that the Parliament of Canada shall examine it, shall give their opinion as to its merits, and shall, if they approve of it, endorse it, and give to it the authority of an Act of Parliament. In introducing this contract to the notice of the House, he made a speech of considerable length, and of very great strength, if I may be allowed to express my individual judgment with reference to it. He, I consider, said all that can fairly be urged on behalf of that contract. He noticed all the objections that might possibly be raised to its various sections in the most sophistical manner, giving to it the best appearance that was possible to give it. I have listened to the speech, I have read the contract. I think it is the duty of every member of Parliament, when such an important question as this is submitted for their consideration, to examine it with all carefulness, in the spirit in which the hon. Minister of Railways asked us to view it, to look at it from no party standpoint. As an independent member of Parliament, elected by the people to give effect to their wishes, I have endeavored to do that. I am conscious that I am possessed of strong party feelings the same as other gentlemen present. I am not disposed to chide too strongly gentlemen who, forgetting the exhortation of the hon. Minister, treat this question from a purely party standpoint. Remembering my own weakness, remembering the strength of my own attachment to the party that I consider to be right, I view with some charity the course that has been pursued by some hon. gentlemen opposite, who have allowed themselves to indulge in the abuse of members of the party opposed to them under the mistaken impression that they were discussing the contract. Having set myself to the duty of explaining to this House why I am opposed to this contract, it is my bounden duty to furnish this House with strong and sufficient reasons why I have come to that conclusion; and, in order to ascertain the merits of this charter, and to determine the course I was to pursue, I did not think it was necessary, nor will I allow myself now, to indulge in a party discussion, or the saying of things which may be considered witty, or which comprise only the elements of bitterness and coarseness. I do not know that it helped me in the slightest degree to understand the merits of this scheme, that the hon. gentleman took up the time of the House in telling me that the hon. member for Durham (Mr. Blake) and the hon. member for Centre Huron (Sir Richard J. Cartwright) were two aristocratic demagogues. Whether they are or not, is not the question before the House at the present time. I cannot see what pertinence it has or how it will assist us in deciding upon the merits of the contract before us. Nor can I understand how gentlemen can be found giving to the House the names of certain gentlemen who, in days gone by, have been black-lettered by the *Globe*. I do not know that that has anything to do with this question any more than many other foreign issues which have been introduced, and, for my own part, I do not wish to notice them further. I recognize the question before us of such paramount importance that I think party feelings should be sunk in its consideration; and though provoked as I am by the iniquity of this contract, I will endeavor to rein my tongue and control my thoughts, so that my speech, whether it convinces hon. gentlemen opposite or not, will at any rate win from my opponents the commendation that I have endeavored, whether I fail or not, to view this question from a purely patriotic standpoint. Sir, the Minister of Railways had a right to ask, when he introduced this contract, that it should be considered on its merits on both sides of the House. Ministers in this House, charged with the administration of the affairs of this getting-to-be a great Dominion, are worthy of all the support of the strengthening of their hands, that it is possible for this House to give them, and I wish them to understand that I speak the sentiments of my heart when I say that if this contract were what I was led to think from their boastings in the country it was, I should have been glad to have given it my hearty support.

Mr. PLATT. Hear, hear.

Mr. PATERSON. The hon. member for East Toronto, I see, can hardly give me credit for that. I am glad the hon. gentleman is, at any rate, concerned enough about the interests of his constituents to listen, and I may say to him, even if I cannot convince him, that I am endeavoring to speak the truth. Why should he think that I should be opposed to this contract? Is it because the Ministry kept this contract hidden from the public, because they refused to take the people into their confidence, because they have endeavored to smuggle it through Parliament, repressing the expression of popular opinion, that the hon. member for East Toronto was cognizant that I would oppose this contract. Is it because this matter, affecting the people's greatest interests and dealing not only with money by the millions, but with vast quantities of land, the inheritance of this Dominion, was studiously kept by the Ministry to themselves; because they summoned Parliament here at the most inconvenient season of the year, and told us that in eight or ten days we had to decide upon that contract, or we should not go home to spend the holidays with our families? Is it because we asked for papers to enable us to form an intelligent opinion on this subject and these papers were refused? Sir, this concealment of this matter from the public is something the public are looking at; and there is nothing that causes this contract to be viewed with suspicion so much as the fact that they were told that in a matter so greatly affecting their best interests, they were not to be trusted; for the language of the First Minister in the House was that no more imperfect tribunal for the settlement of a great question like this could be found than the people at large. That is the sentiment uttered and carried out by hon. gentlemen opposite. In the speech of the Minister of Railways, which, as I said before, was a variable speech as I considered it, the line of argument he took was this: Speaking for five hours, for three-fourths of that time his speech consisted in reading extracts from the speeches of the hon. members for Lambton (Mr. Mackenzie) and West Durham (Mr. Blake), and instituting a comparison between the offers, as he termed them, that had been made for the construction of this work in the past, and the offer now submitted to the House. Sir, he came to this conclusion. He thought, and according to his own way of putting it, he did prove, taking his own figures, that it was the best contract. But figures can be put into very strange shapes by a very skilful manipulator, as is the hon. gentleman. Now, I propose to take that hon. gentleman's own figures, but to arrange them somewhat differently, and then ask this House whether my arrangement of them is proper and fair, or not; and if so, to show what a different result they produce from the manner in which they were arranged and presented by the hon. the Minister of Railways. It needs not that I speak at any length of the Allan contract. That is the first contract that was entered into for the construction of this work. Of course we all know the terms of that contract, and we also know that no offer was ever made by capitalists to engage in it, and that it never amounted to *anything*. Then we come down to the point of this contract, and the Minister of Railways himself does not insist upon the comparison, but he relies upon his case to strengthen the back of his followers in this

House in order to enable them to swallow this contract, by using the argument that the offer he now submits to this House is better than that contract, as he is pleased to term it, though no contract was ever made—better than the terms under which a contract might have been entered into under the Mackenzie Act of 1874. Now it does not matter in the least degree whether it is better or worse. The hon. gentlemen are hiding themselves in a fool's paradise, if they think that they can induce the people of this country to take that view of the question. What do the people of this country care what Act Mr. Mackenzie introduced under which no contract was let, under which no offers were made, as hon. gentlemen admit. We are considering a contract that has been made, a *bonâ fide* contract that is upon the Table of this House, and that is waiting only for the sanction of this Parliament to become law. The people of this country and their representatives in this House are not so blind that they can be deluded in the way the hon. gentlemen seek to delude them. Even if the terms of the Mackenzie Act gave him power to give contractors large amounts for the construction of this work than the present contract, it would by no means follow that the terms of that contract were more than the terms of this one. It is an insult to the intelligent people of this country for a man to rise in his place in this House, and say that, because a contract now can be carried out for a less sum of money than it could in 1874, that it is therefore a better Act. What reply would an intelligent man make? He would ask what were the conditions of that contract in 1874, and what were the conditions in 1880. You would tell him that the conditions in 1874 were, a wilderness unknown and unexplored, without one foot of railway reaching it, or having been projected; without any communication with the rest of the world; a few half-breeds scattered here and there, perhaps a few white settlers that had found their way to the plains; the lands of no value scarcely, or of such value that they were sold for scrip to pre-empt land of the value of 60 cents per acre. Then what are the conditions of that country now? We would tell him that in the cities of Ottawa and Toronto, that in thriving towns on the Grand Trunk or the Great Western, that anywhere throughout the Province of Ontario, or throughout the Provinces of Quebec or Nova Scotia, even, you can put your foot into a Pullman palace car and you do not take your foot out of that car until you are landed in the city of Winnipeg; and when you are landed there you are in a city of 10,000 or 15,000 inhabitants, in which the corner lots are sold not at the town prices of Ontario, but at prices which rival those prevailing in the great metropolis of Toronto; that there are some 100,000 people in that country, with towns springing up all over the land. Yet the hon. Minister of Railways and those who support him ask the House to accept as a basis of comparison between the contract laid on the Table of the House, and the contract that might have been entered into under the Mackenzie Act—they ask you to take precisely the same value for the public lands of that Province, or $1 per acre. I think that if there is anything that would lead hon. gentlemen to think that this was rather a hard contract for the Government to ask them to accept, it is in the fact that they are driven to have recourse to such argument as we have heard, and such a line of argument as has been pursued in considering the lands in the North-West of the same value as they were in 1874, after all the improvement and progress that have since taken place in that region. But while I say it is not pertinent to the question to compare these two contracts, I want the Minister of Railways, and those who are inclined to think that he has made a strong case in this matter, to understand that I do not rely in a discussion of this subject, on the fact that there are changed conditions in that country. I propose to meet the Minister of Railways on his own grounds. I propose to take the Act of 1874 and to take the figures of the Minister of Railways himself with reference to that Act, and with reference to the contract now laying upon the Table of the House, and to show, making no distinction between the enhanced value of the land since 1874, that the contract now before the House is not as good in the interests of this country, as would have been the construction of that road under the terms of the Mackenzie Act of 1874. I propose to take the Minister of Railways on his own calculation. Taking the land at $1 an acre, in both cases, I desire to show, in the figures of the hon. the Minister of Railways himself, that the present contract is better for the contractors than that obtainable under Mr. Mackenzie's Act. I will explain how I will arrive at the figures I will give, and will quote from the speech delivered by that hon. member himself, in introducing these resolutions. We give the length of the Canadian Pacific Railway to be completed as it is now located. I take first, the length of the line of the Canadian Pacific Railway as it would have been completed under the Act of the hon. member for Lambton, had the location been the same as that now adopted by the Government, and as it will be when the work is finished. On page 42 of the pamphlet containing the speech of the hon. the Minister of Railways, he gives the eastern section at 550 miles; the central at 1,530 miles; Kamloops to Port Moody, 217 miles; Thunder Bay to Selkirk, 410; Pembina Branch 85 miles—total, 2,712 miles. I think it is only fair, in estimating what Mr. Mackenzie offered, that we should take the same length of the road as it is covered by that contract, 2,712 miles. What did that hon. gentleman's Act offer for the construction of that road? $10,000 cash per mile, 20,000 acres per mile, and four per cent. on the amount that was to be asked by the tenderers for any section, or part of a section. The Minister of Railways himself, then, has given us a basis by which we may arrive at what this four per cent. would reach. I think he does not do it unfairly, except in the way he makes his computations. I am not disposed to quarrel with his amount, $7,500 a mile, which he arrived at from the fact that there was a tender of that kind for the construction of the Georgian Bay Branch; and while he admits it was a very difficult part of the road, he asks the House to agree with him that, perhaps, taking the Rocky Mountain section into consideration, and all the rest of the road, it was a fair sample of the total length. Now, four per cent. on $7,500 a mile, in addition to the cash grant of $10,000 a mile, and 20,000 acres of land for 2,712 miles, under the Mackenzie Act, taking the figures of the Minister of Railways, will give $27,120,000, cash: at a dollar per acre, 20,000 acres per mile, would amount to $54,240,000; four per cent. on $7,500 for 25 years, as estimated by the Minister of Railways in his speech, gives $20,340,000 more. In reference to that item the hon. Minister does not calculate this four per cent. in a proper or fair way. He ascertains the amount and adds it up for 25 years, treating it as a fixed charge, and as so much capital expended in the construction of the road. But it was to be only payable for a certain period of years. If it had run all the time, the hon. gentleman would have been nearer the mark, being terminable in 25 years we have an improper calculation. But, in order to prevent any hair-splitting or quibbling, and to give the hon. Minister of Railways the advantage of everything he claims, I accept his figures, extraordinary though they be, for the purpose of the comparison. What is the total cost to the country of the 2,712 miles under the terms of the Mackenzie Act? $101,700,000. What was the estimated cost of the work the contractors would have to do to get that amount? I will take the figures of the Minister of Railways himself, at page 46 of the pamphlet, where he quotes from the speech of the member for Lambton with reference to the expenditure on that road,

in which he estimated the cost of the sections from Lake Superior or Thunder Bay to the Pacific Ocean at $100,000,000. And then we have the cost of the section from Thunder Bay to Nipissing, as given by the Minister of Railways on page 53, figures which he endorses and enlarges upon, $32,500,000. The total estimated cost of the road in 1874 is thus, $132,500,000, according to the statement of the hon. Minister himself. Taking the total expenditure that would have been incurred under the Mackenzie Act, what would the contractors have had to pay out of their own funds over and above all the grant for the building of the road? $30,800,000. Now we come to the present contract. The estimated cost of the section under it, from Jasper to Kamloops, 335 miles, was stated by the Minister of Railways, according to *Hansard* of last year, $15,500,000; from Red River to Jasper, 1,000 miles, $13,000,000; eastern section, of 650 miles, $20,000,000, or a total cost for all the portions of the road the Syndicate have to build, of $48,500,000. What grant do they get? We are in Committee on a resolution to grant them $25,000,000 in money and 25,000,000 acres of land. Taking the land at $1 an acre, in 1881, the same as in 1874, and what is the grant for those contractors? For that $48,500,000 worth of work, $50,000,000 is given by Parliament with the land at $1 an acre. Or, in other words, under that contract for the total amount of work to be done by the contractors, they get a grant from Parliament over and above every dollar they have to spend of $1,500,000, when, under the Mackenzie Government, by the figures of the Minister of Railways himself, the Company would have to spend $30,000,000 of their own money in performing the work. This is a comparison fairly made, and yet gentlemen opposite will tell us that the Mackenzie Act offered better inducements to the contractors than the present contract. It has just been mentioned to me, and I am cognizant of the fact, that the road is to be thrown in; but I did not use that as an argument, because I suppose that the parties tendering under the Act of 1874 would also have owned the road, though, of course, there was in that Act a provision for the Government buying back the road, which is lacking in the present measure. But hon. gentlemen will notice that the Minister of Railways is not content with charging against the member for Lambton the cost of the 2,712 miles, which is just the amount of the location under the present contract, but he holds that hon. gentleman responsible for the 85 miles of the Georgian Bay Branch which this Company do not construct at all. But giving the hon. gentleman the benefit of even these 85 miles, and we have a total of 2,797 miles. The cash grant would have been, according to page 41 of the pamphlet of the Minister of Railways, $27,970,000, the land grant at $1 an acre, $55,940,000, and if we add the four per cent. on the basis calculated by the Minister of Railways, the aggregate amount as against the scheme of 1874, foots up to $104,887,500. If we deduct this from $132,500,000, we find that, under this comparison, the contractors would have had to pay out $27,612,500 of their own money, over and above all the grants which the contract gives, while these present contractors get $1,500,000 more than the total expenditure they will have to make. But, Sir, I have another calculation for the hon. Minister of Railways. Upon the evening when that hon. gentleman was delivering his speech, like the rest of us he went home to dinner, and even while he was swallowing his food his active brain was working, which shows how intent he was upon the great task before him, and a task which I am bound to say he discharged in a manner creditable to himself. He was resolved to omit nothing which would tell in his favor, and so when he returned from his dinner, he said that there was still another point to be urged against the scheme of the hon. member for Lambton, and that was that by beginning at South-East Bay instead of Callandar Station there was a difference of forty miles more against the scheme of 1874. Now, though I have no right to make such an allowance, I will give the hon. gentleman the advantage even of that point. We will add to the $104,887,500 the $1,500,000, which, according to the Minister's own statement, should be allowed for these 40 miles; and, by so doing, we make the total amount to be charged against the scheme of the hon. member for Lambton, $106,387,500. Deducting this from the total estimated cost, $132,500,000, and, after giving the hon. gentleman every advantage which he can possibly claim for his scheme, and after heaping up against the hon. member for Lambton, every point which can possibly tell against him, we find that the contractors would actually have to pay, under the scheme of 1874, the sum of $26,112,500 of their own money; while, by the contract which has been laid on the Table of the House, it is proposed to give the Syndicate $1,500,000 more than they will actually have to pay out for the work. I think, Sir, that that comparison will bear reflection at any rate. I think, if I might be allowed to say so without egotism, that it is a comparison which is more valuable than the calculation of the hon. the Minister of Railways, because it brings the matter down to actual work and to business principles; and whether or not the hon. gentleman (Sir Charles Tupper) was able to make out his case against the hon. member for Lambton, this calculation develops the fact that by the resolutions which are now on the Table of the House, it is proposed to pay the Syndicate, upon the estimates of the hon. the Minister of Railways himself, the sum of $1,500,000 more than they will have to expend upon the work, taking the land at even $1 per acre. There are other points which bear upon the question, of whether the scheme of 1874 would have been more favorable to the country than the present one. I do not wish to occupy the time of the House by repeating arguments which have been used by other hon. gentlemen, but I wish to point out that, as the hon. member for West Middlesex (Mr. Ross) and the hon. member for North Norfolk (Mr. Charlton) showed, by the grant of land which was proposed in the scheme of 1874, 13,000,000 acres were to be given in British Columbia. I have also overlooked the fact that you cannot get an intelligent decision upon the question whether the Act of 1874 or the present scheme is the more favorable until you ascertain what the exemption of the railway property amounts to, what the exemption of the lands from taxation amounts to, what the free admission of material amounts to—I say until you make approximate estimates upon these points, and I believe that is an undertaking beyond the financial ability of this House—you cannot make an entirely satisfactory comparison. And I say, Sir, that it is one of the worst features of this bargain, that we cannot put in figures the untold evils of the perfect monopoly which this Syndicate will have in that North-Western country. But passing from that, let me recall one thing to show in how much better position we would have stood under a contract made under Mr. Mackenzie's Act, than that in which we stand under this contract. In section 10 of the Act of 1874, it is said:

"In every contract for the construction of the said railway or of any section or sub-section thereof, the Government of Canada shall reserve the right to purchase under the authority of Parliament, the said railway or such section or sub-section thereof, on payment of a sum equal to the actual cost of the said railway, section or sub-section, and ten per cent. in addition thereto; the subsidies in land and money granted or paid by the Government for the construction of the said railway being first returned or deducted from the amount to be paid, the lands sold being valued at the full amount the contractors may have received from the sale of such lands as may have been sold."

I ask your attention to this consideration: If we had a clause in the contract under consideration the same as sec-

tion 10 in the Mackenzie Act of 1874, when these contractors had completed that 900 miles of railway, on the prairie, we would have the right to purchase that portion of the railway on giving ten per cent. over and above the expenditure they had incurred in building it. Under this arrangement, supposing they had not sold their lands at over one dollar an acre, they would have to refund us $7,380,000 for the amount payable to them under this contract would exceed the cost of the road, and ten per cent. additional by this figure. It is the simplest calculation in the world. Turn to section 9 and read the subdivision. What is the total cost of the 900 miles asked for by the hon. Minister of Railways under his estimates of last year? The total estimated cost of that 900 miles is $11,700,000; add ten per cent, $1,170,000, and you obtain s total of $12,870,000 which the Government would have to pay the Company in order to purchase the road. What does the contract give the Company for building these 900 miles? It gives them cash $9,000,000, and land at a dollar an acre, $11,250,000, or a total of $20,250,000; deduct from this the $12,870,00 for which, under section 10 of Mr. Mackenzie's Act, we could buy that road back, and we have $7,380,000 which the Company would have to refund us in hard cash besides giving us the road.

It being Six o'clock the Speaker left the Chair.

AFTER RECESS.

Mr. PATERSON. Mr. Chairman, when the House rose at recess, I was endeavoring to contrast the terms of the Mackenzie Act of 1874 with the contract at present on the Table of the House. The subject is capable of still further illustration and comparison, yet, in order to spare the House and expedite business, I will not spend any further time on that point at present; but I may venture to suggest that the comparisons I have already instituted will show that the terms of the contract now on the Table are not so favorable as the terms of the Mackenzie proposals, although the hon. Minister of Railways, and those who support him, have sought to show the contrary to be the fact. But the point to which I now specially wish to direct your attention is this: That the contention of the Minister of Railways, and the arguments of those who have adopted the position he has taken, have been directed to show that the terms of this contract are better than any terms ever offered to Parliament.

Mr. FARROW. Hear, hear.

Mr. PATERSON. The hon. member for Huron says, "hear, hear," and it is, therefore, apparent that I have correctly stated their position. The arguments offered from the other side of the House, have proceeded on the assumption that we have only had two propositions before Parliament with respect to the construction of the Canadian Pacific Railway before the present contract, and that these two propositions were the Allan contract of 1872, and the Mackenzie Act of 1874, which gave power to let contracts for building the road. But that is not the case. I call the attention of hon. gentlemen opposite, private members who support the Administration, to this fact: that if they think they can shield themselves behind the assertion that this is the best offer that has ever been submitted to Parliament, that it is better than the Allan contract or the Mackenzie proposals, they are taking refuge in a habitation that will not afford them shelter from the coming storm, because I have only to recall to your minds the results of the deliberations in this House last Session. We had another offer. We had an offer that the hon. Minister of Railways has carefully abstained from mentioning. We had another offer, that every hon. member who has yet spoken in favor of the contract has also carefully abstained from mentioning; and it is a strange circumstance that they should do so, for it is not so long ago that their memories should have proved treacherous. They can remember very well back to 1874, and to the days of the Allan contract, but they appear to be unable to remember the events that took place in this Chamber a short time ago, although every hon. gentleman on the other side of the House voted in favor of the proposition then offered. This is a matter which hon. members would do well to enquire into. And let me remind the House that public men are in a great measure bound by their utterances. It is only a right and proper position for a public man to take, standing upon the floor of Parliament and giving utterance to what are his deliberate sentiments and views, that he should be careful that in doing so he has arrived at his conclusions after mature study and calm reflection, so that when he may give that opinion, that, saving and except errors of judgment that are open to all mortals, he may find himself in accord with his views at different periods. There is, however, this fact to be borne in mind, that a man may not utter precisely the same views to-day with regard to certain questions as he did a year or five years ago; and why? Because circumstances may have changed, and, therefore, if there is any disparity in the utterances of the hon. gentleman upon a certain question, all fair-minded men will take into account the changed circumstances, if changed they may be, and see whether the changed circumstances warrant the change of view to which he may have arrived. To illustrate this point, I will suppose that an hon. gentleman should say—as we were told sometimes during the debate on the National Policy when hon. gentlemen were seeking arguments *pro* and *con.*—that upon a certain day two years ago, Bank of Montreal stock was quoted on the market at 138. That was a deliberate utterance, and he should be held by it. That same hon. member might, however, rise to-night and say that that stock is worth 179! Should we say that he was inconsistent with himself? No, Sir; and why? Because circumstances have changed. No fair-minded man in examining the utterances of any public man will say that because what he says to-day is different from what he said previously, the difference being due to an entire change of circumstances, and not to a change of opinion, that that public man is one whose judgment cannot be relied upon. As a public man I am willing to be bound by the utterances that I may make in that respect. If I found I was wrong in any position that I had taken, I would not hesitate to say I was wrong. But public men who arrive at a conclusion and then make statements entirely at variance with that conclusion, the circumstances not having changed, are liable to the imputation that however brilliant their intellects may be their judgment cannot be unswervingly relied upon. I want to make this other point: When a member in this House speaks, he speaks his own individual views, and is held reliable for those views. I find myself a member of a party in this House; we have a leader; I am very proud of that leader. I do not often differ with him. He has got his faults the same as other men; I do not look upon him as perfect; but I think him a very great man. I generally endorse his utterances, but have found, on many an occasion, that I have not been able to arrive at precisely the same conclusion as he. In the main I have been able to agree with him; but, at times, I differ in opinion from his. I am not a sycophant in my support. I am not pledged to his utterances; but, when I applaud his utterances, I feel I am giving my adhesion to the statements he has made, and that I am morally bound as he is bound. I have to say to hon. gentlemen opposite that if they were not bound by their vote, and I think they were, they were bound by the applause, the unanimous applause, or at all events the almost unanimous applause, which was accorded by hon.

members opposite to the Minister of Railways when he introduced that other scheme of building the Canadian Pacific Railway, which he has taken good care not to intimate to the House as having ever been submitted to it—a scheme which he had entirely forgotten about, though it only was introduced a year ago, and which every member who spoke in favor of seems to have entirely forgotten. That offer differed from previous offers. What was that offer? It was a proposition by the Minister of Railways, that the Government should build the Canadian Pacific Railway as a Government work, and pay for it out of the proceeds of the sales of public lands. It is very strange that we have not heard anything about that proposition during this debate from hon. gentleman opposite, and I am bound to say that the hon. the Minister of Railways is bound to explain why that scheme, which was deliberately adopted by the Government, has been abandoned. If they cannot show to this House that this contract, which he asks us to ratify to-day in lieu of that scheme of last year, is better in the interests of Canada, they will stand in a very awkward position in the eyes of the country. I will have to trouble the House with reading extracts from the speeches of the right hon. leader of the Government, and the hon. Minister of Railways, in order to prove the proposition I have laid down, that last year they propounded a scheme to this House by which the Canadian Pacific Railway was to be built as a Government work, that the expenses of its construction was to be paid out of monies to be derived from the sale of public lands, and that it was not to cost this country one cent for its construction. I shall read first the words of the hon. First Minister, which will be found on page 1052 of the *Hansard* of 1880:

"In the 1874 Bill it is provided that if the Government should find it more expedient to construct the work as a Government work instead of by the intervention of railway companies undertaking the work, they might make it a Government work; and that was the plan on which the work of building the railway from Lake Superior to Red River was undertaken, that is as a Government work. What the policy of the late Government would have been in carrying out the completion of the other portion of the railway we do not know, because we had not at the time they ceased to be a Government, got so far as to have any policy announced on the question; but when we came in, we decided to undertake it as a Government work, because the construction from Lake Superior to Red River was through a difficult country, expensive for surveying, and a very poor country, which would not make any adequate return for the expense; and as it was quite clear that the railway westward from Red River to the Rocky Mountains will run through a rich country, which would render the construction of the road more remunerative, the policy of this Government became a humble imitation of that pursued by the American Government."

Thus the First Minister laid down last year as a distinct proposition, that the Government intended to construct this railway as a Government work. And now I wish to clinch the statement I am making by the views that were entertained by the hon. Minister of Railways on the same point. Speaking in the House last year, he said:

"I have no hesitation in saying that the whole sentiment of the country has changed on this question."

This is the expression of one of these gentlemen who are so clamorous for consistency in the public statements of public men at all times. Listen to the next sentence of the hon. Minister of Railways as he goes down on his knees and makes this confession:

"I am not at all ashamed to say that my own opinions have completely changed in relation to the character of this great work."

What should we expect of a public man who holds a different opinion to-day from what he held before? We should say that the honest course is to come down as the Minister of Railways did, and say that his opinions have changed. He goes on to say:

"I remember well that when the then First Minister brought in his Act in 1874, for the construction of this as a Government work, I felt that we were incurring too great a responsability. I believed, at that time it was an unsafe and unsound policy for the Government of this country to undertake the construction of this great national work from end to end as Government work, and I did not hesitate to express my opinons as freely and as forcibly as I could on the occasion of the passage of that measure. But the whole condition of Canada has changed since then. There is not an intelligent man in this country who does not look upon the prospect of the settlement and development of the North-West with entirely different feelings from those then entertained."

An hon. gentleman on the other side, the other night, spoke of the hon. member for West Durham, the hon. member for Centre Huron, the hon. member for Lambton, and a lot of other gentlemen on this side of having changed their views on this question as though it was something discreditable. What will these hon. gentlemen think of the Minister of Railways when he says there is not an intelligent man in the country who has not changed his opinion on this subject? Again, that hon. gentleman says:

"Hon. gentlemen must not forget, as I said before, that the whole aspect of affairs in this country has entirely changed within a brief period; that that which would have been properly regarded as highly imaginative in relation to the development of the Canadian North-West, must now be looked upon with very different eyes indeed."

And yet this same hon. gentleman thought it not beneath him to take up three hours of the time of this House, in order to prove that the circumstances were precisely now in that country, what they were in 1874. Hon. gentlemen opposite, if they try to remember a year back, will remember that they endorsed that policy of the Government with their cheers, which I fancy I can almost hear still. Those cheers bound them; by them they committed themselves to that policy; and this House is in utter ignorance of why the combined Cabinet have abandoned that policy which the House then endorsed. They have not told us. In his five hours speech the hon. gentleman was unable to remember that. It is now called to his recollection, and we demand to know the reason why. Let us see whether it is good and sufficient. If he does not give us any, you and I, having the policy of last Session in our hands, can arrive at a conclusion, and we shall be held responsible to our constituents that we look into this question before we cast our votes for the project now before us. When the hon. gentleman brought down last year's proposition he was armed with statements, prepared by experts and which he adopted himself, of the cost of this work, which, after adding an amount for unforseen expenditures, he stated was within what must be the actual cost. Our course is now clear. Having been told that this is the best offer ever before the House, we have examined it in the light of the Mackenzie Act, of the Allan contract, and we now examine it in the light of the scheme adopted last year. As to the ways and means by which this road was to be constructed as a Government work, the First Minister said, last year:

"So, Mr. Speaker, I can disabuse the mind of the country, or the minds of any of the hon. gentlemen who hear me, of any apprehensions that the construction of the Pacific Railway will be so burdensome as to be oppressive to the people and discouraging to the future development, prosperity and growth of the Dominion."

Then he goes on to tell us what he proposes to do:

"If we are to judge from the reports we have heard, we may rely upon it that 50,000 people will go into that section of the country this year. We know that in the United States, when railways were about to be opened across the prairies in the various states and territories a large influx could always be calculated upon, because there is always an increasing rush towards those lands which are being opened up by the construction of railways. We are told that 50,000 will come in, but let us put the number at 25,000, and I have been informed by everyone—and I have spoken to a great number of persons who have come from the North-West, and who have the best means of judging—that the estimate is ridiculously, absurdly small."

Very well. Then we turn over to page 1056 of the *Hansard*, where he gives a calculation on which he based his statement. He says:

"Then we calculate that, as 25,000 people would go in this year, we may add each year an increase of 5,000, so that we may expect 30,000 to go in next year. That is a very small percentage, if we look to the results from railway enterprise in the United States. We assume, therefore, an increase of 5,000 a year till 1890, and expect in that year 75,000 settlers in our North-West."

If hon. gentlemen will put figures together they amount to this: that in ten years the First Minister calculated there would be 550,000 souls in that country. Now, then, he goes into a calculation of the value of the lands in the North-West.

"We then take the average price of the whole of the lands extending from the five dollar section, within five miles of the railway to sixty or 100 miles away. The average price of the land sold to the 1,500 purchasers would be $3 an acre, this is greatly under the average."

He says this is a very moderate estimate, and on these figures he estimates the total cash revenue to be received for the lands by 1890 at $38,593,000, as the cash sales of the lands in the hands of the Government. And what more does he say:

"The actual value in 1880, of the preemption up to that date, unpaid, will be $16,140,000. The actual value of the railway lands sold up to that date will be $16,272,000, making in all $32,712,000. If you add to that total, unpaid, the $38,593,000 that will be paid in 1890, you get a grand total of $71,305,000."

Now the hon. gentleman knew that in the sale of these lands there would be a good deal of expenditure; there would be offices to be opened and officered, and he went into a calculation of what the office expenses and the cost of surveys would be under that proposition, and he tells us that he estimates it at $2,200,000. He says:

"Deduct from that the estimated cost of surveys for the ten years, $2,000,000, and of the land offices $400,000, and you reduce it by $2,400,000. Having shown that the estimate of the number of settlers, if the land to be taken up, and if the average price is not excessive, we find we shall have $69,000,000 either of money in hand, or money for which we shall have the best security in the world—the land itself."

Now there is the financial basis of that scheme. There was to be by the year 1890 $69,000,000 of money, or mortgages equal in value to money, in the hands of the Government. Well, Sir, I think it would be well when I am at this point to fasten the Minister of Railways as well as the First Minister, to that proposition. The Minister of Railways spoke in reference to the motion to resolve the House into Committee of Supplies when he introduced his Pacific Railway scheme, and he quotes these figures with a reference to the amount of money to be derived from the plan he had developed, and he endorsed these figures as his own, saying it was an authority that might be accepted. The First Minister is particular in taking off every item of expense; the Minister of Railways, not as careful in his utterances, says the amount they would have in hand would be $70,000,000. Now, having shown to the House the financial part of this scheme, we turn to the subject of building this road. I come now to consider what the cost of the work would be constructed by the Government as they asked power to do and as the House gave them power to do. We will have to turn to the *Hansard* and read the hon. gentleman's own words in reference thereto:

"Before six o'clock, I was about taking up the question of the expenditure that will be required to complete the Canadian Pacific Railway. I will now submit a calculation I believe to be an outside one, or above the probable outlay. This estimate has been prepared by a gentleman who has had the widest and best opportunity of forming a deliberate and dispassionate judgment on the subject—a gentleman whose ability, in my opinion, is only exceeded by his caution—Mr. Sandford Fleming, Engineer-in-Chief of the Canadian Pacific Railway. However much this estimate of expenditure may be reduced, I am sure it cannot be exceeded. The distance from Lake Superior to Burrard Inlet is 1,956 miles; that is adding twenty miles for the diversion of the line to the south of Lake Manitoba, and deducting three and three-quarter miles for the reduction in the distance between Lake Superior and Red River, and the shortening by the change of route passing north of Edmonton instead of south as before. That total includes the Fort William and Selkirk section of 406 miles as now reduced; and for that I submit an estimate for completion in the manner intended as a first-class road, and with a thorough equipment for the large traffic expected, and including terminal stations. $17,000,000, or $1,000,000 less for the reasons stated than my estimate of last year."

But it will only be necessary, I suppose, for the purposes of comparison, that I should give the estimated cost of the work to be constructed by the Syndicate, and after thus contrasting the offer of the Syndicate with the offer made by the Government last year, and we come to that next:

"The 1,000 miles from Selkirk to Jasper Valley, the dividing point just beyond the foot of the Rocky Mountains, including a light equipment—all that will be required for some years—Mr. Fleming estimates at $13,000,000, that is $3,000,000 more than the average estimate for the 200 miles west of Red River, in order to be entirely safe. We have 100 miles actually under contract, and have received tenders for the other 100 miles, and I do not expect the average cost to exceed that of the 100 miles just let.

Mr. BLAKE. What is the amount estimated for the equipment per mile?

Sir CHARLES TUPPER. A light equipment is all we shall require for some years.

Mr. BLAKE. Will it be $1,000 or $2,000 per mile?

Sir CHARLES TUPPER. When the traffic demands a heavier equipment there will be means for providing it.

Mr. BLAKE. I only want to know your estimate in dollars.

Sir CHARLES TUPPER. It is $13,000 per mile, as against an estimate we should be justified in giving of $10,000 a mile, making $3,000,000 more than the average of the amount probably needed to complete and supply with a fair equipment the 200 miles we have under contract on the prairies."

Now you have $13,000,000 for that part. The hon. gentleman then goes on to lay down the amount for the other section that will have to be constructed by the Syndicate. $15,500,000 is the amount for that portion of the road, from Jasper Valley to Kamloops, and $20,000,000 for the Nipissing section, which was the Syndicate's own estimate, and which the Minister of Railways says, himself, was beyond a proper estimate. I have, in this case, given the outside figures of Mr. Fleming, a man whose ability is only exceeded by his caution, and whose figures the Minister of Railways is sure cannot be exceeded, however much they may be improved upon, and therefore the portion of the road which Syndicate agreed to complete, was, according to the estimates of this gentleman, $15,500,000 from Jasper to Kamloops, and $13,000,000 from Jasper Valley to Selkirk, and $20,000,000 from Thunder Bay to Nipissing. So that if you put these three amounts together you have a total cost of the work of $48,500,000. The House, last year, adopted that proposition. Supporters of the Ministry cheered it to the echo—they gave hon. gentlemen opposite the encouragement and the power to conclude such undertakings. At that time the estimate of the cash that we were to have in hand by keeping the line in our own possession was $69,000,000. Contrast the two schemes and what do you find? This—that by 1890 we were to have those $69,000,000, the proceeds of the sales of public lands, and the entire road completed as it will be by the Syndicate, at a cost of $48,500,000. The scheme of last year would also give us $20,500,000 cash in hand, and that the property of the Dominion. That was the scheme hon. gentlemen opposite voted for last year. Now, Sir, what does the present scheme propose to do? Do they propose to make the Syndicate return you that $20,000,000, or any money? No; but you are to give them $25,000,000 money and 25,000,000 acres of the public lands. Could anything be more monstrous? Could anything more revolting be proposed to a party? To throw over the scheme of last year for one which compels you to throw $50,000,000 of the resources of this country away, in addition to the $20,000,000 they would have received if the statement of the Minister of Railways of last year is correct, is an astounding proposal. I admire the Minister of Railways. I like the way he battles for his side; he is a man in this respect after my own heart, but these figures show he needs rest—that Her Majesty must be apprised by this House, that she should select some other person to represent her in negotiating contracts. I value the hon. gentleman highly, but $50,000,000 is more than even I would venture to give for him—$50,000,000 of the money and lands of this country—it is really a higher price than I think the hon. gentleman himself would set on his services. I may be all wrong, but if so it is by believing what the First Minister and the Minister of Railways said last year. I have given not my figures but theirs. Thus I cannot be wrong or do hon.

gentlemen opposite wrong. To say that those figures are monstrous is to say that the figures and propositions of those hon. Ministers a year ago were monstrous. For their supporters to say that would be to cover yourselves with contumely. Their supporters cheered to the echo those sentiments when delivered. I ask them to tell us why the scheme of last year is thrown over, by which we should have the railway built and owned by us, and $20,000,000 of cash be sides, for one by the Syndicate, which gives the roads to them and $50,000,000 of our resources besides.

Some hon. MEMBERS. What about running it?

Mr. PATERSON. It may be said that one of the good reasons for handing this work over to the Syndicate is, that the country will be relieved of the responsibility and loss incurred in the working of it. There may bes omething in that; but I am happy to say that we have the authority of the Minister of Railways as to our probable loss from the working of this railroad, built on the wise and economical principle formerly proposed, of constructing the prairie section first and leaving the eastern section till the necessities of Canada demanded it. You will find what he said in reference to this subject on page 1422 of *Hansard* for 1880:

"I dare say I will be told by the hon. member for West Durham (Mr. Blake): Granted that your figures are correct, assuming that you can build this railway for even less money than you have estimated, you have only encountered the first difficulty: you have then to operate the line, and the cost of that will be so greatly beyond anything you can hope to obtain from it, that you will place an intolerable burden upon the people of this country. I must address myself for a few moments to that question. I will give the information I have just received from the Superintendent of the Pembina Branch:

"The 160 miles we have now opened in the North-West, shows that from the 1st day of March to the 12th day of April we have carried 5,236 passengers, and 1,248 loaded cars, containing $12,460 tons of freight. The gross receipts during that short period were $36,387, and working expenses $15,000, leaving a net profit of $21,387, and this during a more difficult and stormy period than has been known for many years."

That was a wise course for the hon. Minister to pursue. When he wanted to speak authoritatively, he brought down the report of a competent official, in order to determine this question as to whether there would be a loss in working this Canadian Pacific Railway after it was built or not. The hon. Minister further states:

"By July, 1882, we will have about 700 miles of this road in operation; we will have 85 miles from Selkirk to Emerson or St. Vincent. We will have 200 miles in operation west of the Red River, which, with the branch of 16 miles to Winnipeg, will give us some 700 miles in operation, without reference at all to the section in British Columbia. I have every reason to believe that every mile of that road, from the day it is opened, will make an ample return for all the expenditure incurred in its operation. I think it is safe to say that in every succeeding year, as we extend gradually this road towards the Rocky Mountains, it will furnish such an additional volume of traffic from Red River to Thunder Bay, which will become the great *entrepot* of that country, as will prevent it from burthening the people, and give us fair return for the interest on the money used in its construction."

That is to say, that the Pembina Branch and the Thunder Bay Branch, from the very day they were opened, would not only pay running expenses, but that so soon as a portion of road was opened on the thousand miles to the Rocky Mountains, not only would it pay running expenses and cost of management, but the receipts would afford a good paying interest over and above all these charges. That sentiment was cheered to the echo by hon. gentlemen opposite. So that last year we had an offer by which we were to have the road built by 1890; we were to have the road and own it, and $20,000,000 besides, and not a cent was to be lost on account of running expenses. What shall we say then as to the abandonment of such a scheme as that and the proposed adoption of the present scheme? When I announced beforehand that I could not approve of this contract, I was met by the ironical cheers of hon. gentlemen opposite, and I said I would give my reasons for opposing it, and I would like to ask if it would be a reasonable thing for me to assent to such a scheme as the present, after one so favorable had been proposed to us? It might be possible that circumstances should change, that something might have happened which would have rendered the utterances of the First Minister or the Minister of Railways somewhat different to-day from what they were last year. We all know that the circumstances of the North-West changed very considerably between 1874 and 1880, but what change has taken place since last year, which would justify so serious a modification in the proposition of the Government? The lands in the North-West have not become less valuable, for we have the assurance of the Minister of Railways and the Minister of Agriculture that people have ceased flocking to the United States, and are pouring into our North-West Territories. Almost before the utterances of the First Minister and the hon. Minister of Railways had reached the people, we find them starting off, post haste, to England, for the purpose, so they told us, of entering into a contract to build the road. But, Sir, it must scarcely be expected of us that we should hail the return of these hon. gentlemen with delight, when they bring with them a scheme which involves the throwing away of $50,000,000 of the people's money, throwing away the railway itself and $20,000,000 besides. Their views with regard to the prospects of immigration had not become less hopeful, for we find the hon. Minister of Railways saying that they had even greater encouragement than before from the English Government from leading people in England, with reference to emigration into this country. That hon. gentleman, who probably went as the medical adviser of the party, informed us that the Minister of Agriculture had a stroke when he was in England; and after making a diagnosis of the aforesaid stroke, he ascertained that it was a stroke of genius with which the hon. gentleman was affected. We might be inclined to think that to a plain matter of fact gentleman like the Minister of Agriculture a repetition of a stroke of that kind might happen to prove fatal, but we are certainly rejoiced that he managed to survive. But the stroke of genius, we are informed, consisted of the idea of getting representative and leading English farmers to come out to this country at the expense of the Canadian Government to see with their own eyes whether the state ments which had been made with reference to the extent and value of our domain in the North-West were true or not. We have been lead to believe that these gentlemen have come and have seen and have reported and that their report is a favorable one. Why, then, this great change? I cannot say what has produced it, I am at a loss to conceive what has worked out that change. I can only say, after a comparison of these two schemes, that the Ministry who ask their followers to adopt the contract which is now before the House are asking their followers to do something which no Ministry have asked their followers to do since responsible government was instituted in this country. I will go no further upon this point, and I think that I can honestly claim that I have fortified myself on every hand in dealing with this subject. I have used entirely the words and figures of the hon. Minister of Railways himself, in estimating the cost, the earnings and the working expenses of the railway. Having considered all these schemes, I will proceed to just hastily glance at the contract itself, and I will say that monstrous as the idea is of throwing over that plan by which we could construct a road, and taking up instead the plan by which we will pay $25,000,000 and 25,000,000 million acres of land, and lose the railway besides. There are some benefits and advantages conferred in the charter to the Syndicate that in their nuture and consequences are fraught with greater evil in this country than even the enormous expenditure of public money and lands. It seems to me, in going through that contract, there is nothing the Company could ask for that is not in it, and nothing they could ask to have left out that is not left out. If the Government had taken a blank sheet of paper handed it to the solicitor of this Syndicate, and said to him; "Now sit

down and write out whatever terms you want, bearing only in mind that we have an enormous majority in the House of Commons who are very faithful and true to us, and who will go along way to maintain us in our position," that solicitor could not have put in one provision more in the interests of the Company than he has done. We need not go further down than clause three to see the evidence of the most culpable carelessness on the part of the Ministrr of Justice who ought to have looked into this matter and of the Minister of Railways who probably knows more on this subject than the Minister of Justice himself. Read the standard of construction of this road, on which the Syndicate are to get our money and lands. It is that of the Union Pacific as at first constructed. I do not intend to take up the time of the House in detailing to you what that standard was. That has been already explained to you. That the exception was well taken, is borne out by the fact which, if not stated by the Government, has been stated in in some of their organs, that the Syndicate have been forced to write a letter, stating that they are willing to consent to alteration in the standard, and not consider themselves entitled to the standard of the Union Pacific as at first constructed, but to the standard of some years later. If this objection was not well taken, why did the Syndicate make this amended proposition? Having made it, does the writing of that better, absolve us from the responsiblity of adopting the contract with that clause unaltered. Ask any legal gentleman—I am not a legal gentleman—whether a simple statement by one of the members of the Syndicate that they are willing to accept another standard than that in the contract can vitiate that clause in a court of law. In the sixth clause we find the Government are obliged to complete the portions of the road already begun. The 125 miles from Kamloops to Yale, one of the most difficult portions of the line, for which a contract was let, we are to finish according to the contract, and to pay for it out of our own money. We are to complete the work in progress through that very difficult part of the territory between Thunder Bay and Selkirk, and in the seventh section we bind ourselves to hand over the Government section, when completed and paid for with our money, to the Syndicate. What do we do more? The ninety miles from Yale to Port Moody are alsoto be built by the Government, so that the very finality harped upon by hon. gentlemen who in this contract see a great advantage in the fact that it takes the work out of the hands of a Government, beyond political influences, as urged by the hon. member for Halton in his speech to his constituents, is not provided for. In this connection I do not take up the position that is taken by many hon. gentlemen. I do not think it is necessary that the public money should be squandered because there is danger of the hon. the Minister of Railways proving corrupt in the administration of his office. I do not believe it in reference to the hon. the Minister of Railways. I believe if such a charge were proved, he would be driven from his place. I hold therefore, that such a contention has no bearing on this subject. If such a monstrous thing might be supposed as that the Minister of Railways would violate his oath of office, proving recreant to the trust confided to him, that agreement with the Syndicate does not relieve us from that danger, because there is still a portion of the road retained by the Government, the contracts for which have to be let by the hon. Minister of Railways, and the progress of which work is to go on during a period of ten years, a period during which the Syndicate have to complete their portion. By the time they have finished their road, we shall have finished 712 miles of the most difficult part, paid out of our own money obtained by swelling the national debt, to meet the interest of which Prince Edward Island, Nova Scotia, New Brunswick, Quebec, Manitoba, Ontario and British Columbia will have to be taxed for all time to come. In clause 10 we find the Government have granted the station grounds, termini on navigable waters, etc., to the Company. That provision wasin the Act of 1874; but under this contract there are greater powers given to this Syndicate in reference to the selection of termini on navigable waters, and the amount of land granted, than were contained in the Act of 1874. As I read the 26th section of the Act of incorporation, not being a legal man, it gives the Syndicate virtual control of all the navigable rivers, of all the lakes, and the Hudson's Bay, and shuts out every other company. They may acquire all the land they want for elevators, storehouses, workshops, wharves and anything they require. They may own a line of steamships, so that they may become not only a great railway monopoly, but a great steamship monopoly, so that they can secure their lands and construct their wharves in such a way that no steamships but their own can touch their wharves unless they pay the tolls wrung from them by this Syndicate of such extraordinary power. Then I have a serious objection to clause 9. No matter at what item we look there rises up before us this thought—that there has been on the part of the Government either carelessness, amounting almost to criminality or ignorance, so great as one could scarcely expect to find in any members of this House. Clause 9 divides the work of the Syndicate into two sections the central and the eastern, and determines the amount of money and land to be given for each section. The central section is again divided into two parts. For 900 miles we give the Syndicate $10,000 a mile, that is $9,000,000, and 12,500 acres of each mile, which, at $1 an acre, would amount to $11,250,000; so that for building these 900 mile we give a total of $20,250,000. Now what is the cost of that 900 miles? Again, I give you the figures of the Minister of Railways fortified by the report of his Chief Engineer. His statement is that these 900 miles can be both constructed and equipped for $13,000 a mile. Although he, himself, thinks it can be constructed and equipped for $10,000 a mile, that would be a total cost of $11,700,000, or $8,550,000 less than we are giving the Syndicate to construct the road, besides giving them the road after it is constructed. The eastern section of 650 miles was estimated last year by the Minister of Railways at $30,000 a mile, or a total of $19,500,000. What do we grant to the Syndicate for that? We give them $10,000 in cash and 6,250,000 acres of land, which, taken at a dollar an acre, makes a total of $16,250,000, or $3,750,000 less than it will cost them. What is the inducement the Government offered to them by these provisions? It is patent to every man. The inducement is for the members of that Syndicate to construct that 900 miles of prairie road to take their $8,500,000 of profit out of it, and, if they sit fit, refuse to construct the eastern section, and then drop out of the concern with their money and their lands in their possession; for their money and their lands are given them as every 20 miles of the road is completed. What will be the penalty upon them if they do that? The Government retain one-fifth of twenty-five million bonds in their possession, which would be equal to a sum of $200,000 per annum. Under clause 10 we find that the Government are to admit free of duty many of the materials used in the construction of this road. It seems that the Ministry in framing this contract took care to put into it every clause that could make it obnoxious to their supporters and a bitter dose for them to swallow. This clause makes them swallow their whole National Policy which has been proclaimed so long and so vigorously from the housetops. The land may be taken any where in the fertile belt. I pass on. What need to dilate? I know I am harrowing up the feelings of the hon. gentlemen opposite as I put before them the iniquities of this contract. In clause 11, if you adapt this contract you give this Company power to take land

any where in the fertile belt, you give power to construct branch lines in the North-West, and to choke off all other branch lines, because all the Syndicate has to do is to select the ground on which they would like to run a branch line, draw a map of that, and fyle it in the Minister of Railway's office and go in and take possession. By clause 12 Government are to extinguish the Indian title. As the hon. member for Bothwell pointed out, this proves that the Company intend to go up into the fertile region of the Peace River Valley in order to take a portion of the land. In clause 13 the Company may locate the line where they see fit. It is true it is to be by consent of the Governor in Council, but the Minister of Railways, on whose advice the Governor would act, has told us in his admirable speech, the strongest speech that could be delivered in favor of that contract, that as far as the location of that line was concerned there was no danger in leaving it to the Company themselves. As their interest would be the best to consult, I take it that under that clause the Company can go on and locate that line wherever they please, and the Governol in Council will not say them nay. They may deflect it to the oouthward, if they see fit, and take the whole trade of our country down to the American channel, that gentlemen opposite are so afraid of in opposing the construction of the Sault Ste Marie road. In clause 14 the Government grant the land for the road bed, stations, workshops, in undefined quantity. Come to clause 15—and there is a clause that I implore hon. members opposite to reflect upon before they give their adhesion to it. What does clause 15 of that contract do? Sir, I wish to give nothing stronger in reference to that than the simple reading of the clause itself. I read clause 15, and let every gentleman here take in the import of it and understand what it means:

"For twenty years from the date hereof no line of railway shall be authorized by the Dominion Parliament to be constructed south of the Canadian Pacific Railway, except such line as shall run south-west or to the westward of south-west, nor to within fifteen miles of latitude 49 of the boundary line; and in the establishment of any other new Province in the North-West Territory provision shall be made for continuing such prohibition after such establishment until the expiration of twenty years."

I venture to say that no clause so iniquitous in its nature was ever inserted in any contract given by any Government to any railway company—absolute prohibition for all competing lines in that grand and magnificent territory of ours—and this prohibition, if it becomes a statute will be voted for by a majority of intelligent men, elected and sworn to subserve the interest of that country, as well as of the Dominion at large. Here is a prohibition of all lines running west and south-west; they cannot go nearer the boundary line than fifteen miles; cannot form any communication with any existing line of railway. This is bad enough for the farmers in the North-West, if they have to send their grain 500 miles away westward, when their market is eastward. But that might be borne. If they could do that, and pay the extra freight on 500 miles, and having done that, they could make a connection with an American railroad and have a competing line by which they might get a rate that would relieve them from the grinding rate that will be imposed by this Company. They are bound hand and foot in that contract. It is monstrous. Let the men from Ontario, let the men from Quebec, let the men from the Maritime Provinces look around and see what has been the history of railroads in our own country. In the city which I have the honor to call a part of my constituency, we have the Grand Trunk Railway passing through there—a grand main line—by which we could get on to the Great Western, or any other line, by a circuitous road. But we were eight miles from the main line, and we wanted a branch or competing line. The Grand Trunk was a good company, and was doing as well for us as for any other point. But they were a railroad corporation, and had no competition for eight miles, and we gave them $70,000 of cash bonus for that eight miles of railroad. Why? To get a connecting line and to get rates that would bring it on a par with other companies, to get rates that would give us back the money expended. This clause 15 is a monstrous provision. Suppose that for a period of 20 years from now the farmers of the North-West, if they felt the grinding rates, as they will feel them, imposed by this monopoly, if they were willing to put their hands in their pockets and give one-third of all the money or land they possess, in order to get a competing line that would give them an outlet and relieve them from the tyranny of that contract, they could not get it because Parliament will have stepped in and made it absolutely impossible. Will Parliament adopt that clause? Will intelligent men that must know the results adopt it? Yes, an hon. gentleman says; then I am sorry for my country. I am one of those that have always believed that in that North-West was the future hope of this country. I have never been able to believe statements minimizing the amount of land we have in that country, perhaps because I have not wanted to believe it. I am one of those ardent in admiration of that country. I believe and rejoice in the hope that it is written in the possibilities for us to work out for ourselves a grand heritage in this Dominion. I, as a young Canadian, born in the land, have had lofty aspirations with regard to the future of this country, and have looked forward to the time when we should have not simply 4,000,000, but 10,000,000 in our country, with our national pulse beating true and strong—when we should find the name of Canadian honorably known among the nations of the earth. I have looked forward to our opening up that great North-West. I believe there is a magnificent territory there with room for a wealthy and prosperous people. I believe that there will be a market there for the manufactures of the older Provinces, and the fish and other products of the Maritime Provinces. As I think of all this, and the high hopes entertained of that country, I confess that the glowing feelings that were mine, with reference to its future, are having a dark cloud thrown over them in that clause. I see by it deterioration in the value of the lands in the North-West and settlement restricted. I see in that clause discontent if not anarchy in the North-West, and I implore the House and Minister of Railways to strike it out even if you keep the others in. I am glad that Toronto has a representative here who is able to cry out: "louder," "louder," though he may not be able to discharge any other functions. Taking clause 16, let me ask the Minister of Railways what he thinks of it. The property and capital of the Company shall be free from taxation. That hon. Minister has stated that this is no more than is conceded to American roads; but it is well known that the American railways do pay large amounts of municipal taxation. There have been given to the Syndicate rights, powers, and privileges not given to American companies, and if that was not enough iniquity to put in the clause, he also provides that the lands of the Company given by this Dominion are to be free from taxation for 20 years. Last year when the First Minister was speaking on the land grants, he alluded to the question of exemption, his remarks being found at page 1058 of the *Hansard* for 1880. He knew the dangers that accrued from exempting large tracts of lands from taxation. He was cognizant of the evils of exemption in the case of the Canada Company in days gone by, and he told the House that he had given power to the resident settlers to tax the lands of the non-resident, and therefore those non-residents must either pay the taxes or sell out. He thus qualified that clause himself, and yet the same gentleman has since become a party to a contract wiping out that exemption clause and giving the Company freedom from taxation for twenty years,

so that the settler will have an unsettled mile on the east, west, north and south exempt from taxation. He will have to bear the whole burden, build churches and make road improvements, and the hon. Minister of Railways asks Parliament to adopt that clause. A single hon. gentleman says he is willing to support that provision. I hope he stands alone in this House. By the eighteenth clause the Company have power to take and hold all the lands they want for wharves, etc. By clause 19 they can take timber, stones, etc., for the construction of the road—they can take any timber they like. Under clause 26 they can virtually control all water privileges. As to freight rates, what do we find by section 20? That on that railway which, according to the statement of the Minister of Railways, will be run without paying all its running expenses from the day of opening and before long the interest on the money spent on it after all the land and money given that will more than pay every dollar laid out on the road, that the Company are to have the privelege of taking $8,000,000 of profit, at the public expense, over and above the expense of working that road, and out of the farmers of the North-West, before the Government can cut down their rates. Parliament will be powerless to compel them to lower those rates. The Minister of Railways said, that that view of the matter was a misinterpretation, and, in reply to the member for Gloucester, that he would be glad to know that the 10 per cent. was to be on the capital actually expended by the Company—that matters were not so bad as they supposed. The member for West Durham observed that that was not the meaning of the words of the contract, whereupon the Minister of Railways replied, that whatever doubt he might have as to the political principles of that hon. gentleman, he had the utmost reliance for his legal ability, and would defer to his judgment, that the member for West Durham had stated publicly here in the House, that that Act is liable to construction, that the interests the Syndicate are to get from the road is 10 per cent. on the total capital, coming from whatever source it might on the construction of that road. That road is to cost, according to the estimate of the Minister of Railways, from 78,000,000 to 84,000,000, so that there will be 8,000,000 of money to be taken under that section, before the Government can step in and do anything to the contrary. I see that the *Mail* states that there has been a misinterpretation, that there is to be paid only ten per cent. on the $5,000,000, which would be $500,000, which would be paid before the Government could interfere. But here is the quandary in which the Government is placed. The hon. member for West Durham (Mr. Blake) in whose legal opinion the hon. Minister of Railways has expressed his confidence, says that it will cost ten per cent. on the capital which they put in themselves. Suppose that they put in $5,000,000 to start with and they draw it out again, will the hon. Minister of Railways, who said that that was his idea of what was meant vote for a resolution which declares the interpretation of that clause to be, that the Company shall have only ten per cent. on the $5,000,000. I think it would be worth while to test that question by moving a resolution on that subject; and if we should see fit to do so I cannot very well see how the hon. the Minister of Railways, who has supported that interpretation, or his followers, can vote against it. And if they vote in favor of it we shall have saved to the farmers of the North-West, $7,500,000 by our action in that matter. But I will not much further trespass upon the time of the House. I am sorry that in the latter portion of my remarks I have been obliged, to some extent, to repeat what had been already said on the subject; but this was inevitable. For even hon. gentlemen opposite will admit that if an hon. member thinks it worth while to speak on the subject at all he cannot very well avoid going over the clauses in the contract. Now, I desire to say a few words in all frankness and sincerity. I, Sir, am one of those who believe in party lines in the government of a country. I am myself a member of a party, and I suppose I am strong in my political leanings, at least I have been told so, although sometimes I think I am not. Now, I do admire party men. I admire fidelity to the chiefs of any party, and I admire discipline in party ranks. I think it is a grand and a magnificent sight to see a body of intelligent men united hand to hand and shoulder to shoulder, in carrying forward what they believe to be for the weal of the country, or opposing what they consider against their country's interest. I admire the right of such a body of men acting loyally to their chief, and sinking minor differences of opinion for the sake of carrying forward their principles or accomplishing some noble end. As I have said, I admire the loyalty of a party to its chief. I think the right hon. gentleman who leads this House has had in times past expressions of the loyalty of his party, greater, perhaps, than it was ever the privilege of any other political leader to enjoy. He is a gentleman who challenges the loyalty of his party to an extent, and in a manner in which not merely his supporters, but those who are opposed to him may take an honest pride—a loyalty which is begotten not merely by intellectual power, but in part by the possession of those admirable qualities of heart, that amiability of disposition which gains not merely the admiration, but the love of his supporters. And it is because I am conscious of the devoted and fervent loyalty to himself, which his followers have so often exhibited,—and I wish he were in his seat that he might hear my words,—I say it is because of their loyalty that I would ask him not to require his supporters to do this one deed which they cannot afford to do. If it were merely that by so doing they themselves would go down with him, that they themselves would lose an election, it would be nothing; there would be something almost chivalrous in their conduct. If it were merely that their children after them might be pointed out as those whose fathers were willing to fasten fetters and shackles upon a people who desired to be free, it would not be so much. But they are asked to do more than that. They are asked not only to sacrifice themselves, but also to place themselves in the position of those whose names posterity will point at as men who knowingly or unknowingly did forge the fetters which were placed on our great North-West. But it is the interests of the whole country which are at stake, and I would appeal to the right hon. gentleman and his supporters, every one of whom took an oath, carefully to guard and defend the interests of Canada, not to do this thing. I would implore him to relieve them from the position in which they are now placed. Sir, we should not have party discipline carried to the extent to which it is carried in the army. We all remember the beautiful lines in which the heroic conduct of those who rushed into the jaws of death at Balaklava has been described:

> "Theirs not to reason why,
> Theirs not to make reply,
> Theirs but to do and die,
> Noble Six Hundred."

That was a grand and noble thing for a body of brave soldiers to do, but no political party should take such a position. Their part is to reason why: their part is to make reply. And I would say to the Government supporters, if you are asked to do that which sacrifices the interests of your country, while you may maintain all the fervor of your attachment to your political chiefs, your duty is to band together and wait on your leaders and tell them that while you are willing to follow them to any reasonable extent, there are interests involved which you cannot sacrifice; that the step which they are asking you to take is one which will prejudice the whole

future of Canada, and that you must be relieved in this instance from party obligations. I implore hon. gentlemen opposite to take that course; but if they do not choose to do it, I, as an independent member of Parliament, feeling the responsibility that rests upon me, can only say that after giving this matter mature consideration—and I trust that I have convinced hon. members opposite, that I have at least attempted so to consider it—as for me, whatever other men may do, my course is clear, my duty plain, and, to follow that course and discharge that duty, I must refuse my assent to the contract which is now before the House.

Mr. ROYAL. I crave your indulgence for a few moments, Mr. Chairman, to briefly examine the question from another point of view, from the point of view of the interests of the Province of Manitoba and of the North-West Territories, as I understand them, and I will confine myself to the discussion of some objections that have been raised by the last speaker against the details of the policy of the Government—say details, because the principle of the measure has received the most unequivocal assent of all parties, first of the Legislature of Manitoba and then of a mass meeting of the electors of Winnipeg. I will, with the leave of the Committee, read first, the resolution passed in the House of Assembly on the 22nd December:

"Whereas it appears, from a telegram dated 18th December, 1880, addressed by the Right Hon. Sir John A. Macdonald, Premier of the Government of Canada, to Thos. Scott, M. P. for Selkirk:

"That the Canadian Pacific Railway Company will have power to build branch lines anywhere; and whereas it is further intended, as appears from the publication of the terms on which the Canadian Pacific Railway Syndicate have agreed to construct, equip, maintain and operate the said Canadian Pacific Railway, to grant the said Company the exclusive right of building and operating branch lines of railway to the International boundary between Canada and the United States; and whereas, it appears further that the said Company have the right of accepting only such alternate sections of land as they may think proper, and it is deemed that the powers intended to be granted to the Company would be detrimental to the best interests of the Province of Manitoba; and while this House is of the opinion that the construction of the Canadian Pacific Railway should be entrusted to a private Company, it views with alarm some of the terms of agreement between the Government and the Syndicate; therefore, be it resolved:

"That for the present the Canadian Pacific Railway Syndicate should have given to them power to build only the main line of the Canadian Pacific Railway, and that any other line or branch line shall be built by the Syndicate or other company only after their obtaining power from time to time from the Parliament of Canada to build such line or branch, and that the main line of the Canadian Pacific Railway shall not be allowed to approach at any point within fifteen miles of the international boundary line, and that Parliament should not abandon its right of authorizing the construction of railways in any direction by other companies.

"That the Syndicate shall not have the option of selecting and choosing their own lands, but shall be compelled to take alternate sections or townships for their land grant in aid of the construction of the railway, irrespective of the quality of the same."

Here now is the series of resolutions adopted at the meeting of the 27th December last, held at Winnipeg:

"Whereas an agreement has been entered into by the Government and certain capitalists to build the Canadian Pacific Railway upon certain terms and conditions which have been submitted to Parliament for ratification, and, whereas the people of Manitoba and the North-West are deeply interested in this subject and the stipulations entered into, the citizens of Winnipeg, therefore, in mass meeting assembled, do endorse the action of the Dominion Government by entering into a contract with private parties for the construction of the Canadian Pacific Railway, and while we believe that it is to the interest of this country and the Dominion to establish railway connections with Ontario and other eastern Provinces through Canadian territory at the earliest possible time, yet we view with apprehension the powers proposed to be vested in the Company as to the location of branch lines and their power of running their lines to any point on the international boundary, and that it is the opinion of this meeting that no branch line should be run nearer the boundary line than fifteen miles until the eastern section is completed.

"That the unlimited power proposed to be given to the Canadian Pacific Railway to build branch lines of railway from the main line to any point in the Dominion, without the consent or control of Parliament or the Executive, affords an unfair and unjust advantage over other companies, and will tend to prevent the formation of new companies to build lines connecting with the Canadian Pacific Railway or any portion of the North-West Territories, and will thereby paralyze private enterprise and prove disastrous to the best interests of the country.

"That in the opinion of this meeting a tariff of railway rates cannot be efficiently regulated without the Government retaining the power to grant charters eastward, giving independent outlets to competing lines, and that the Parliament of Canada should not by any agreement with a private company divest itself of its sovereign right to authorise the construction of any railway lines when and where it may consider the interests or necessities of the country require or will be served by them."

There are, of course, many points very incorrectly stated in these resolutions, but I will assume that the objections intended are the following, namely: 1st. The Company should not be vested with the exclusive powers of running branch lines from the trunk to any point on the International boundary; 2nd. The Company should be submitted to the legal interference of Parliament or of the Privy Council in the making of its freight rates so as to protect the farmer and the importer against the monopoly established by the Act; and 3rd. The Company should not have the option of selecting its own lands, but should take them in alternate sections irrespective of the quality of the same. With regard to the question of the monopoly of the construction of branch lines from the main branch of the Canadian Pacific Railway, let us examine the two sections of the contract touching this point:

"The Company shall have the right, from time to time, to lay out, construct, equip, maintain and work branch lines of railway from any point or points along their main line of railway, to any point or points within the territory of the Dominion. Provided always that before commencing any branch they shall first deposit a map and plan of such branch in the Department of Railways. And the Government shall grant to the Company the lands required for the road bed of such branches, and for the stations, station grounds, buildings, workshops, yards and other appurtenances requisite for the efficient construction and working of such branches in so far as such lands are vested in the Government.

"For twenty years from the date hereof, no line of railway shall be authorized by the Dominion Parliament to be constructed south of the Canadian Pacific Railway, from any point at or near the Canadian Pacific Railway except such line as shall run south-west, or to the westward of south-west, nor to within fifteen miles of latitude 49. And in the establishment of any new Province in the North-West Territories, provision shall be made for continuing such prohibition after such establishment until the expiration of the said period."

Without speaking of the constitutional issues raised by this last section with regard to Manitoba, I may ask, now, what is the evident intention and the true reason of section 15? Just to prevent the construction of railway lines that would take the freight away from the Canadian Pacific Railway to transfer it to the American lines across the frontier. I can see no other motive. The first and the main object of the construction of the Canadian Pacific Railway is to afford a Canadian outlet to Canadian freight on Canadian territory; in the second place, such is the physical position of the country, that a line of railway built as is contemplated, shall take, not only the carrying trade of the Canadian territory, but also that of the wheat-growing States to the south of the boundary. It is of the most vital interest—and every one who knows will admit it—to the St. Paul, Minneapolis and Manitoba Railways to make their road system a feeder to the Canadian Pacific. And it is held that their own chance to escape the crushing combination of the railway lines east of St. Paul and Chicago—which are fast extending branches north-westward into Dakota—is to gradually divert down to Winnipeg the traffic of the northern and fertile regions of Minnesota, Dakota and Montana. The opportunity afforded by this contract to the keen railway gentlemen from St. Paul has not been lost. In one glance they have taken the whole situation, and in this measure they feel an interest at least equal to ours. Connected with the Canadian Pacific Railway system, their line completes the most powerful and independent rival to the seaboard from the Rocky Mountains that can be met by the railway king monopolists of the United States. This measure converts into a most faithful and interested ally that St. Paul, Minneapolis and Manitoba Railway Company who up to this day have been building up their fortunes at the expense of Canadian freight and Canadian immigrants. And so it is that these branch lines that are either intended

or in construction towards our frontier, instead of containing any longer the menace of a danger to our carrying trade, will and shall become as many important tributaries to the Canadian Railway system. The St. Paul, Minneapolis and Manitoba Railway Company, like any other company, are guided by no sentimentality in their operations. Business is their instinct, money their object. Therefore, I hold that the building of the Canadian Pacific Railway will give their own system of railway in the north western States of Minnesota and Dakota a degree of lasting prosperity that otherwise it would have been impossible for them to expect or even dream of. In order to form an idea of the importance of the trade that the St. Paul, Minneapolis and Manitoba system of railway will pour into the Canadian Pacific Railway channel, we have only to note the fact that the St. Paul, Minneapolis and Manitoba Railway has two trunk lines, one of which is running through the best portion of northern and western Minnesota for 217 miles, to Brackenridge on the Red River, where it connects with the steamboats of the Winnipeg and Western Transport Company; thence northerly on the east side of Red River, down the valley 201 miles to St. Vincent on the Canadian boundary line. The other line commences also at St. Paul and runs north-westerly to Barnesville, a distance of 224 miles, where it connects with the first named line. The land grant of the company is 3,000,000 acres, and extends in a belt some 225 miles long by 30 miles wide (15 miles on each side of the line) across the central portion of the State to its western boundary on the Red River, thence north over 200 miles, to the Canadian boundary. The area of Minnesota is 45,000,000 acres, of which 3,500,000 only are under cultivation. The State produces about one-tenth of the entire crop of the United States. In 1878 the crop of oats amounted to over 16,000,000 bushels, corn to 13,000,000 bushels. The population of the State was 775,000 in 1879. Another consideration with reference to the objection of the possibility of the Canadian Pacific Railway becoming only the modest branch and feeder of the St. Paul line, and that is the fact of the diversity of the nationalities of the Syndicate and the small interest owned by the St. Paul gentlemen in proportion to the share of their co-associates. How can it be said that the minority of interest will absorb or could be allowed, in so vast an undertaking, to absorb the majority, when so many millions of money and property are at stake? The supposition is simply untenable. We have seen in what profitable direction lies the private interest of the St. Paul associates in this undertaking, and their interest becomes more intensified as it is united with that of the majority of the whole Syndicate. It has been suggested that the construction of that part of the Canadian Pacific Railway main line, between Nipissing and Thunder Bay, should be postponed, and the Sault Ste. Marie mixed land and water route be adopted and built in the meantime. No, Sir, a proposition so dangerous and so anti-patriotic cannot be entertained. By doing so, you would at once invite the construction of an air-line from Duluth to the Sault, or St. Paul to the Sault, a distance of about 450 miles, and with what consequences to your branch of the Canadian Pacific Railway between Thunder Bay and Selkirk? Although shorter by 200 miles than the all-rail route, the Canadian mixed rail and water route from Selkirk to Nipissing, *vid* Fort William, Lake Superior and Sault Ste. Marie could not, even in summer time, compete with advantage with the Sault Ste. Marie and Duluth route, on account of the disadvantage of all sorts, the risks and the uncertainty of lake navigation. Therefore, if you want to ruin forever our Canadian Pacific Eastern Division, build the Sault Ste. Marie route, and, instead of considering a bill for the extension of the boundaries of Manitoba, you had better introduce a measure to allow the Province and the North-West Territories to annex themselves to Minnesota and Dakota. The Sault Ste. Marie system would, besides, give a most fatal blow to the St. Paul, Minneapolis and Manitoba Railway system, whose trunks and branches are directed north and north-west, without any connection with the lines running east or south of St. Paul. The Northern Pacific or some other powerful combination would soon absorb that portion of the trans-continental traffic, and become *de facto* to all intents and purposes of transport a Canadian Pacific Railway. From the above considerations, which in my mind flow from the nature of things, it is safe to conclude that, in justice for the Syndicate, whose primary interest we have seen is to draw from the States of Minnesota, Dakota and Montana all the freight they possibly can to their line, the Company should be vested with the exclusive power to connect with other lines on the international boundary; and that far from discovering in this section any danger for the interest of Manitoba and the North-West Territories, it is one of the best possible guarantees of the prosperity and success of the great national enterprise. Before this contract Canadian interests had at St. Paul a powerful hostile influence to guard against in all her carrying arrangements; by virtue of the contract, that influence is converted into a most beneficial and promising union of interests. Annexation has been, not their way, but our way. The second objection raised in Manitoba against the Government measure now submitted to the Committee is the so-called monopoly given to the Canadian Pacific Railway Company to regulate their freight rates. What does say the 20th section of the Bill in this respect:

"The limit to the reduction of tolls by the Parliament of Canada, provided for by the eleventh sub-section of the 17th section of the Consolidated Railway Act, 1879, respecting tolls, is hereby extended, so that such reduction may be to such an extent that such tolls when reduced shall not produce less than ten per cent. per annum profit on the capital actually expended in the construction of the railway instead of not less than fifteen per cent. per annum profit as provided by the said sub-section; and so also that such reduction shall not be made unless the net income of the Company, ascertained as described in said sub-section, shall have exceeded ten per cent. per annum instead of fifteen per cent. per annum as provided by the said sub-section. And the exercise by the Governor in Council of the power of reducing the tolls of the Company as provided by the tenth sub-section of said section seventeen is hereby limited to the same extent with relation to the profit of the Company, and to its net revenue, as that to which the power of Parliament to reduce tolls is limited by said sub-section eleven as hereby amended."

A great deal has been said of the very high freight rates west and north-west of St. Paul; nothing too much has been said. Grave complaints have been made against the American land companies who were holding back a large proportion of the Canadian immigration; not a word too much has been said. It is, therefore, only too natural that the public sentiment of Manitoba was shocked at the news that the very people of St. Paul, the authors of such freight rates, and of such treatment to Canadian immigrants, were to have a large influence in the building and operating of the Canadian Pacific Railway. Fifty million acres of the best lands were to be their lands; the construction of the branch lines south was to be exclusively in their power; the freight rates were to be fixed by them; the word *capitulation* has been used. Yes, at first sight it was thought in Manitoba, that the people of the territories of the North-West had been—in a moment of political *vertige*—handed over to the Americans. Now that the question has been seriously and anxiously gone into and discussed in all its bearings, what is the truth? I have tried to establish that, in virtue of the new and enormous interest created by this contract, the St. Paul, Minnesota and Manitoba Railway system would become a ruin, a total loss, a dead enterprise if it was not to be gradually operated as an immense feeder to the Canadian Pacific Railway system. The interest of the Syndicate appears to me also one of the best guarantees that the Canadian producer or importer will be protected against the imposition of any extravagant freight rates. The rule "charging all an article will bear, and at the same time stimulating its production," is no

doubt the principle followed by railway monopolists; and would be no doubt the principle also adopted by the Canadian Pacific Railway Company, if unchecked by law, or by Parliament, or their interest. But Sir, we have not to deal here with a gigantic system of railways already in operation, traversing countries teeming with millions of people, producing millions of tons of agricultural freight, carrying in one year 180 million bushels of wheat, and terminating just where the desert commences. Therefore, the circumstances must alter and do alter the case. The Canadian Pacific Railway will be, during a number of years, a purely colonization railway, and I dare say that some years will elapse before the through traffic with the seaboard acquires any great proportions. The local market in Manitoba will consume a large share of the farmers produce, especially so, if the immigration is what it is believed it will be, and what the best interest of the Company requires it should be. You are afraid of the prospective tariffs of freight; but suppose for a moment that the Company would succeed in establishing rates that would be exorbitant. What would be the immediate result upon the immigration? Where is the immigrant from England, from France, from Germany that would consent to travel thousands of miles, to become what? The serf—the slave—the producing machine of the Canadian Pacific Railway corporation. In giving such an enormous land grant to the Syndicate, we have made them owners of the soil and created thereby the surest safeguard against any kind of excessive rates. The fact is that an opposition tariff would ruin their interest as land owners, would paralyze trade, and most successfully destroy all their legitimate hopes of profit. In arranging their rates, the progenitors of the Canadian Pacific Railway stand in a position and with interests wholly different from the position and interests of the large railway monopolists of whom we have heard so much. They will have to combine their interests as owners of the soil will, their interests as owners of the railway, and it is only reasonable to expect that these men—the first business men of the age—will strike rates that will serve and develop both classes of these interests. What have been the cause of the deep dissatisfaction and troubles we have witnessed in the war of freights on the other side of the frontier? What has given rise to the powerful association of the Grangers? Why, nothing else—no other cause but the conflict of interest between the railroad owners on the one side, and the farmers, the soil owners, on the other side. In no instance have hon. gentlemen cited one single railway corporation in the United States that had large tracts of land to colonize, who has imposed oppressive freight rates. I say that the example of the railway monopolists applies only to parallel cases; we have not to deal with freight rates between St. Paul, Chicago and New York, but between Battleford and Montreal and Halifax. From the nature of things, from the paramount interest (the guiding star of all corporations) of the Canadian Pacific Railway Company, I infer that the people of Canada have no cause, either present or remote, to fear the imposition of excessive and production-destructive freight rates. Suppose, however, that notwithstanding the most judicious combination of interests created by this Government measure, the Canadian Pacific Railway Company attempt to go beyond all reason and wisdom and inaugurate an immoderate tariff of charges, where would be the remedy? The Company is, we are told, to be organized with a capital of $25,000,000, by the first of May next, when $1,000,000 is to be deposited and notice of the transfer of the contract to the Company published in the *Canada Gazette*. They will at once take possession of 85 miles of railway in operation, and the Pembina, or rather the Emerson and Selkirk Branch; in one year from now it is expected that 300 miles at least, west of Winnipeg, will be in operation; and in 1884 it is assumed that 800 or 900 miles of the prairie section together with the Lake Superior section, will be completed; or, in other words, the Company will then have some 1,200 or 1,300 miles of the line in full operation. By the addition of the 418 miles of the St. Paul, Minnesota and Manitoba Railway to the above, the Canadian Pacific Railway Company will find themselves in possession of a system of railway that will be far in advance of the requirements of the people and of the trade of that immense country. By that time a tariff of charges will have been fixed; but is the Company to be left alone in fixing such rates? Have they nobody to consult but themselves? No other interest to watch but their own? No other law to obey but their own avidity? However convinced the Government may have been that the interest of the Canadian Pacific Railway Company would be the best check against any desire to overcharge, yet we find that part of the contract is surrounded with all sorts of precautions. First, the Company cannot collect one cent of freight without the rates being approved by the Governor in Council; and it is fair to assume that the law gives the Privy Council power to determine the duration and the principle of the tariff of charges to be levied. At least, such appears to be the natural interpretation of the Act. In addition to that control, which applies more particularly to the sections of the line as they are operated, the 20th clause of the proposed Bill now under consideration amends the Consolidated Railway Act, 1879, (Sect. 17, sub-sect. 11) and reduces from 15 to 10 per cent. per annum forfeit on the capital actually expended in the construction of the railway, the limit beyond which no increase in the freight-rate shall take place without the consent of the Government. Some will say that the words—"capital actually expended" mean whatever sum of money expended in the construction, whether fifty or one hundred millions, and whether it is out of the public subsidy or not. But the opposite view is just as rational if not more so, for how can you reasonably pretend that the sum of money subscribed by the people shall regulate the proportion in which the railway so subscribed shall impose their freight rates upon the citizens. It would sound like paying an interest on one's own gift of money. And I concur in the opinion already expressed, that these words mean the capital expended by the Company in the construction, over and above the public subsidy. The Central Pacific Railway Company are not, therefore, the only judges of what is to be a moderate tariff of freight rates; every one of these steps will be watched by the Government, and the absolute control of the Privy Council is only limited by what appears to me to be equity and justice. But the word *monopoly* has been pronounced; that word which is always sure, when uttered by eloquent lips, in the presence of a meeting of free men, to agitate and to move public opinion. Where is that monopoly to be found in the creation of a corporation whose interest in the soil, in the industry, in the commerce is so deeply concerned, whose success is so intensely and so variously identified with the prosperity of the nation itself? Because an individual is liable to be taxed for school and municipal purposes, you call it a monopoly when you exempt a public institution from such taxation; and I say you are wrong. Railways are so many public institutions in our age; and the best proof that they are such is to be found in the way they are treated by the laws and the government of every country in the world. Everywhere you find railways encouraged by public aid and by exemptions from public charges; the monopoly commences and is possible only when the laws do not provide any check against their avidity. We have such a law; it is the one at present under discussion. Now, Sir, the Canadian Pacific Railway system augmented with the powerful aid of the St. Paul, Minnesota and Manitoba Railway across the American boundary of the North-West, is destined at no

distant day to compete with the five or six gigantic trans-continental railway systems of the United States in carrying the immense farm produce of the great American plateau to the seabord. Well, how can such a competition be made possible and successful? Is it not by a lowering of freight rates below those of the rival lines? Therefore, the canadian farmer of the North-West,—far from being crushed and annihilated by the so-called monopoly of the Canadian Pacific Railway Company, shall get the benefit of a lower rate of freight than that of his neighbor in Illinois, Wisconsin and Iowa. It has been stated, and no doubt with a great deal of sincerity, that this measure is the death blow to private railway enterprise in the North-West territories; that the Canadian Pacific Railway Company having power to build branches in every direction will cover that vast region with a gigantic net of railways, and so on. Where is the evil? Who can complain of too much railway construction in a new and rich country? How can private railway enterprise be more beneficial to my country than that of the Canadian Pacific Railway Company? We all know that no public aid, or exemption, or subsidy is given for the construction of the branch lines of the Canadian Pacific Railway; then I ask, where is the monopoly? This Parliament last year chartered three semi-Pacific lines of railway, running from the Red River to the Rocky Mountains; two more are petitioned for at present, so that if these are granted, we may expect to see the Great Lone Land traversed from east to west and north-westward by no less than six railroads, varying in length from 800 to 1,200 miles and more, not to to say anything of the Navigation Companies on the Saskatchewan, the Assinniboine and the Red River. These railway lines, when constructed, will become naturally so many branches and so many feeders of the Grand Trunk of the Canadian Pacific Railway; and they will consequently and to a large extent, influence the tariff of rates of the Canadian Pacific Railway Company, not only in the carrying-trade between their terminal points, but also upon the carrying-trade to the Atlantic or to the Pacific seaboard of the Canadian Pacific Railway Company. Two other railway charters have been granted last year by this Parliament besides those I have just mentioned—I mean the Winnipeg and Hudson Bay Railway and Steamship Company, and Nelson Valley Railway and Transport Company. I had the honor a few days ago to call the attention of the House to the important part that the navigation of the Hudson Bay was, in the minds of many, called at a future day to play in the Canadian carrying system. Well, I find in these two charters a new and a most effective check against any attempt at oppressive through freight rates by the Canadian Pacific Railway Company. The possibility of an amalgamation between some of the five private lines running from the Red River to the Rocky Mountains and the Peace River and a line of railway terminating 350 miles north of Winnipeg at Port Nelson, on the Hudson's Bay, will be of itself a sufficient warning to the Canadian Pacific Railway Company against any abuse of their so-called monopoly. Again I demand where is the monopoly. This idea of the more than probable future importance of the transatlantic communication by the Hudson's Bay is fast gaining ground in public opinion; and in connection with this, permit me to read what the London *Free Press* said only a few weeks ago upon the same subject:

"Railway development in the North-West is not to be confined to the Pacific enterprise though that may be said to engross attention for the present. Another scheme is rapidly maturing which promises to be almost of equal importance as affecting the future of that part of the country. We refer to what is known as the Nelson Valley or Hudson's Bay railway route, which has in recent years been frequently discussed in the *Free Press* columns. So long as the great territory now opened up remained in the possession of the fur companies, the idea of its arctic character and inaccessibility was industriously circulated in every way. True, York Factory was annually visited by vessels in the service of these corporations, but the difficulties and dangers of navigation in these latitudes were magnified to such an extent as to forbid any but the most adventurous from making the trial. Since, however, the North-West promises to become the great bread producing region of the world, and schemes of transportation have arisen to national dimensions in importance, the Hudson's Bay route has been examined with greater care, and inquiries have revealed that it is not only feasible, but presents features of attractiveness but little dreamt of before. Prof. Bell, of the Geological Survey, has just shown by practical experiment that Hudson Bay Straits are open for navigation, not for two or three months only, as was formerly stated and believed, but during five and a half months in the year, or nearly as long as the St. Lawrence. Last spring he embarkeed in a sailing vessel at York Factory for England, and his arrival in London is just announced by cable. The vessel was three weeks windbound in the Straits, during which time not a single iceberg was visible. As a result of this information, surveyors in connection with the Hudson's Bay and Winnipeg Railway Company are to start out at once to survey the proposed line along Nelson Valley, from Winnipeg Lake to Churchill, to connect with ocean navigation there, and thus open up the shortest route between the old and the new world. The distance is about 350 miles. Another section of the road is to connect the southern terminus near Norway House with the main line of the Canadian Pacific Railway at the crossing of the Saskatchewan, about 150 miles distant. The entire length of the road will be 500 miles. Last summer an exploratory survey was made, and found to be satisfactory in every way. But few engineering difficulties were found, and the line can be laid without any great outlay. Among the capitalists interested in the project are Hon. Thomas Ryan, chairman of the provisional board of directors; Hon. John Hamilton, Peter Redpath, A. Murray, President of the Canada Shipping Company, all of Montreal; Mr. Duncan McArthur, of Winnipeg, and others of equal financial ability. The line is expected to draw its traffic from the fertile fields not only of Manitoba and the Saskatchewan, but also of Minnesota and Dakota. By this route it is expected grain produced in these region will be laid down in England much more cheaply and quickly than by any other with less transhipment, and through a climate of the most favorable character."

Let us admit for a moment the hypothesis of the Canadian Pacific Railway Company, "charging all an article will bear;" let us suppose that the two St. Paul gentlemen of the Syndicate will acquire a complete control over the six or eight other members of the Company, and that the attempt is made to render the whole Canadian North-West tributary to the St. Paul, Minneapolis and Manitoba Railway; let us suppose that in this combination, the St. Paul gentlemen conclude an alliance offensive and defensive with the Northern Pacific, so as to build up, complete and operate the Sault Ste. Marie route,—do you know how Winnipeg can and will escape from ruin, and impending annexation? Just by going north, to the Hudson's Bay, and—with the sanction of this Parliament—by organizing a syndicate that will combine the North-West system of railways with an outlet 85 miles nearer to Liverpool than is the harbor of New York. Under such a combination, Winnipeg, from its geographical position, would become the great distributing centre for the imports and the exports, and attain a degree of grandeur and prosperity only equal to that of the largest cities of Canada. The Hudson's Bay system of railways would afford the cheapest route of all other lines—now struggling to attain the monopoly of the carrying trade between the two hemispheres. And as wheat could be laid down at Liverpool *viâ* Winnipeg and Port Nelson, at less cost than by any other route, this difference in the rate of freights—as between this and any other line—would just add that amount to the value of the product of the North-West, save the risks of tedious transportation across half of the continent. Indeed, Sir, such would be the revolution in the carrying trade, that shipments of grain and goods could be made from Winnipeg to Halifax and New York, at lower rates, *viâ* Hudson's Bay, than by any other route. The tide of commerce from the North Western States and the Canadian North-West Territories, heretofore setting south, would hence be in a northerly direction. I now come to the third objection, and it is this: the Canadian Pacific Railway Company should not be permitted to select the best lands; they should take them in alternate sections irrespective of quality; and objection is taken to the 11th section of the contract, which is as follows:—

"The grant of land hereby agreed to be made to the Company, shall be so made in alternate sections of 640 acres each, extending back 24 miles deep, on each side of the railway, from Winnipeg to Jasper House, in so far as such lands shall be vested in the Government, the Company receiving the sections bearing uneven numbers. But should any of such sections consist in a material degree of land not fairly fit for settlement, the Company shall not be obliged to receive them as part of such grant, and the deficiency thereby caused and any further deficiency which may arise from the insufficient quantity of land along the said portion of the railway, to complete the said 25,000,000 acres, or from the prevalence of lakes and water stretches in the sections granted (which lakes and water stretches shall not be computed in the acreage of such sections), shall be made up from other portions to be selected by the Company in the tract known as the fertile belt, that is to say the land lying between parallels 49 and 57 degrees of north latitude or elsewhere at the option of the Company by the grant therein of similar alternate sections extending back 24 miles deep on each side of any branch line or lines of railway to be located by the Company, and to be shown on a map or plan thereof deposited with the Minister of Railways; or of any common front line or lines agreed upon between the Government and the Company, the conditions hereinbefore stated as to lands not fairly fit for settlement to be applicable to such additional grants. And the Company may, with the consent of the Government, select in the North-West Territories any tract or tracts of land not taken up as a means of supplying or partially supplying such deficiency But such grants shall be made only from lands remaining vested in the Government."

I must say in all candour that I fail to see any unreasonable or objectionable features in this disposition; in fact, I give it my most hearty approval. Every gentleman speaking upon this question has given a cash value to the 25,000,000 acres of land grant to the Canadian Pacific Railway Company, some in fanciful prices, others being more moderate. I am not going to dispute any of these lengthy and dry calculations, but I will say that, in making this contract the Government of Sir John A. Macdonald has sold in one day 25,000,000 acres of land for $25,000,000 cash. I will say more, for I contend that in selling for cash 25,000,000 acres of land for $25,000,000, the Government of Sir John A. Macdonald has, in the same stroke of genius and luck, managed the disposition of 25,000,000 acres more and insured their colonization. The effect of the grant of 640 acres, by alternate sections, 24 miles deep on each side of the railway, is that, for every section sold and settled by the Company, the Government will be able to sell and settle the next section at the same price and at the same time. The system of immigration and the system of the sale of lands by the Government and the Canadian Pacific Railway Company, will have to be uniform and equally active and energetic. This is no unimportant feature in this contract. Besides, it relieves Canada forever of the vacillating and ruinous policy of the red tape and incapacity, and sometimes the corruption of some of the officers of the Department of the Interior in their management of the public lands. No doubt the admirable system adopted for the sale of their lands by the St. Paul, Minneapolis and Manitoba Railway will be extended to the lands of the Canadian Pacific Railway Company, a system under which sales have been effected for the first 18 months of the company, ending 1st July, 1880, to the amount of $1,481,069.65, with cash receipts of $596,084.57, and a total of 313,902 acres. The land grant to the company is 3,000,000 acres. An enormous permanent saving will thus be effected in our public service, and a system will be adopted that will give, at last, that security and that satisfaction to the immigrant which have been so utterly wanting up to this day. It is, therefore, of the utmost importance that the 25,000,000 acres of the land grant should be composed of land fairly fit for settlement; for, under the alternate system, it is the only way in which Canada will be enabled to derive the benefit of the activity and energy of the Company in the rapid settlement of the public lands. No one, in considering this question, must lose sight of the material fact that wherever the Company goes to select its lands the Dominion Government follow, and that whatever price and terms the Company put upon its lands the Dominion Government will do the same. Thus an enormous gain is directly attained by Canada which it would be impossible to secure under any other system. In a recently published speech of Mr. Colby, a prominent official of the Wisconsin Railroad, suggestive remarks were made, which, being appropriate to this argument, I shall take the liberty to read. Mr. Colby said:

"In 1852 the sale of lands by the General Government did not bring money enough into the treasury to pay the expenses of the Land Department at Washington, and it became a serious question whether it would not be expedient for the United States to concede to each State the lands within its borders. It was thought best, however, first to try the experiment of giving land grants to capitalists to induce them to build railways into the unpopulated country, and in advance of civilization and business. * * They made a grant first to the Illinois Central. In 1853 the first earth was turned in the construction of that road, and before the year closed the General Government sold 2,800,000 acres of land, and in fifteen years retired from the State as a land owner. * * Since the time that grant was made, the United States Government has patented to railway companies about 41,000,000 acres of land, and as a result has been able to sell other lands to such an extent that it has received into the treasury from this source alone $250,000,000, all of which, after deducting the mere expenses of the Land Department, is clear profit."

Instead of finding fault with the contract for the 11th section, I submit that its provisions are, on the contrary, most judicious and most conducive to the public interest. The Government has effected a cash sale of 25,000,000 acres of land, has absolutely secured the progressive sale of 25,000,000 more, and has thus effectually insured the rapid colonization of 50,000,000 acres of the public domain, upon which not a living soul may be found at present except the roaming and half-starving Indian. I have, now, gone over the main objections raised to the Government project in Manitoba, more especially I have tried to meet them fairly and squarely, and I have based my argument upon an intimate knowledge of facts and things in the North-West, acquired during a residence and a period of most active public life of ten years. These same facts and considerations have gradually, most naturally, come up to the surface of public opinion in Manitoba, when the agitation adroitly created and stimulated by some persons has given way to a second and more sober thought. The whole policy of the Government has been endorsed since, in all its principles and details, by public meetings and the citizens, first at Selkirk, in Lisgar, then at Winnipeg in Selkirk, and at Emerson in Provencher. Yes, Sir, Manitoba and the Canadian North-West give their hearty and most cordial support to the scheme now under consideration, because it is the crowning portion of the splendid edifice of Canadian institutions. The tidings of the truly national and commercial policy of the Government have been gladly received all over the immense tract of country which it is our mission to redeem to christianity and civilization, and Sir, believe me when I, who am from the North-West, and speaking here as a representative of the North-West,—believe me when I say that this policy of the Government shall necessarily give an immense stimulus to the colonization and development of Manitoba, and of the whole vast territory west to the Rocky Mountains. Population will pour along its lines; millions of acres of the finest wheat lands in the world will be brought under cultivation; great cities and towns will spring up along its trunk and lateral lines,—and all the miracles of the North-Western growth will be repeated in the transformation within a few years—of the now nearly solitary plains of the Great Lone Land into a new and populous empire, teeming with the products of agricultural industry, and pouring its golden streams of traffic through all the channels, not only of Canadian, but of international and intercontinental commerce.

Mr. ROGERS. After the very exhaustive arguments of hon. members on both sides of the House, it may be difficult to advance much that is new. But the scheme now before us for the construction of a portion of the Pacific Railway by a Syndicate and the balance by the Government, the ownership of the whole line becoming the absolute property

of the Company, involves not only such a large amount of money, but also the progressive development and future political standing of Canada, that I would hardly do my duty to my constituents or myself by giving a silent vote in condemnation of what I conceive to be a most unfortunate and ill-advised scheme. Had I occupied a seat in this House in 1871, when the resolutions was passed for the admission of British Columbia, and making it imperative to reach the Pacific coast within a limited period at any cost, I believe I should have opposed it, as I think a very large majority of this House would now do if they had the opportunity, because it appears to me that that provision has been the basis of much subsequent trouble. In the effort to accomplish so great and costly a work in advance of popular opinion, and before it could be justified by population, or known resources, both great political parties have met with embarrassments. Few people, looking to the future consolidation and permanency of this Dominion, are wanting in the hope of eventually securing a railway to the Pacific Ocean. But as every branch of the business of life and the dreams of future greatness and wealth can only be properly realized in their full fruition by prudence, economy and foresight, the history of all successful countries, as well as the individuals comprising them, teaches the danger of rashness and speculative recklessness in aiming at great achievements. How often do we see farmers and business men bringing ruin on themselves and their families by mortgaging their property for a fine house or other luxury which they might have obtained and enjoyed by gradual thrift and economical management. The Ministers and their supporters who glorify themselves so persistently now for what they have already done in inaugurating so hastily these proposed large expenditures, and creating such enormous liabilities involving taxation and disaster, are not gaining for themselves laurels, or securing for themselves the gratitude of the people whose servants they are. They may tell us a railway from ocean to ocean at any cost is a work of immediate necessity involved in the terms of Confederation, that it will bind together still more closely Canadian interests, and solidify the whole Dominion. I beg to dissent from any such view—I believe the opposite. The development of the good lands in the North-West, and the gradual extension of a railway therein so fast as required for the benefit of settlers, and an ultimate extension of the line to the Pacific when the country becomes able to provide for it, would be the wisest, safest and statesman-like course to pursue. At the time of Confederation the Maritime Provinces were deluded with assurances of leading public men that the taxes would not be increased beyond 15 per cent. on imports, and that less than that was practicable. New Brunswick has already been subject to the payment of a large annual sum as the result of a breach of faith in raising duties on imports beyond the 15 per cent. at the time of Confederation to the present high tariff. The natural channels of trade have been obstructed, and the business of the Province more or less retarded. By the conditions of the contract which the House is asked to accept, the debt of the Dominion will be very largely increased. As New Brunswick contributed about one eleventh part of the revenue, her portion of the debt may be fairly set down at five millions of dollars. Allowing for an increase of population since last census, we will have 50,000 families, with a debt of $100 to each family. Interest at 5 per cent. will be $5 a year tax—or by the per head, $16.66, or 83 cents per year, and this is without providing any sinking fund for the extinction of the debt. This is three cents more than we receive per head from the General Government. This sum, in addition to our local taxes will, I fear, do but little to retard the present exodus of a part of the most desirable portion of our population from the country to the neighboring Republic. In addition to this large money

grant of $25,000,000, and 706 miles of road completed, costing about $35,000,000, we are asked to hand over to this Syndicate 25,000,000 acres of selected lands, which are now valued by hon. members opposite at one dollar per acre. The hon. Minister of Railways has failed to take the House into his confidence and tell us why in his estimation the value of these lands has depreciated so much since the Session of 1876. At that time by resolution brought down by himself, and voted for by hon. members opposite, they set apart 100,000,000 acres of land for the construction of the Canadian Pacific Railway, and vested the power of sale in commissions specially appointed for that purpose. The hon. the Minister of Railways said at that time, only two years ago:—

"Exception may be taken to the minimum price of $2 an acre, but who is there who will not say, looking to the character of lands in the North-West, that the settler will not prefer to pay $2 an acre for land within 20 miles of a railway that will bring his produce to market than have as a free gift land without railway facilities."

They go on further to say that it is their opinion the selection of the Burrard Inlet is premature. They soon changed their minds in that particular, and adopted that route. I hope they will change their minds if this resolution is carried as quickly and abandon the contract. I have still higher authority. In referring to the sale of these lands two years ago, the right hon. the leader of the Government said:

"We are going into the English market; we will tell England: Here, we are going to build a great railway across this continent. It is going to pass through one of the finest countries the sun shines on, and will be the happy home of millions of descendants of Englishmen. Every immigrant that settles there will be an additional strength to England. We offer you a great road, the shortest to be found in the world for your trade, across the continent to China and Japan and all the North Pacific, and besides that, we offer you the credit of Canada, the consols of Canada. It will be a special and favored stock, and when put into the English market, the capitalists of England will find in all a profitable investment. Canada says: We pledge you our faith for all the money, besides 100,000,000 acres of land, worth $2 an acre, and we pledge you, besides, the road itself. Never was stronger security given. The consols of England are not stronger, or based on a stronger condition than will be the amount that will be required to build that road. We will allow the British Government to choose one Commissioner, we will choose another Commissioner, and those two men shall hold a *quasi*-judicial position, somewhat like the Auditor-General in England, and the Auditor-General, free from all political exigencies, from the chance of all political change. They shall be charged to faithfully and honestly administer that enormous estate of 100,000,000 acres, to invest it in Dominion securities, not to sell any land under $1 an acre, except with the joint consent of the two Governments, the Government guaranteeing and the Government borrowing, and, besides all that, to administer the operation of the railway itself. I have faith in the future of the railway. On the extreme east and the extreme west we have a difficult and rugged country, but the main body of that railway passes through a magnificent country, which will be the happy abode of millions. Just consider what a hand, if I may use a simile from the gaming-table, a Minister would hold, who should go to England and say, not only is the credit of Canada pledged for this road, but 100,000,000 acres of land are set aside for it, not to speak of this great railway itself and all its future earnings, which is to be built by Canada and kept free of incumbrances. * * "We can judge of the value of those lands by the average value of the lands in the United States. More good land will be pledged to build the Canadian Pacific Railway than was given to build the Northern, or the Union Pacific, by far. On the one, the average value was $6.50, and, on the other, $4.50, an acre, and those United States lands are selling now at $20, $30, and $40 in favorite places. We are very moderate in our calculations, then, in estimating $2 as the average for the 100,000,000 acres we propose to give, and which will yield $200,000,000 at least."

Section 7 of the resolutions adopted 12th May, 1879, runs as follows:

"That said Commissioners be authorized to sell from time to time, any portion of such lands, at a price to be fixed by the Governor in Council on their recommendation, *at a rate not less than two dollars per acre*, and that they be required to invest the proceeds of such sales in Canadian Government securities, to be held exclusively for the purpose of defraying the cost of the construction of the Canadian Pacific Railway."

By this resolution hon. members declare that 100,000,000 acres of land in the North-West are worth, at the lowest limit, two dollars per acre. Now, two years later, with the improvement in foreign trade, and the benefits claimed to have been brought about by the National Policy, not

100,000,000, but 25 000,000 acres selected from this 100,000,000 are only worth one dollar per acre. The principal justification for giving such a large sum of money and grant of land is that the conditions are better than those offered by the hon. member for Lambton when he was in power. Well, Sir, that is a strange argument for the hon. gentlemen opposite, for they were continually telling the country that the route of the road was not only wrong, (since adopted by themselves) but that any plan of his for building the road was certain ruin to the country. But, Sir, the hon. gentleman never proposed to give any company absolute control and to erect a land and railway monopoly in the North-West. By the Act of 1874 the Government retained control of two-thirds of the lands which were offered for one dollar per acre, and the proceeds to go to the company constructing the road. The Government also retained control over any company building the road by the 10th section which read:

"In every contract for the construction of the said railway or any section or sub-section thereof, the Government of Canada shall reserve the right to purchase under the authority of Parliament, the said railway or such section or sub-section thereof on payment of a sum equal to the actual cost of the said railway, section or sub-section and ten per cent. in addition thereto; the subsidies in land and money granted or paid by the Government for the construction of the said railway being first returned or deducted from the amount to be paid, the lands being sold being valued at the full amount the contractors may have received from the sale of such as may have been sold."

By this section the Government could at any time, if Parliament thought an injustice was being inflicted upon the people of the North-West, assume control of the road at a small cost beyond the subsidies. By the present scheme the Syndicate will have absolute control of all subsidies, and if at any future time, or commercial reasons, or otherwise, it is desirable that the Government should become possessors of the road, they would have to treat with the Company as with a foreign nation, having by this Act parted with all subsidies, and in fact created a greater power in the North-West than themselves. With these increased burthens and restrictions to the freedom of our people, I fear that they who would loyally turn our great North-West, will be intimidated and seek for themselves homes in the United States. This, Mr. Chairman, I very much regret, for I believe this Dominion, with a healthy climate, a large area of land fit for settlement, an extensive forest—rich in mines and minerals, the development of which is only in its infancy—extensive rivers and inland waters, in addition to having one shore washed by the waters of the Atlantic and the other by the Pacific, offers homes for a large population equally as good as any other country on either continent.

Mr. VALLÉE. The question before the House is one of such importance that I deem it my duty to explain the motives that induce me to support the contract which is now submitted. We have heard the members of the Opposition demand that the question should be submitted immediately to the people in order to have an expression of public opinion upon so important a subject. For some time past the members of the Liberal party have held among their own followers private meetings, from which they were careful to exclude the members of the Conservative party, wishing to reserve to themselves all the time for discussion, and wishing, moreover, to have the opportunity of warping the public mind. In our district, Mr. Chairman, we have had some of these private meetings, we have had some of these meetings of which the Liberal party alone is capable of giving the example. At these meetings, to which the public had been invited, the members of the Conservative party present were not allowed to answer the speeches of the members of the Liberal party. I had myself the pleasure of attending one of these meetings in the district of Quebec, in the eastern division of Quebec, where the young leader of the Liberal party in the province of Quebec made an hour-and-a-half speech on this question. We have heard the hon. member for East Quebec (Mr. Laurier), in his address to the electors of his division, and we have his speech that he made before this House; but we have not as an official document, we have not as a reliable report, the speech he made before the electors of East Quebec. If we had this speech, we would see that the hon. member took before the public a position different from the one he took before this House. Moreover, Mr. Chairman, I believe that the members of the Liberal party do not take before the public at all the same position that they take before this House with respect to the building of the Pacific Railway. If we take the statements of these gentlemen outside of this House we find that they object to the construction of the Pacific Railway, they do not recognize it as a national undertaking, as an enterprise calculated to develop the North-West, and to bring about the prosperity of the country; but before the House they pronounce themselves in favor of the construction of the road. I have myself heard the hon. member for East Quebec, before his electors, make the following statement at the beginning of his speech, and I well remember his words. He said to his electors: "You know, gentlemen, that the Conservative party imposed upon the country the burden of building the Pacific Railway, it is a scheme that will be the ruin of the country, and for which you have already imposed heavy taxes." Such were the words the hon. member for East Quebec uttered in the Jacques Cartier Hall, at St. Roch's, and by referring to his speech before this House, you see at once the difference in the position. There, in a gathering of the faithful, where it was known that no controversy would be allowed, the aim was to terrify public opinion and leave people under the impression that the odium of this enterprise should fall upon the Conservative party. Such was the position taken by the Liberal party before this meeting where the Conservative speakers were excluded. Time had been asked to submit the contract to the country, and complaints had been made that Parliament had been assembled too soon. Complaint was made that Government had kept the contract hidden in order to prevent the public from becoming acquainted with its contents. Well, now, was this contract shown to the public, was it shown to the electors of East Quebec, in order that the people might become aware of its purport? No, Mr. Chairman. Great care was taken not to make known a single clause as it is in the contract now submitted for our consideration. They were satisfied with making comments on the contract, for the greater part false or exaggerated. But, Mr. Chairman, it will be said: How can you establish now the contradiction of the Liberal speakers. We have to-day the means of establishing these contradictions, for these gentlemen have seen fit to publish programmes and petitions which contain statements quite at variance with the policy maintained and supported by them in this House. In the first place, we have two programmes, one anonymous, published by a member who is one of the leaders of the Liberal party, and this programme was thrown before the public after having been adopted in a Liberal caucus, but it was discovered that the anonymous manifesto had had no effect upon the public mind. People looked upon this manifesto with astonishment, but did not in the least understand it, for it only contained exaggerated statements that were not borne out by a single clause of the contract. This manifesto having failed to produce the expected result, the hon. member for L'Islet (Mr. Casgrain) saw fit to let off another manifesto. He deemed it his duty to address his electors, and in a document containing twenty-four clauses he has given the reasons why he refuses to vote for the measure now before this House. But there is more, Mr. Chairman; I hold in my hand a petition drawn up, naturally enough, by the Liberal leader of the Province of Quebec, I

find it in the *Electeur*, the home organ of the hon. member for East Quebec (Mr. Laurier). It will be seen by this petition that the statements made before this House are contradicted; and in order to be convinced of it, Mr. Chairman, and in order to see the exaggerations committed before the people that were to be consulted and from whom an expression of opinion was to be obtained, we have only to read this document. On the floor of this House, we have constantly heard the members of the Liberal party, men who by their studies and experience were in a position to judge of the contract, say: Give us time to discuss it, give us time to study it, for time is required in order to appreciate a contract of such importance. And yet, Mr. Chairman, they asked the electors to judge at once this contract that they have not had time to study, nor even to read, and they come and tell us that public opinion has pronounced against this contract! They come and tell us that public opinion has condemned this contract! But how can it condemn it, when at this very moment the members of the Liberal party in this House hesitate still, and do not know how to interpret it? These exaggerations were first dealt with in regard to the very building of the Pacific Railway; next they were dealt with in regard to the Sault Ste. Marie Branch, and then again with regard to the value of the lands, and lastly, Mr. Chairman, they endeavored to make people believe that the members of the Syndicate were immense capitalists who were going to make a fortune out of the road, and that the Government was going to ruin the country. Now, we see these assertions contradicted by the petition presented to the electors of East Quebec. In this petition it is stated that the persons who have undertaken the construction of the road have not the means of carrying out this gigantic enterprise. Yet, we have heard on the floor of this House the hon. member for West Durham (Mr. Blake) and all the Liberals, one after another, say that the members of the Syndicate were financially able to execute the contract that they had entered into, and they go and tell the people that the members of the Syndicate have not the means of carrying out the undertaking. How can one conciliate this opinion with the line of conduct followed by the Opposition in this House? Here it is stated that the members of the Syndicate are going to make an immense fortune, and before the people it is stated that the members of the Syndicate are incapable of building the road; that they have not the means of carrying out the undertaking. Once more, Mr. Chairman, how can they conciliate this statement with the statements made before this House? How can they conciliate this statement with this other statement that we heard this very afternoon, to wit, that the Government is giving the Syndicate a sum of $45,000,000 over and above the cost of the undertaking? Surely, if the Government gives $45,000,000 more than the cost of the road to the members of the Syndicate, they must be able to carry out the undertaking they have contracted for. That shows the bad faith with which this important question was discussed before the public. But there is another fact that I have noticed with regard to the discussion which took place at the Jacques Cartier Hall in the eastern division of Quebec. I was astonished to hear the hon. member who represents that division say that the exemption from taxation granted to the Syndicate would have for result to exempt forever the persons who would become possessors of the lands from paying taxes, and that they would never have any taxes to pay. I heard the hon. member for Quebec East (Mr. Laurier) say to that meeting: "Well, gentlemen, whilst you will be obliged to impose upon yourselves heavy burdens in order to meet the expenses of the country, and to pay interest on the debt contracted for the building of the Pacific Railway, the people there will be exempt from taxation." When I heard that, Mr. Chairman, I said to myself, the hon. member for East Quebec has certainly not read the contract; he is ignorant of what its conditions really are, and I was looking anxiously, the next day, for the report of this speech in the hon. member's newspaper, for it is the custom of this paper, every time the member for East Quebec makes a speech, to publish the next day a *verbatim* report of it. But this time this paper knew that he had deceived public opinion; it knew that the good faith of the electors had been abused of, and the next day the paper announced that it would not publish the speech, for it was known full well that if the speech had been published word for word, it could easily be picked to pieces. I thought that the hon. member for East Quebec or some of his friends would have told me that I had misunderstood his meaning, but I find the same thing in black and white in the petition that is being circulated in the city of Quebec, in which petition it is stated that the Government has exempted from taxation the Company's lands, not only in favor of the Company, but in favor of all those who will settle on these lands; whereas the contract says that as soon as the lands are sold, or have passed into other hands, from that very moment the exemption from taxation ceases; this is in black and white in the contract, but they told the people the contrary in order to excite public indignation. I find in this petition the proof of what I just stated; I find therein the confirmation of the strange statement made by the hon. member at that meeting. Probably he knew that no one would answer him when we heard the hon. member deceiving his hearers in this manner. We sent several citizens to ask for a free discussion. We were taken by surprise, and as an elector of that division I asked to be allowed to speak. But the answer was: This meeting has been called for us, and for our friends; this meeting is for us, in order that we may deceive the people; this meeting is for us, so that the Conservative speakers cannot come and explain the contract; this meeting is for us in order that we may raise prejudices in the public mind, and in order that we may prevent the other side from being heard. Mr. Chairman, those who have followed the Liberal party know their tactics, and we are going to make these tactics known. Here is what we read in this petition: "That these lands will remain exempt from taxation, thus establishing an exemption that will render the neighboring lands, if there are any left, perfectly valueless; and that the Company will be able, by renting these lands, to exempt them during twenty years from paying their part of State burdens." It is incredible, Mr. Chairman, to think that such a statement should find its way into a petition sent to His Excellency the Governor General. It is a want of respect due to His Excellency. After having stated a falsehood before a public meeting they come and reiterate it in a public document. I draw attention to this proceeding on the part of the Liberal party who always try to deceive the public. It is stated in this petition that the Company will be able, by renting their lands, to exempt them from State taxes during twenty years. Never, Mr. Chairman, never was such a falsehood uttered before, never before was seen such a colossal monument of error, and they come and tell us on the floor of this House, that the people condemn this contract! On the contrary, when we shall go before the electors of East Quebec and tell them: What your member told you is false; he has deceived you knowingly, because he knows that the contrary is written in the contract; the people will see that their confidence has been abused of, that their good faith has been trifled with. Such, Mr. Chairman, are some of the falsehoods we find in the petition, and there are perhaps some still grosser. But there is still more, Mr. Chairman, just now, in alluding to the question of the Sault Ste. Marie Branch. I said I would again refer to it. With regard to this, Mr. Chairman, there is something still more monstrous. The Liberals, at the meeting just spoken of, caused to be adopted, before the audience had had time to read the contract—they caused to be adopted, in the city of

Quebec, an intelligent city, a resolution that is a monument of falsehood, and at the same time a monument of ridiculousness in the eyes of the Province of Quebec. Here, again, I will show that they deceived the meeting in order to get the resolution passed, for if the truth had been told, the electors would have said to their representative: Sir, what you are doing there is against the interests of the Province of Quebec. Public sentiment is not with the Liberal party in the Province of Quebec in the Dominion of Canada, if we are to judge of it by the results obtained by these gentlemen in their meetings held in Ontario or even in Montreal, where a system of tickets was organized and where the Liberals won the name of Ticket party. In this House the members of the Liberal party declare that the road must be built, and before the public they say the contrary. The hon. member for Quebec East said so at Quebec. But, Mr. Chairman, it is not surprising to see the Liberal party oppose the construction of this railway, and especially that part of the road which insures to the Provinces lying to the east of Lake Superior the direct trade with the North-West The Liberal party, as they have done in the past, raise a hue and cry over this matter. That is their habit. Like owls in the desert, when they see a light on the horizon, they scream out, "woe," they scream out "ruin." When the *tenure seigneuriale* was abolished by the Conservative party, the Liberals were alarmed lest taxes should be imposed on the people. When Confederation was spoken of the Liberal party were heard to say that it would be the ruin of the country; and when the Intercolonial Railway was built the Liberals again raised their voices and said that it would be the ruin of the country. When we increased the size of the Dominion of Canada by bringing into the Union Prince Edward Island, Rupert's Land, British Columbia and the North-West Territories, we heard the Liberal party say that we were loading the people down with taxes, that we were imposing great burdens on the people, that the country was being ruined. And, Mr. Chairman, every time some important question has been mooted we have witnessed the same thing. Every time that the Conservative party have endeavored to do something for the welfare of the people, the Liberal party has cried out that it would be the ruin of the country. And thus it is that the people no longer listen to that party, the people give the Liberals the go-by and refuse them their confidence, saying: We have confidence in the party that has a comprehensive programme, we have confidence in the Conservative party. We have had the proof of it in the general elections of 1878 and in the by-elections that we have had since. Well, Mr. Chairman, if we are to build the Pacific Railway, why say: Let us take our time? Why not build it as soon as possible? There is a principle of economy, it seems to me, that is against proceeding slowly, for if you are too long at a work, the first part deteriorates before the whole is done. If we were going to take fifty or sixty years to build the Pacific Railway we would have during that length of time considerable sums of interest to pay and sections of railway that would give us no profit. The policy of gentlemen on the other side would seem to be to build separate sections of road that would cost considerable sums of money upon which we would have to pay heavy interest, whilst the sections of road would bring no revenue to the country. A bad policy indeed! It has been said: You did not ask for tenders before giving out the contract. It was unnecessary, Mr. Chairman, to ask for tenders, when on the floor of this House hon. gentlemen have disparaged the North-West, saying that the immense regions that we possess beyond Lake Superior were worthless. It was useless to ask for tenders, since the Liberal party had, during months and months, asked for tenders without one being sent in. In order to carry out this undertaking it was necessary to find willing and influential men. But what then, Mr. Chairman, is the plan the Opposition proposes? The Liberal party has been able, during a certain length of time, to trifle with the public by unceasingly clamoring for reforms, but to-day we are able to show the people what this party has done. What are its antecedents? We know them, and we can make use of them. The Liberal party has not always been successful in its undertakings. It is in vain that the Liberal speakers go wandering about, and pile up mountains of figures; the fact is that the Liberal party has been unable to build the Pacific. They could not find shareholders to form a company. Yet the men who exist to-day existed then, and the gentlemen forming part of the Syndicate were the friends of the Liberal party. Then the Liberals declare that the members of the Syndicate are going to make great profits. I am inclined to think that it is a puff in favor of their friends forming part of the Syndicate; this gratuitous advertisement will greatly help the Syndicate in their operations. The Liberals know that the contract is advantageous for the country, but at the same time they want to profit by their position in order to help along their friends. That is how the position of the Liberal party is to be judged. But, Mr. Chairman, there are two sides to every contract. There is the debtor's and the creditor's side. Since the beginning of the discussion, the Liberal party has examined all the different points of the contract, but they have failed to show anything else but the rather heavy burdens that the contract imposes on the country. They take good care not to speak of the advantages that will accrue to the country from the construction of the Pacific Railway. They have shown us all the objections that can be raised against the bargain, but not a word have they said of the advantages that will result from it. What we have to do, then, is to contrast all the obligations that this contract imposes on us with the advantages that the country will derive from it. Well, what are the obligations imposed upon us by this contract? We know that the Government will hand over the works completed or to be completed, $25,000,000 and 25,000,000 acres of land. The lands are valued according to some at $1, according to others at $3 and $4 an acre. In considering this question it must be borne in mind that these lands have no real valve, but only a theoretical value. No doubt they will increase in value, but in an undetermined future. The Liberals will have it that these lands are worth $3 or $4 an acre now. Let us for a moment admit the theory that these lands are worth that. Consequently we give the Syndicate $100,000,000 in the form of a land grant. Well, I accept the principle, and I admit that we are going to give $100,000,000 in lands and besides $53,000,000 in money and works, which forms a total of $153,000,000 as the amount of our obligations. Moreover, we grant the Syndicate certain privileges, exemption from taxation, exemption from duties, and other privileges that have been variously estimated at from $2,000,000 to $20,000,000. Let us say $20,000,000. Certainly that is exaggeration, but I want to follow the principle laid down by the Liberal party. Adding this sum to the $153,000,000, we have a total of $173,000,000 which we give the Syndicate for the building and the working of the Pacific Railway. These lands that have existed for centuries have certainly no commercial value. At the present moment they give us no revenue. This reminds me of an anecdote: A certain Rajah had heard that in his country there was a hidden treasure composed of jewels and diamonds of great value. He found the place where the treasure lay, but unfortunately he had not the means of digging it up. Thus it is with the Dominion of Canada. We have an immense treasure in our lands of the North-West, and heretofore we have not been able to derive any benefit from them. But to-day we are in a position to enter into possession of a part of our inheritance; by giving something that has no value we received in return something of incalculable worth. According to the information fur-

nished by surveyors we have 250,000,000 of acres of arable land in the North-West, and after having given 25,000,000 of acres to the Syndicate we will have 225,000,000 of acres left. Supposing that the half of these lands are sold at $4 an acre, we would have a revenue of $336,000,000. And in twenty years from now there will be at least 100,000 families settled in the North-West, and at the rate of five persons per family, we will have a population of 500,000 souls. Consequently, if we give the Syndicate $100,000,000 we receive in return 500,000 persons settled at the Syndicate's expense. Or, in other words, as an immigrant is considered in the United States as being worth $1,000, it would be an increase in our national wealth of $500,000,000. By taking as a basis the very figures of the Liberal party, the result is quite advantageous. But in order that these lands should be worth $100,000,000 they must be sold and occupied, and the Syndicate, by building the road, will enable us also to get profit out of our lands which cannot be done now for want of means of communication. There is a principle of economy that he who gives receives, and it cannot be otherwise. It is true that we give great advantages to the Syndicate, but in return we receive great benefits. In order to well understand the situation, we must strike the balance sheet, contrast our liabilities with our assets in order to see which are the greater. Let us see what we give: In the first place, in money and works, $53,000,000; 25,000,000 of acres of land, estimated at $3 an acre, $75,000,000; exemption foom taxation, and other privileges, estimated at $20,000,000, making a total of $148,000,000. That is the debtor's side. Now let us pass to the credit side. The opening of an immense territory access to 200,000,000 acres of land, of which we sell the half at $3 an acre, $300,000,000; exemption from the keeping up of the road estimated at from $7,000,000 to $8,000,000, according to the estimate of the leader of the Opposition, who declared that no company in the world would undertake to work the Pacific Railway unless the Government would give them, besides the revenues of the road, a bonus of $500,000 yearly. That is also the opinion of Mr. Workman, a business man of Montreal. Therefore, according to this estimate, we find ourselves relieved of an annual sum of $7,000,000 or $8,000,000 for costs of working, and which represents a capital sum of $150,000,000. Moreover, there is that population of 100,000 families who will settle there, thanks to the Syndicate, giving a considerable increase to the public revenue. In a word, this transaction will give us a profit of at least $1,000,000,000. A billion! Certainly these figures are extraordinary, but they are no more extraordinary that the calculations of hon. gentlemen on the other side. I have taken their figures and calculations; but instead of showing only the debtor's side, I have also shown the credit side, and that is but fair. I believe that I have said enough on this point to justify my rate. However, there is something else that has often been repeated. Objection is taken to the contract because it contains a clause preventing the building of branch lines. This clause reads thus:

"For twenty years from the date hereof, no line of railway shall be authorized by the Dominion Parliament to be constructed south of the Canadian Pacific Railway from any point at or near the Canadian Pacific Railway, except such line as shall run south-west or to westward of south-west."

Thus, we have the right to build branch lines in a south-westerly direction from the main line. This clause is in reality a protection for us, because it prevents the building of branch lines between the main line and the railways on American territory, which, without that clause, would benefit thereby to our prejudice. Let us now look at the question of the proposed line by Sault Ste. Marie. I have heard members, principally from the Province of Quebec, lament over the financial position of our Province. It would appear that the Liberal members of that Province come here for the purpose of disparaging their own Province, make things look as gloomy as possible, and only show one side of the question. It has been said: "This poor Province of Quebec has a debt of $15,000,000." It is true that we have liabilities; we contracted them for the advancement of the country. Before building the North Shore Railway we had no direct communication with the West. We did not have the advantage of obtaining bonuses from the Government to build our provincial roads; we made our own sacrifices in order to procure an easy means of communication with the North-West. But of what use would all that be to us, if a line were not built to connect our line with the roads of the North-West? With regard to the Sault Ste. Marie Branch, I beg leave to allude to a few statements made by the hon. member for Quebec East (Mr. Laurier), in the presence of his electors, on the 29th of December last. He told his electors some awful things with regard to the eastern section of the road to the north of Lake Superior. Here is the resolution that he induced them to pass:

"That it would be more advantageous to build, with the shortest possible delay, the Sault Ste. Marie Branch, which will be of immense commercial advantage to the people of Canada, as constituting the shortest route for the transport of freight and immigrants over Canadian territory, as being the less costly, and as being capable of being built in two years."

That is one of the resolutions that the member for Quebec East took upon himself to submit to a meeting of electors in the city of Quebec. It is a disgrace and an insult to the intelligent electors of Quebec East. He makes them say that the Sault Ste. Marie Branch "constitutes the shortest route for the transport of freight and immigrants through Canadian territory." There are as many misstatements as there are words. This House knows that the Sault Ste. Marie Branch is 120 miles longer than the line of the Pacific Railway; and the member for Quebec East makes his electors say that is the shortest. He makes them say, "over Canadian territory," when he knows himself that by this route the immigrants will be obliged to pass through American territory over a distance of more than 700 miles. I protest against this resolution. Why is the Liberal party opposed to the building of the Lake Superior section, which is to give us the direct trade of the North-West, and which is to benefit all the Eastern Provinces? In this contract with the Syndicate the Government has done us justice. Last year, the hon. leader of the Opposition tried to gain our sympathies by showing us the danger that, with the Government scheme, the section to the north of Lake Superior would not be built. He cast sheep's eyes at us in order to draw us towards his party. Well, our own party has avoided this danger and made it disappear. The Liberals oppose, through motives of economy, the construction of the section to the north of Lake Superior. Why? This section will cost us $16,000,000, they say; "Let us build the Sault Ste. Marie Branch," they add, "it will only cost us $2,000,000 or $3,000,000, which sum will be given as a bonus to an Ontario company, and then we will have connection with American roads." However, I beg of these hon. gentlemen to observe that there is not, to the north of Lake Superior, any line connecting with the proposed Sault Ste. Marie Branch. Who is going to give us connection, by this route, with the Canadian Pacific? This Sault Ste. Marie Branch was the great *cheval de bataille* of the hon. member for Lotbiniere (Mr. Rinfret) in his speech the other evening. But when did he discover that there was a line to the south of Lake Superior to put us in connection with the Northern Pacific? The hon. member stated that there was a line to the south of Lake Superior extending to Sault Ste. Marie; but this line only exists in his imagination. Where did the hon. member get his information from? How can he say that the line to the south of Lake Superior is preferable to the one that we propose to build to the north? I will go further

and say that not only no line exists to the south of the Lake, but that the construction of a line there is next to impossible. The country to the south of Lake Superior is more mountainous and more inaccessible than the country immediately north of the Lake. I hold this information from competent surveyors. If you want to connect the Pacific Railway with the Sault Ste. Marie Branch, you must start from Duluth and go down towards the Michigan Central, about 127 miles below Lake Superior, and consequently you lengthen the route by 200 miles, in order to connect with the Sault Ste. Marie Branch. Who is going to build this line for us on the south shore of Lake Superior? If we are going to do it ourselves, then the motives of economy no longer exist. If we are not going to do it, it will have to be done by an American company. And on what terms will this American company consent to build this road? What conditions will it impose upon us? Those are questions that are worthy of attention. The line does not exist, and yet this potent fact seems to be unknown to the Liberal party. They come and tell us likewise that we shall have the navigation of Lake Superior, but are they not aware that this navigation is closed by ice from November to May—that is to say, exactly during the period when the immigrants arrive for transportation to the North-West. Hon. gentlemen on the other side accuse the Government of having sold out to an American company, represented by the Syndicate. But what do they want to do themselves? They want to submit us to the tender mercies of the Northern Pacific Railway Company, since it is to that company that we will have to apply in order to have the branch line from Duluth to Sault Ste. Marie. We would have to undergo the caprices and the monopoly of the great American companies: the Northern Pacific, the Minneapolis and the Michigan. That is how the Liberal party intend to protect the interests of the country! Mr. Chairman, it has been stated that connecting lines are required for the Michigan trade. These gentlemen, then, are not aware that we have direct communication by Toronto, and that the western trade is brought right down to Halifax. We have more, we have the Canada Central, the Grand Trunk, which connects with the American railways, we have the Great Western that connects at Sarnia and Detroit with the American lines. Consequently, the reason given by gentlemen on the other side, that it is in order to bring us the trade of these States, falls to the ground, since communication already exists. Thus, Mr. Chairman, for all these reasons we cannot consider the Sault Ste. Marie Branch as a continuation of the Canadian Pacific Railway. There are other important reasons that we might invoke. We want an all Canadian line for Canadian commerce. We want to be able to send the products of the eastern Provinces to the North-West without having to pass over American territory and undergo the delays of having to make connections. It is well known, Mr. Chairman, that when a railway is obliged to make several connections with another railway, one railway will make the others wait, if it has any interest so to do. With the Sault Ste. Marie Branch we would be deprived of direct communications. Our railway would be obliged to wait upon the other lines who, when they had too much freight, would say: "Wait till to-morrow, wait till some other day." Thus, we would be at the mercy of strangers. It is against the interests of the Province of Ontario to abandon the section to the north of Lake Superior, because by the building of this section, all the territory in the northern part of that Province will be opened up to settlement. It is against the interest of the Province of Quebec to abandon this eastern section, because it gives us a through line for the western trade. It is against the interests of the Maritime Provinces to oppose this section for the same reasons that hold good for Quebec. Well, then, we must have the section to the north of Lake Superior, because it gives us a through line. When the merchants of Nova Scotia will ship the products of their fisheries, the train will start from Halifax and go directly to the North-West without any fear of delays. They will not be liable to wait at Sarnia or at Sault Ste. Marie until it pleases the American companies to let them pass. That is an advantage that should not be lost sight of. Our object in building the Pacific Railway is to open up the North-West to settlement and send a large population there. And if our immigrants are obliged to wait upon the good pleasure of the American lines, what will happen? Suppose there are immigrants at Duluth, what will happen? Why the agents of the American companies will come and carry off our immigrants away, and we will be deprived of our immigration into the North-West. That is what would be the result of the Sault Ste. Marie Branch. Mr. Chairman, I shall vote for the measure now before us, for, in my opinion, I do not think that we are giving too much to the Syndicate, and especially as this company is in earnest we cannot do too much in order to secure the faithful execution of the contract. I am glad that the Government, that the Conservative party have adopted this comprehensive policy, that is the admiration of the country and of neighboring nations. The Conservative party has met the wants of our growing trade and of our national progress. I congratulate my country; I congratulate especially, as it is my duty to do, the Conservative leader in the Province of Quebec; I congratulate his hon. colleagues for having done justice to the Province of Quebec; and I congratulate the Government for insuring the construction of the Lake Superior section of the Pacific Railway. We will submit our policy to the electors, confident that they will ratify it. When we asked the Liberals to discuss the question they refused, for they knew that the people would have condemned them; for the people judge aright, and when a question is fairly presented to them, they know how to appreciate it. I am satisfied that an immense majority of this House will vote for this contract. We have a national destiny to fulfil, and we will fulfil this destiny by ratifying this great scheme that will bring the nations of Europe into our western regions, and will fill up the vast territory that stretches from Lake Superior to the Rocky Mountains.

Mr. LARUE. Mr. Chairman, I think that it is my duty, as the representative of the County of Bellechasse, to say a word upon the question now before the House. I deem it my duty to speak, and that it would not be sufficient to give a silent vote upon the contract submitted for our approval. I consider that in order to give satisfaction to the electors who have sent me here to represent their views, I must say a few words, and explain why I am going to vote against this contract. In the first place, Mr. Chairman, before discussing the contract now submitted, I must begin by answering the lengthy speech of the member for Portneuf (Mr. Vallée). I admit that I hardly know how to go about answering the speech just delivered by the hon. gentleman (Mr. Vallée). I have often had the pleasure of hearing the hon. gentleman on the stump. I have often had the pleasure of hearing him astonish the public by the floods of light that broke forth from every part of his body, electrifying the electors that listened to him. I have often had the opportunity of hearing the hon. member talk stuff and nonsense before this House, as well as before the people, and it does not surprise me. Mr. Chairman, we are accustomed to these big, popular speeches of the hon. member; he made several of them in the County of Rimouski, where he came very near being elected, whilst the hon. Minister of Public Works (Mr. Langevin) was beaten by 400 votes. Well, I leave this House to judge of the two men. The hon. member for Portneuf (Mr. Vallée), every time he rises in this House makes very witty speeches, spicy speeches, speeches full of arguments, speeches that any other member, for his own sake as well as for the sake of

the country, would refuse to make on this floor. The hon. member has alluded to the public meetings which were held in the Province of Quebec. I can meet him on this same ground, for I was present at the meeting held in Quebec and presided over by the hon. member for Quebec East, and I even spoke on that occasion. However, I must say that I do not intend to follow the hon. member for Portneuf from the beginning to the end of his speech, because I believe that the arguments he made use of cannot change the question which is now before the House, and that they are of no interest to the country at large. Mr. Chairman, I was present at the meeting held in Quebec East. The hon. member for Portneuf has stated that we refused discussion in the Province. Truly, it is well for him to come here and say this evening that we refused discussion in the eastern division of Quebec. What happened? It is well known that the hon. member for Quebec East made a two-hours speech. The hon. Mr. Pelletier spoke after him, and then a little message was sent us, saying that Dr. Fiset, of Saint Sauveur, was desirous of addressing the meeting in answer to Mr. Laurier. We took it as a joke, and we simply made answer that the hon. member for Quebec East had enough political worth to deserve that hon. Ministers should come down into his division and discuss this great question. Were we not right, Mr. Chairman, in refusing to allow an answer to be given to the hon. member for Quebec East by a young man without any political post, who is quite honorable, I have no doubt, who is an able doctor and a good fellow, but who certainly did not deserve the honor of answering the hon. member for Quebec East. That is the only reason we did not yield to the request made by Mr. Fiset on that occasion. I can readily understand that he would have been delighted to address such a numerous meeting as the one we had that evening. The hon. member for Portneuf (Mr. Vallée), who has the intention of coming forward in the division of Quebec East, and who never has had the opportunity of addressing a great number of the electors of that division, would have been delighted if the hon. member for Quebec East had given him the opportunity of speaking before such a numerous meeting. He did not get this opportunity, for we were careful not to give it to him. We were perfectly well aware that he would make before this meeting the same statements that he has just made before this House, statements that could not originate in a serious mind, and which could only fall from the lips of the hon. member for Portneuf. The hon. gentleman (Mr. Vallée) stated that the hon. member for Quebec East (Mr. Laurier) had taken before the people a position different from the one he had taken in Parliament. I say that it is a falsehood. I say that he took before his electors absolutely the same position that he has taken before this House. I say that he made no misstatement. And, moreover, Mr. Chairman, all the hon. members of this House are well enough acquainted with the hon. member for Quebec East (Mr. Laurier) to know that he does not follow the line of conduct of the hon. member for Portneuf, and that he is not in the habit of uttering falsehoods, whatever may be the audience he is addressing, whether he be speaking to the electors of the country, or before this honorable House. Moreover, I know that the hon. member for Quebec East loves too dearly the population he represents, to allow himself to utter, in the presence of his electors, speeches that were not grounded on the strictest and most scrupulous truth. If the hon. member for Portneuf appeals to popular prejudices, and resorts to falsehoods in the division that he represents, you may be satisfied, Mr. Chairman, that the hon. member for Quebec East can be elected in his division without resorting to such means. I have not the intention of following any longer the hon. member for Portneuf in his wanderings of this evening, and will briefly explain the reasons that oblige me to vote against this contract. We all remember, Mr. Chairman, the famous trip that hon. Ministers made to England. All Conservative papers had received the watchword, and, from one end of the country to the other, we were told that hon. Ministers had gone to England to meet the first capitalists of London, Paris, and Berlin, in order to form a Syndicate that should construct the Pacific Railway. We heard from the Premier and his colleagues whilst they were in Europe. During all that time, the Conservative papers of the Province of Quebec, as well as of the other Provinces, made us new promises every day. We were expecting every day the coming of this Messiah that was to build the Pacific Railway without its costing the Dominion of Canada a single penny. At length it was announced that Sir John had brought to a successful termination the great work he had undertaken, and that we were going to have the pleasure of seeing him come back to Canada. He came back with his colleagues, and all along the route he scattered speeches that delighted the population of the Province of Quebec. He said everywhere that the Pacific Railway would be built without its costing the people a single farthing; the Conservative papers repeated with great satisfaction the words that had fallen from the lips of the hon. Prime Minister. We were beginning to be satisfied ourselves, although politically we were the opponents of these gentlemen. We were beginning to rejoice, and I said myself in my county: Appearances are favorable, and it is possible that we are going to be relieved from this heavy burden that we have been dragging about for so many years. We were all taken by surprise, Mr. Chairman; the speeches of the hon. Prime Minister, all that the press had said, all that the Conservative papers had repeated, was to be reduced to nothing on the return of the hon. gentlemen. What happened when these hon. gentlemen returned to this country? We expected to be immediately made acquainted with this contract that was to be of such benefit to the country; but not at all. Hon. Ministers went to Montreal, where they met the members of the Syndicate, who began setting traps for them, and what happened? Why, the members of the Syndicate succeeded; they put their foot on hon. Ministers' throats and told them: We want your money or your life! Now, Mr. Chairman, do you imagine that hon. Ministers had enough patriotism so sacrifice their lives to save their purse? This is what happened. Hon. Ministers said to the Syndicate: We prefer to save the life of the Government; we prefer to remain in power; we prefer to cast the country's millions to the winds and remain on the Treasury benches. That is what happened, Mr. Chairman. Now, if we had been put in possession of this contract before the opening of the Session, every member of this hon. House would have had an opportunity of going before his electors, and there we could have explained to the people each clause of this contract. We would have asked the electors of every county whether they approved of such clauses. We could have then come back to this House, and, supported by public opinion, we could have rendered a verdict which would have been a popular one. Why was not this contract submitted to the public before the opening of the House? Why was Parliament called together before the usual time? It is very easy to explain: it was because hon. Ministers did not wish this House to be urged by public opinion. If these hon. gentlemen had any patriotism, why did not they allow public opinion to give its commands to this House, instead of forcing the country to obey the will of this House? It is the Conservative party that, at the present time, commands public opinion; the electors of this country were not allowed to give their commands to the Government, and to the members of this House. At length, Mr. Chairman, the opening of Parliament took place. The hon. leaders of the Opposition asked, one after the other, that certain documents, absolutely necessary for disclosing what hon. Ministers had done with

regard to this contract, should be brought down, but this again was refused them. Ministers were desirous of hurrying on the vote, in order that the members of the Liberal party might not have the time to meet their constituents, and make known to the people what were the clauses of this gigantic contract, as it is called. In spite of all that, hon. Ministers were at last obliged to give us a vacation; during which time public meetings were held in different parts of the country. You know the result, Mr. Chairman. In spite of what the Conservative newspapers have said, we know what took place at Montreal at the meeting held by the hon. leader of the Opposition and the hon. member for Quebec East. The Conservative papers said that three-fourths of the persons present at this meeting were Conservatives, and that it had been a failure; whereas, Mr. Chairman, this meeting was a success. It has been stated that at this meeting a Liberal had proposed an amendment to the resolutions which were passed. The papers have since shown up this man, and I will not speak of him. We were waiting impatiently for the meeting that was to be addressed by the hon. Minister of Railways and the hon. President of the Council. The Conservative papers said that these hon. gentlemen had obtained an immense success that had completely thrown in the shade the meeting held by the leader of the Opposition and the hon. member for Quebec East. Well, we have had information with respect to this meeting, too, and we know that there were not in the hall half as many persons as there were at the meeting held by the leader of the Opposition and the member for Quebec East. We know that the electors present did not lavish on the speakers who addressed the meeting the applause that they expected, although one of them, the hon. President of the Council, is a distinguished and sympathetic speaker. I give all this information, Mr. Chairman, in order to show that as a Liberal member I cannot vote for the contract now before the House. And one of the reasons why I cannot vote for this contract is because I consider that the Government gives too much to the Syndicate that is to build the road. I consider that the grant in money of $25,000,000 is too large. I consider, moreover, that 25,000,000 of acres of land that have been estimated by some at $3 an acre, by others at $4 an acre, and that I value, according to the estimate made by a great many members in this House, and according to the regulations of the Department of the Interior, at $3.18 an acre; $28,000,000 expended for the finished sections and those under contract; $3,120,000 for surveying expenses; and $4,000,000 that is to be expended in telegraph lines; and if we add to that about $10,000,000 for exemption from duties on imported materials required in the construction of the road, making a total of about $150,000,000,—I consider, I say, all these advantages granted to the Company as entirely too large. Another point with which I cannot agree with hon. members on the other side, is the question of securities. The Syndicate, according to the contract that has been submitted to this House, is obliged to deposit as security the sum of $1,000,000 to secure the construction of the road. I look upon such a deposit as perfectly ridiculous; it would have been just as well not to require any such security, for I consider it as deceiving. The Syndicate is, moreover, required to leave in the hands of the Government 5,000,000 of acres of the 25,000,000 of acres to be granted in order to secure the working of the road. Well, in my humble opinion, I believe that this privilege reserved by the Government is perfectly useless. Moreover, Mr. Chairman, the Company will have no difficulty in furnishing such security as that; in my opinion, it is not a security at all. The members of the Syndicate are not obliged to give their own property as security; they are at no expense. The Government has said to the Syndicate: "We will give you 25,000,000 of acres of land, and as security for the working of the road, you will leave in our hands 5,000,000 of acres of the land." I do not think, Mr. Chairman, that hon. Ministers were serious when they required such security from the Syndicate. Another reason why I am opposed to the present contract is because the Government intends granting a monopoly to the Syndicate. According to the terms of the contract no other railway can be built in order to compete with the Syndicate, so that the Syndicate will be able to exact whatever rates it likes, and the public will be completely at its mercy. The Company will have, moreover, the monopoly of the telegraph and telephone lines, and will be exempt from taxation during 20 years; the Company will pay neither municipal or school taxes; nor will the Syndicate be obliged to contribute towards keeping up the roads, towards building churches and keeping them in repair.

An hon. MEMBER. It is a Protestant Company.

Mr. LARUE. We from Quebec know what are the privileges of landlords, of the great landed proprietors. Those who, like the hon. Minister of Public Works, have experience of the past, and are familiar with the history of the Province of Quebec, know what efforts it required on the part of the people to abolish the *tenure seigneuriale* in the Province of Quebec. They know that several Governments came into and went out of power before this system that was weighing so heavily on the people of the Province of Quebec could be abolished. We remember all the prerogatives enjoyed by the *seigneurs*, such as the lord's due on sales (*lods et ventes*), the right of fifth, thirdage, &c. We know that all these privileges granted to the seigneurs weighed heavily on the people, and that, for years, prominent men in both parties labored in the hope of abolishing this system, and that it was necessary to pay an indemnity to the seigneurs in order to free for ever the *censitaires* from the burdens that oppressed them. We were only able to succeed by voting a large indemnity to this privileged class. The hon. member for Chicoutimi said the other day: "They will do in the west what we did in the east. We were obliged to pay dearly in order to free ourselves from our great landed proprietors, and the people of the west will be able to do the same; they need us to build the road, and it is only fair that they should pay for it. Is that a reason, Mr. Chairman, why we should establish, in the North-West, a monopoly as unjust as it is extravagant? Moreover, we all know what is actually taking place in Ireland; it has already been spoken of in this House, and I beg leave to recall the words made use of by the hon. Minister of Public Works, with respect to Irish immigration into this country:

"The hon. leader of the Opposition says that those are not the real causes of immigration, but that Mr. Parnell and the unhappy state of affairs in Ireland have a great deal more to do with the emigration policy of the English Government than Sir John A. Macdonald, Sir Charles Tupper and others."

No one doubts it. If the Irish were satisfied with the condition of their country they would not emigrate. But it is none the less true that they are not satisfied and that they do want to emigrate. If they want to emigrate, is it not better that they should come to Canada, that we should give them lands, and that we should settle them on our territory; is it not better that they should become citizens of the great nation to which we belong rather than they should go to the United States? Does the hon. gentleman know why they want to emigrate? Does he not know that if they no longer wish to remain in Ireland it is because they are subject to great land proprietors, and that they can hardly live on account of the great oppression that weighs them down? The English Parliament has been called together before the usual time in order to settle this great question which agitates not only England, but the whole world, and no doubt several English Governments will be overthrown before this question is solved and justice is rendered to Ireland. The same thing might well happen

in the North-West, and hon. members who support this contract fail to see, no doubt, that they are preparing a state of things similar to that which agitates Ireland to-day. Another question is that of the Sault Ste. Marie. I am satisfied, Mr. Chairman, that it is one of the great questions that the Conservative party will make use of at the next general elections. We see that the Conservative party treat the Liberals as if they were the enemies of their Province. They say that it is extraordinary and unpardonable that French Canadians should strive to obtain the Sault Ste. Marie Branch. Well, I am not at all surprised to see the hon. member for Portneuf (Mr. Vallée) speaking against this branch, because, as it has been shown, it would give us communication with the North-West in three years time, instead of ten. The hon. member for Portneuf stated that this branch line would be of no benefit to the Province of Quebec, and that we should proceed at once with the construction of the section to the north of Lake Superior. Yet it has been shown that it is next to impossible to build a railway through that region, and still less possible to work it. It has been shown that a vast portion of this country is good for nothing, that the climate is very bad. It is clear that if we build this section we will only have the trade of some 150,000 or 200,000 inhabitants of the North-West, whereas, with the Sault Ste. Marie Branch, we would be in immediate communication with 1,200,000 inhabitants of the United States, scattered through Minnesota, Dakota, Wisconsin, Montana, Idaho and Michigan. We would at once have the trade of several millions of inhabitants settled in the most fertile country of the world. Against the opinion of the hon. member for Portneuf, I will quote the opinion of one of his leaders, the hon. Minister of Railways. In a long speech that the hon. Minister made at Toronto, he maintained that the construction of the Sault Ste. Marie Branch would be of great advantage to the Eastern Provinces, and especially to the cities of Montreal and Quebec. Here is a part of the speech of the hon. Minister as it appears in the Toronto *Mail* of the 1st of January:

"He (Mr. Blake) will find that it is our duty as politicians and as Canadians to confine our efforts to the great national work now before us, and, Sir, in a year, what will take place? In a little more than a year, communication by rail will be open to Thunder Bay. Mr. Blake says the completion of this line is ten years off, while you can have the Sault Ste. Marie Branch in three, but will you suffer very much? What is your position during these ten years? You stand here in the position of having your trade and industries nearer to the great North-West than any other portion of this country, and easy means of access by the Thunder Bay line to pour the traffic and business of Toronto and Hamilton, &c., into the heart of the great North-West, and to obtaining a hold on that traffic which, once secured by the enterprising men connected with the industries in Ontario, will not be easily taken out of their grasp."

Is not that a magnificent answer to the speech made by the hon. member for Portneuf? When we shall have the pleasure of meeting our Conservative friends on the hustings in the Province of Quebec, we will quote this speech of the Minister of Railways. It will be the best answer that we will be able to give them, because the hon. Minister declares that it is in the interest of Ontario not to construct now the Sault Ste. Marie Branch, so as not to have trade drawn away from the Province of Ontario to the benefit of Montreal and Quebec. Now, the gentlemen opposite have spoken of patriotism and of union. It would seem that the hon. Minister of Railways and the hon. Minister of Public Works have come to an understanding to appeal to a certain kind of patriotism. It must be admitted that the time is ill-chosen to appeal to patriotism, and ask us to unite with the Conservative party. We would be delighted to unite with that party if there was any means of coming to an understanding; but it seems to me that in order to do so we would have to shut our eyes on too many misdeeds committed by the Conservative party. The difference between us on this question is too great to allow of a mutual understanding. The hon. Minister of Railways and the hon. Minister of Public Works said that they would be happy to leave to their children the Pacific Railway as an inheritance. They are glad to have taken an active part in the settlement of the North-West by means of this railway. I very much fear that history will not mention their names in the manner they expect; they expected to be praised by their children; they will certainly not be by the children of the settlers of the North-West, who will have to submit to the exactions of the landlords of the North-West, their uncontrolled extortions, and their endless caprices. History, impartial history, will not think and speak like the children of hon. Ministers, but it will tell to them, with great truth: You have had the honor of purchasing the great territory of the North-West, you will also have the shame of having sold it.

Mr. BERGERON moved the adjournment of the debate.

House resumed.

Committee reported; and (at 1 o'clock, a. m.,) the House adjourned.

HOUSE OF COMMONS,

WEDNESDAY, 12th January, 1881.

The SPEAKER took the Chair at Three o'clock.

PRAYERS.

NORTHERN RAILWAY COMPANY OF CANADA.

Mr. BOULTBEE introduced a Bill (No. 10) to remove doubts as to the true construction of section twelve of the Northern Railway Company Act, 1877.

Bill read the first time.

GRAND TRUNK RAILWAY COMPANY OF CANADA.

Mr. KIRKPATRICK introduced a Bill (No. 21) respecting the Grand Trunk Railway Company of Canada. The Bill, he said, is to change the time of holding the half-yearly meetings, and the time of paying dividends, if any; and it contains an explanatory clause with respect to the payment of dividends on some of the preference stock.

Bill read the first time.

FREIGHT RATES ON THE PEMBINA BRANCH.

Mr. BLAKE enquired, What are the rates of freight charged on the Pembina Branch, between Winnipeg and Emerson, for first class, second class, third class and fourth class goods; and for grain, respectively?

Sir CHARLES TUPPER. I beg to say, in answer to the hon. gentleman, that a statement of rates I hold in my hand, but, as it is too long to read, I will lay it on the Table of the House, and it will be at the service of the hon. gentleman. The statement is as follows:—

CANADIAN PACIFIC RAILWAY.

LOCAL FREIGHT TARIFF.

DISTANCES.	MERCHANDISE.				SPECIAL RATES.						
	1st Class.	2nd Class.	3rd Class.	4th Class.	No. 1.	No. 2.	No. 3.	No. 4.	No. 5.	No. 6.	No. 7.
	Per 100 lbs.	Per 100 lbs.	Per 100 lbs.	Per 100 lbs.	Per 100 lbs.	Per bbl.	Per bbl.	Per car, 2,000 lbs.	Per car, 2,000 lbs.	Per car, 2,000 lbs.	Per 100 lbs.
	cts.	cts.	cts.	cts.	cts.	cts.	cts	$	$	$	cts.
Winnipeg to Emerson.....	28	22	18	14	12	24	28	18	21	28	11

SPECIAL ARTICLES AND RATES.

Referring to corresponding numbers in the Table attached.

Agents will not charge more for less than a car load of any of the articles named below than would be charged for a car load.

All freights taken at these rates must be loaded and unloaded by owner.

No. 1. Grain, mill-stuffs and potatoes, in bulk or in bags, in car loads of not over 20,000 lbs., taken at owners' risk of shortage, except when caused by collisions or accidents. Other freight must not be loaded in cars containing this kind of freight in bulk. Receipts not given for shipment in bulk, nor for any number of sacks, except more or less. This railway will not be responsible for discrepancy in such shipments.

No. 2. Flour, meal and common lime, in barrels, 90 barrels or more.

No. 3. Salt, cement, water-lime, stucco and land plaster, in barrels, 60 barrels or more.

No. 4. Lumber, shingles, laths, fence posts and rails, telegraph poles, timber and saw logs, in car loads, not exceeding 20,000 lbs. Long timber requiring more than one car to transport it, will be charged 30 per cent. additional. At these rates the road will not be responsible for deficiency in quantity. For less than a car load, fourth-class rates at estimated weights.

No. 5. Live stock, in car loads, at owner's risk to be receipted for at shipper's count, more or less.

Live stock will be taken only at the owner's risk, to be receipted upon the conditions named below.

In car loads by special contract (see blank contracts in hands of agents). When live stock is shipped in car loads the owner or his agent must accompany the same to take care of it, and at his own expense to feed and water it.

Persons in charge of live stock will be passed free as follows: one or two car loads, having one owner, one pass; three or more car loads, having one owner, two passes. More than two passes will not be given for any number of car loads. Passes only good on trains transporting the live stock. No return passes will be given.

It is expressly understood that all persons so passed are at their own risk of personal injury from any cause whatever, and that the owner of the stock is to assume all risk of injury or damage that the animals may do to themselves or each other, or which may be occasioned by delay of trains. The agents at the station where live stock is loaded will enter on the back of the contract the name or names of persons who are actually entitled to pass free with the stock; that is the owner or his employees in charge. and conductors are authorised to pass such persons and no others. Station agents will not make agreements for forwarding live stock or perishable property to be delivered at any specified time. In quantities less than a car load, live stock will be taken only at the convenience of this railway, at estimated weights as follows: Horses or mules, one 2,000 lbs.; two, 3,500 lbs.; three, 5,000 lbs.; each additional one. 1,000 lbs.. at first-class rates. Stallions, 4,000 lbs. each, at first-class rates. Horned animals, 1,500 each; two at 2,500 lbs., and 1,000 lbs. for each additional at second-class rates. Calves and sheep, 200 lbs. each (but not in any instance less than 75 cents each) at one and a half first class rates. Hogs, actual weight. at one and a half first class rates. This railway will not assume any liability over one hundred dollars on horses or other valuable live stock, except by special agree ment. Agents are not allowed to receive and ship such valuable horse or other animal, until a proper contract or release is signed by the owner or shipper thereof.

No. 6. Agricultural implements, furniture, household goods machinery, hay presses. farm waggons wooden pumps. earthen and stoneware, doors, sash and blinds, waggon stock in rough and woodenware, drain tile, building paper, nails in kegs, wood in shape unfinished, pork, ham and bacon, in barrels, in car loads of not over 20,000 pounds, at owner's risk of damage or loss.

No. 7. Coal, coke, brick. sand, stone, iron ore, pig iron, shingle and stave bolts, staves and headings. tanner's bark, hoops, hoop and hop poles, pressed hay, railroad iron. chains and spikes, bones, hoofs and horns, sawdust and ice, in car loads of not over 20,000 pounds.

Hay will be taken only at the convenience of this railway, and at owner's risk of fire.

Locomotives and tenders, 35 cents per mile; passenger and baggage cars 15 cents per mile; freight cars. boxed, 10 cents, and flats eight cents per mile, when hauled in freight trains on their wheels.

THE SYNDICATE.

Mr. BLAKE enquired, Whether any letter has been written, since the commencement of the Session, by any member of the Syndicate to any member of the Government, touching the standard of construction for the Canadian Pacific Railway as defined in the contract; and if so, when? and whether such letter will be laid on the Table, and if so, when?

Sir CHARLES TUPPER. Such a letter was written by three gentlemen belonging to the Syndicate, dated 16th December, 1880, and I now lay it on the Table of the House.

BRIDGE AT BEAUHARNOIS CANAL.

Mr. BERGERON enquired, Whether it is the intention of the Government to yield to the request of the ratepayers of the town of Salaberry, in the County of Beauharnois, that the bridge crossing the canal at Lock No. 14, be removed to another site?

Sir CHARLES TUPPER. The application has been referred to the Superintendent for his report thereon, and the department has not yet received the report.

MAINTENANCE OF BEAUHARNOIS CANAL.

Mr. BERGERON enquired, Whether it is the intention of the Government to place in this year's Estimates an adequate sum for the repairs and maintenance of the Beauharnois Canal?

Sir CHARLES TUPPER. A sum for the maintenance and repairs of the Beauharnois Canal will be placed in the Estimates.

WHARF AT CHARLO.

Mr. HADDOW enquired, Whether it is the intention of the Government to proceed during this year with the erection of a wharf at Charlo, in the County of Restigouche, for which a survey was made last year?

Mr. LANGEVIN. I have the honor to inform the hon. gentleman that this matter is receiving the consideration of the Government.

CANADIAN PACIFIC RAILWAY.

House again resolved itself into Committee on certain proposed resolutions for granting and appropriating twenty-five millions of dollars and twenty-five millions of acres of land in the North-West Territories, according to the contract relating to the Canadian Pacific Railway transmitted to this House by His Excellency the Governor General by his Message dated December 10th.

Mr. BERGERON. I have not, Sir, the intention of trespassing at any length on the attention of the House; I am merely desirous of availing myself of my privilege as a representative of the people, to explain the vote which will probably be taken to-night, and which I shall have to give in the name of my constituents on so important a question. A few days ago, during the Christmas vacation, I was in the county of Berthier, on a political campaign, when I met an hon. member of the Local Legislature, who was telling the people that the Pacific contract would be carried by the vote of the immense majority of slaves of the present Government. I replied to the hon. member that the day of slavish majorities, and for following one's leaders like a flock of sheep, had come to a timely end at 5 p.m. on the 17th day of September, 1878. I am of opinion, Sir, that there should not be any party feeling shown on a question like the present one. We ought to agree and unite in order to accomplish this great national work. When I first learned that the hon. Premier, together with two of his colleagues, had concluded an arrangement with a body of capitalists with the object of constructing that great iron highway, the Pacific Railway, I rejoiced, not only on behalf of my constituents, but for all the population of the Canadian Confederation as well. We are called upon to vote on a most important question—the Canadian Pacific Railway—and I think I may say without fear of making a mistake, that young politicians of my age, in this House as well as outside of it, came into the political world together with that question. I remember that the first time I had the honor of speaking in public, in 1873, the Liberal speakers spoke of nothing but the famous Pacific Scandal; electors heard nothing else, and I might even say the atmosphere was saturated with it. In those days, Mr. Speaker, the Canadian nation allowed itself to be captivated; the electors drank in the fair promises and the untruthful ut-

terances of the hon. members of the Opposition. The Canadian people are true and honorable, but for the time being they lost faith in their leaders who had made the country what it is to-day. The people said: Here are men who have been in Opposition for a long while; they have made us fine promises, we must give them a chance of redeeming them. Thus did the hon. member for Lambton come into power at the head of a powerful majority and surrounded with a halo of magnificant prestige. If to-day, Sir, there were on the other side of the House, new men as yet unknown in the political world, and who were to say that the contract now submitted to us is not a good one, that the contract before us is injurious to the interests of the nation, we might perhaps believe them. But as their past record is before us, we feel satisfied that the present contract is a better one. Let us examine this contract and see what it amounts to. We gather therefrom that we shall have to pay $78,000,000, *i.e.* $25,000,000 in money, 25,000,000 acres of land valued at $1 per acre, and the $28,000,000 which the operations carried out by the Government on the Pacific as well as those which remain to be completed will cost us. Of these $25,000,000, we have already $18,000,000 without becoming impoverished, as this year the hon. Minister of Finance will announce that there is a surplus in his budget, which surplus will cause us to forget perhaps the annual deficits in the budgets of the hon. ex-Minister of Finance. We have still to pay $10,000,000 for the works remaining to be completed, and these works are the following:—That section of Lake Superior from Thunder Bay to Selkirk, 400 miles; the western section, from Kamloops to Port Moody, 217 miles, subdivided as follows: from Kamloops to Yale, 127 miles, now under contract, and 90 miles from Yale to Port Moody, which have not yet been begun, but which the Government has undertaken. Now, Sir, what has been the policy of the hon. member for Lambton? He offered the construction of the Pacific Railway to the whole world, and by the Statute of 1874 we find that he was offering to those who were willing to undertake this important work, $10,000 per mile for 2,797 miles, which amounts to $27,970,000; 20,000 acres of land valued at $1 per acre, which brings the amount to $55,940,000; and four per cent. over and above on a sum not determined in the Statute, but the amount of which we subsequently discovered, when the matter of the Georgian Bay Branch came up, when the hon. member for Lambton granted four per cent. on $7,500. It is unnecessary for me to say, Sir, that for a Government, four per cent. on $7,500 is the equivalent of $7,500 per mile, for Government would as soon pay a fixed sum as to pay the interest thereon; this brings the amount to $20,977,500, or a sum total of $104,887,500. If to all this are added the 40 miles from Callendar running southward, which line favored the Province of Ontario to the prejudice of the other Provinces, we have an additional sum of $500,000, say 40 miles at $10,000 per mile, or $400,000, 40 miles at 20,000 acres of land per mile, or $800,000, and $7,500 on those 40 miles, in all $300,000, which, added to the $104,000,000, form a total of $106,387,500. If, Sir, we now wish to draw comparisons, we find that the Mackenzie plan, even if we leave out of the reckoning the 40 miles south of Callendar, represented in figures, in 1874, $104,887,500; that the Cartier plan in 1873 represented $84,700,000, the benefit of which plan was lost to us by the so-called Pacific Scandal, which was the cause of so much rejoicing to the Liberal party and of so much evil to the people. The Mackenzie plan was $20,187,500 dearer than that of 1873, and $26,887,500 than that of 1880. If we add the 40 miles south of Callendar, which makes $106,387,500 offered by the hon. member for Lambton (Mr. Mackenzie) on the markets of the whole world, we find that he offered $21,687,500 more than the amount offered in 1873, and $28,387,500 more than the amount offered in 1878. Now, Sir, hon. members of the Opposition might reply that they repudiate the proposal of the hon. member for Lambton (Mr. Mackenzie); that the hon. member was about to make a bad bargain for the country, that they have disapproved of his conduct and put him aside to take another leader. It is not for me, Sir, to say whether these hon. gentlemen have done well or not; they have the right of choosing their leader, it is their look-out, but what I have a right to say as a member of this House, is that to say the least, they have shown the blackest ingratitude towards their late leader. In acting thus they have not followed the example given them by the Conservatives, who fell together with their leader in 1873 through the so-called Pacific Scandal, to which I never attached any credence, but which, nevertheless, turned public opinion against us. On that occasion, the present leader of the Government invited the handful of members who followed his fortunes after the elections of 1874, to select another leader, telling them that it would perhaps be the best thing in the interests of the Conservative party, considering the crushing defeat it had just experienced. But the Conservatives at once refused to accept his resignation. They said to Sir John A. Macdonald: "You shall remain our leader as of yore. We do not believe in this Pacific Scandal. We are convinced that you have been calumniated, and you shall remain our leader; if the people have no faith in you, yet we will remain true to you." And they supported him until the time of the general elections in 1878. Then did the people endorse their conduct and return them to power in the wake of their old leader with a triumphant majority. Let us now examine, Sir, if the hon. members of the Opposition have done well in accepting the hon, member for West Durham as their leader. The hon. member has ever, as member as well as Minister, when in the latter capacity he entered the cabinet of the hon. member for Lambton (Mr. Mackenzie), approved of the offers made by his leader, as shall be presently shown. The plan of the hon. member for West Durham was also that of building 2,797 miles of road at $10,000 per mile, and at 20,000 acres of land per mile, valued, at the highest, at $1 per acre. The difference between him and the hon. member for Lambton was that, instead of reckoning at $7,000 per mile the four per cent. interest on that amount, he pretended that it was equivalent to $4,000 per mile only, making $11,188,000, which, added to the $83,910,000 about which he fully agreed with the hon. member for Lambton, make a total of $95,098,000. And if we add the 40 miles going from Callendar southward, to which extension the hon. member for West Durham did not make any opposition, we find that the road would cost, according to the valuation of the hon. gentleman, $96,458,000; according to the Cartier plan, $84,700,000, and according to the Macdonald plan, $78,000,000. Thus the Blake plan exceeded, by $11,758,000, that of 1873, and by $18,458,000, that of 1880. If we deduct the 40 miles south of Callendar—for really these hon. gentlemen so frequently change their opinions, and I think that, in this circumstance, opinions have been as numerous as the members of the Opposition—we find that the Blake plan, or its estimated amount, reached, in figures, $95,098,000; *i. e.*, $10,398,000 more than in 1873, and $17,088,000 more than in 1880. We are, therefore, paying, in 1880, $26,887,500 less than the hon. Mr. Mackenzie was about to pay, but which, luckily, he was not able to pay, on account of the little confidence with which he inspired capitalists. And Liberals may rejoice that the hon. member for West Durham was not their leader, for he would have paid $17,098,000 more than what we are asked to pay to-day, or $18,458,000 more if we take into account the 40 miles south of Callendar, for the hon. gentleman was equally bound to build that road. Now, Sir, what has made the greatest impressions on the public mind in the contract now before us, is that the road will essentially belong to the

Company for all time to come. I find in the Statute of 1874 a clause which likewise gave the road to the Company for all time to come, and that at the oppressive terms I have just mentioned. I find, also, that the Government bound itself in those days to sell, at its own expense, the 20,000 acres of land which it gave per mile, and to hand over the proceeds to the Company; the cost of agencies, surveying, etc., were to be borne by the Government, which is not the case to-day, for we give 24 miles on either side of the road, and we take the other 24 miles in alternate lots. The only work we shall have to do will consist in the division which the Government will have to make out, in order to give the Company its share and to establish what the Government reserves for its own use. Under the Mackenzie plan, had we been desirous of reducing the road, we would have had to pay 10 per cent. over and above the value of the work carried out by the Company, *i.e.*, a profit of 10 per cent., which the Government would have given the Company to recover possession of the road. To-day, we have, by one of the clauses of the contract, the option of recovering possession of the road, whenever we may be so inclined, the amount to be paid to the Company to be determined by arbitrators to be appointed, one by the Government, a second by the Company, and a third by both, or by the Chief Justice of the Supreme Court. I am anticipating a case where the public interests would require a sort of expropriation. To be plainer still, I will make out another statement and say: 2,897 miles, which remain to be built to complete the construction of the Pacific Railway, and from which I deduct 617 miles already built and remaining to be built by the Government. This leaves 2,180 miles of road, and on deducting $28,000,000, the cost of the 617 miles, there is left $50,000,000 to construct 2,180 miles of road, which makes $22,935.40 per mile according to the present contract, whereas Messrs. Mackenzie and Blake were offering $34,000 per mile for the whole road, and, moreover, bound themselves to carry out the sale of two-thirds of the land, and hand over the proceeds to the Company, thus incurring an enormous expenditure, and also bound themselves to pay 10 per cent. over and above the cost of the road, should the case arise that the Government wished to take possession of it. Now, Sir, that the hon. gentlemen of the Opposition see that their original plan was worse than the present one, and that they find themselves beaten in that direction, they seek to recoup themselves on the value of the lands. The hon. member for West Durham (Mr. Blake) says:

"To-day you value the lands at $1 an acre, when last year, when you wished the Government to build the road, you valued the same lands at $4 and $5 an acre."

This, Sir, depends entirely on the way in which things are looked at. These lands, even when the road will be built, will not be sold immediately; they will not even be sold in ten, nay, in twenty years to come. Taking, therefore, the average value set upon them by one of the hon. members of the Opposition, viz., $3.13 per acre, an acre of land that will be worth $3.13 in twenty years, how much is it worth to-day? We know that at the end of 20 years, an amount invested at 6 per cent. with compound interest, becomes fourfold. Let us therefore divide $3.13 by two twice, or in other words, let us take the quarter of it, and this will give 78¼ cents per acre of land. At this rate, we give to the Syndicate $19,562,500, and that, according to the figures supplied by one of the hon. members of the Opposition; now, if thereto be added our monetary subsidy, which amounts to $25,000,000, and the $28,000,000 granted for work completed and to be completed, we find that we are giving the Syndicate $62,562,500. The engineers who have surveyed the line of the railway say that the construction of the road will cost $80,000,000, and even more. The Syndicate will therefore have to supply $17,437,500. Immigration charges are not put at too high a figure, when they are set down as $100,000 per annum, which would amount to $2,000,000 in twenty years. Moreover, the road will have to be kept in repairs and in good order for twenty years; it will possibly have to be renewed; most generally these charges are taken from the receipts of the road, but as there will not be any surplus for some time to come on the Pacific Railway, by calculating what the Syndicate will have to disburse, we reach the amount of $8,000,000. To recapitulate: the Pacific Railway will cost $80,000,000; agency and immigration charges will amount to $2,000,000; incidental expenses and cost of working, $1,000,000; cost of renewal, $8,000,000; unforeseen charges, $2,000,000; we thus reach the sum of $96,000,000. The Company receives really $62,000,000; it will therefore have to find $313,000,000 to pay the difference. This estimate is that of the hon. gentlemen of the Opposition themselves. Let us now glance at what was said a few days ago by the hon. member for West Durham in his last speech. He said that the lands given to the Syndicate are, on an average, worth $4.04 per acre, because they may be selected in a radius of twenty-four miles on either side of the road, as the Syndicate will be allowed to construct branch roads to obtain this result. He said that the grant of 56,740,000 acres of land, which was to have been made according to the statute of 1874 by the hon. member for Lambton, for 20,000 acres per mile on a road of 2,837 miles, is equivalent to that amount, was a different thing, because the lands had to be selected from a more extended radius. Did Mr. Mackenzie not offer $10,000 per mile to any company that would build branch roads through these 56,740,000 acres of land? Then, the lands through which these branch roads were to pass would have had as great a value as those situated on the main line? This I maintain would be the case, and on this assumption I make the following comparative statement: the Mackenzie plan, taking for basis the figures of the hon. member for West Durham, 2,837 miles at $10,000 per mile, give $28,370,000; and 20,000 acres per mile, 56,740,000 acres at $4.04, give $229,929,600; moreover, 4 per cent. on a sum of $7,500 for twenty-five years, equals $4,000 per mile, or $11,348,000 making a total of $269,644,600. Now, as to the cost of the present contract: work done and to be completed, $28,000,000; money grant, $25,000,000; and 25,000,000 acres of land valued at $4.04 an acre, according to the valuation of the hon. member for West Durham, $101,000,000, making altogether the sum of $154,000,000, which the Pacific Railway would cost us according to the data of the hon. leader of the Opposition; this would still be $115,647,600 less than according to the Mackenzie plan. Now, setting the branch lines aside, the actual cost of the road, if we take the figures of the hon. member for West Durham, who, in this case, values the lands at $3.18 an acre, would be $132,500,000. Our 25,000,000 acres of land at $3.18 per acre, give $79,500,000. According to the Mackenzie plan, the main line was about the same as it is to-day, *i.e.*, 2,627 miles; the Pembina Branch, 85 miles; the Georgian Bay Branch, 85 miles, and the 40 miles south of Callendar, making in all 2,837 miles; at $10,000 per mile, we have $28,370,000; 20,000 acres of land per mile are equal to $56,740,000, sub-divided as follows:—1st. 25,000,000 acres of land at $3.18, making an amount of $79,500,000; 2nd. 31,740,000 acres of land at $1.11 per acre—these are the figures of the hon. member for West Durham—represent a value of $25,231,400; besides, 4 per cent. on $7,500, equal to $4,000 per mile, gives $11,348,000; or a grand total of $154,449,400. If we subtract from this amount, the price of the present contract, which is $132,500,000—always taking the figures of the hon. leader of the Opposition—we find that the country reaps the benefit of $21,949,400. Thus, the Mackenzie plan would have cost $154,000,000, whereas the present plan costs but $132,000,000, or $22,000,000 less than the plan endorsed by the whole Liberal party. The hon. member for West Durham may perhaps tell me that he based his figures on 50,000,000 acres of land and that a difference of

$6,000,000 is not so very great after all. But as we are not here to carry on a hustings' discussion, or to play upon words, but as we are ourselves desirous of satisfying ourselves that the vote we are about to record will be a just one, we wish to show that we are taking into consideration the interest of the nation at large, and that is why I give the hon. member for West Durham the benefit of the doubt when he says that 56,740,000 acres of land cannot have the same value, acre for acre, as 50,000,000 acres only. I will therefore estimate 36,740,000 acres of land at $1 an acre only and subtract $3,411,000, and I say that according to the Mackenzie plan, the Pacific could have even so cost us $18,000,000 more than we shall have to pay according to the present contract. Now, I have not included in my statement either interest or the other charges on this contract I am therefore perfectly in the right when I assert that the present contract is a more advantageous one than that proposed by the Opposition in 1874; that it is the best that has ever been submitted to this House, and that we must consequently accept it until a better one is shown us. What has most struck the public is that the road will forever remain the property of the Company. The hon. members of the Opposition, who are deploring the state of the country because we are going to vote this contract, must remember that in the statute of 1874 that it is stipulated that the road will forever become the property of the company, as is stipulated to-day. Moreover the hon. member for Lambton bound himself to sell two-thirds of the lands and pay the charges for transporting the immigrants which the Government was to settle on its lands, as well as the cost of maintaining immigration agents in Europe. I have already said that I valued at $100,000 per acre the expenses incurred by Government under that head. There was a still worse feature in the hon. gentleman's contract. If the Government wished to take possession of the road again, it was illegal to pay, not only the total amount which it had cost the Company, but 10 per cent. over and above, by way of profit, on the amount disbursed by the Company. In the contract before us, it is stipulated that should some difficulty arise between the Company and the Government, if the former could not build the road, or if something unforeseen should occur, we might settle these difficulties by arbitration. It now remains for me to ask of this House if the construction of the Pacific Railway will be an advantageous enterprise for the Canadian Confederation? I do not think there can be two opinions on this subject. The hon. members of the Opposition understand as well as I do the immense advantage there is for Canada in possessing this great iron highway. Moreover, the Dominion has pledged itself to construct this road, and the Government of a country is in honor bound to meet its engagements as well as any private individual. To quote the words of an Ontario newspaper, the principal organ of the Liberal party, when this road will be in working order, there will be a population of 1,000,000 in the North-West. According to the calculation that each individual pays on an average $6 of taxes annually, $6,000,000 will thus find their way into the public coffers. Even if one deducted $1,000,000 or $2,000,000 for the expenses of the government of this territory, there would still remain $4,000,000. Now what is there that remains for us to pay? $35,000,000. Are we in position to pay them? Could we pay them at once? Assuredly, since the Minister of Finance shows in his budget a surplus which makes us forget previous deficits. But we are only obliged to pay by instalments in conjunction with the progress of the work on the road. As soon as each section is completed, the country will begin to derive a benefit therefrom. Is it necessary to say that the West means prosperity for Canada; that in the West lies our future; Canada will not be anything until those vast regions are peopled. A population must be found to give to that country the position assigned to it by Providence. The policy of the Government with regard to opening up the North-West is in strict harmony with the National Policy it has already inaugurated. A large population settled in those regions will give an impetus to the various manufactories in the older Provinces, by giving them an outlet for their productions. It has been said on the other side of the House that we could not consume all the articles manufactured in this country. Well, the population which will emigrate to the North-West will, in that respect, come to the aid of the population of the older Provinces. But what does the Opposition say? These gentlemen think themselves compelled to oppose every good measure, in spite of its excellence. They are in Opposition since so long that one might say that the nation wishes to keep them it *statu quo*. They complain that the Syndicate is allowed to import free of duty the materials necessary for the construction of this railway, such as steel fish-plates. I do not see that we lose much thereby; besides, these hon. gentlemen seem to forget that were the Government to construct the road, the same thing would take place. Moreover, steel fish-plates enter duty-free into the country. And again, one speaks of the security and of the monopoly, as if these two things could be reconciled together. If the hon. members think that the security is insufficient, they need not fear the monopoly; whereas, if they fear the monopoly, the security must be sufficient. But there does not exist any monopoly, there cannot be any, for it is stipulated that the Government will always be able to settle by arbitration all disputes that might arise with regard to freights and rates. The security is sufficient; $1,000,000 is deposited as such, and 10,000,000 acres of land are held back until the completion of the road. I repeat, that this is sufficient, and over and above the security demanded by the hon. member for Lambton in his contract. What is at present our position? I am here as a perfectly independent member; on the one hand I see that the Government has placed a contract on the Table, and on the other hand, a systematic opposition to it, and I am of opinion that a man must not follow a party in spite of all, but that he must not either fight it in spite of all; we must show our wisdom; we must prove ourselves serious and intelligent men; for if the House refused to vote the contract, and if His Excellency were to call upon the hon. leader of the Opposition to guide the destinies of the country, I ask if we should be in better hands, and I decidedly say not. The country has no faith in the Opposition; it has no confidence in the hon. member for West Durham, and I am of opinion that as no better contract is submitted to us than the one which we are asked to accept, that we should accept it without further delay. I will, therefore, vote for this contract in the name of my constituents, and because I consider it in the interests of my Province as well as of the whole country. This question, it must be admitted, has greatly stirred public opinion; indeed, I think that since the troubles of 1837, no question has so much agitated public opinion as that of the Pacific Railway. It has already caused much trouble to the country, it has been the subject of endless speeches, of numerous elections and of much excitement in the public mind. 'Tis time to put an end to all this. The country, after having tried several plans for the construction of the Pacific Railway, has come back, I am glad to be able to say, to the old plan of the much lamented Sir George E. Cartier, the blameless and fearless man, the distinguished statesman, the true and sincere patriot, who died on the other side of the Atlantic whilst fulfilling the duties of a statesman, and who now rests at the foot of Montreal's royal mount, close to that city which he loved so well. We have come back to his plan, and we may exclaim that Cartier's fellow-countrymen have not forgotten him, for his work has survived him in the heart of every Canadian patriot. To-day do we remember it more than ever, and we can repeat, at the close of this speech, the sublime words he spoke in the division of Montreal East: "To the West! There are to be

found wealth and prosperity; there is the granary of the world; there our nation's future."

Mr. MACKENZIE. It has been to me, Sir, a matter of deep regret that, from personal indisposition, I have not been able up to this time to take a part in one of the most important, if not the most important discussions which has taken place in Parliament since I have had the honor of a seat here. I have observed, Sir, that during my enforced silence some of my opponents, in the press and at public meetings, have ventured the expression of an opinion that I was afraid to meet the redoubtable warriors on the other side of the House. I think that after twenty Sessions of Parliament, in which I never failed to have the courage of my convictions or to take my full share in public life, it might have been taken for granted that, whatever happened, I should at least not be afraid to meet my opponents in debate. There is one thing, Sir, I admit I am afraid of, and that is, I am always afraid—I have never had the courage—to misrepresent the opinions of my opponents or misquote their speeches. I have listened to this discussion, or at all events to a large portion of it, with extreme interest. The Minister of Railways has used my name very freely, as has my hon. friend who has just sat down. I counted about sixty-seven times that he used my name and then I gave it up as a bad job. But my name has been so freely used, and the Act I succeeded in passing in 1874 has been so often spoken of, that I felt, however unwilling and unable I might be to address the House, it was quite impossible that I should allow this debate to close without, at all events, a brief review of the position and the share I have taken in it, both as a member of the Opposition and for a time the leader of the Liberal Government. At the same time, I feel compelled to say, and I do so without any party feeling, that I have observed in the speeches on this side of the House a close application to the merits of the scheme now before the House, and in those on the other side of the House a very careful avoidance of any discussion on the merits. It is true, Sir, very strong epithets have been sent across the floor from that side. Gentlemen who had no facts to elaborate, no defence to offer upon the merits, were not afraid of throwing rhetorical dead cats across the floor at their opponents. My two hon. friends on my right were classed as "aristocratic demagogues." I have so long faced demagogues of every kind, that I was not afraid of that, but when the hon. gentleman described them as "amative radicals," I felt that I must draw the line somewhere, and that we must part company. I do not know—perhaps the hon. gentleman does not himself know what the phrase means, but I took it to mean something terrible, something worse perhaps than "aristocratic demagogues."

Sir JOHN A. MACDONALD. Very lovable ones.

Mr. MACKENZIE. Very lovable Radicals. Well, Sir, I admit that there is no one in the House who is more of an authority on the subject than the leader of the House, and I accept his explanation at once. On reading the elaborate and able speech of the Minister of Railways when he carefully left out certain explanations I think he was bound, as a Minister and as one of the leaders of this House, to make in reference to some extraordinary acts of their own, I was reminded of what is said of an English statesman, that:

> "Nature designed him in her rage
> To be the Grafton of his age,
> But, after using all the sin,
> Forgot to put the virtues in."

While everything that was telling, from his point of view, against his opponents, was used with the greatest possible industry, and I am bound to say also with the greatest possible unfairness sometimes, there was nothing about his own connection and the connection of his colleagues with certain phases of this matter in the Act of 1872 to which he made the slightest reference. He was good enough at Montreal to characterize the member for West Durham as the great special pleader; but, Sir, a more specious kind of pleading than the hon. gentleman's own speech is not attainable by any person, either at the bar or beyond the bar. However, I have no particular fault to find in one respect with the hon. gentleman. A very large proportion of his speech—I should say a good half of it—was taken up by quotations from my speeches, and I was never before aware how excellent those speeches were until I heard the hon. gentleman deliver them with his fine, sonorous voice, and I think a great deal more of myself since I heard them. It is true the hon. gentleman misconstrued, willingly or unwillingly, both my motives and my speeches, and he was good enough to saddle upon me the responsibility for the entire Pacific Railway scheme from its inception to the present time. He was good enough, at the same time, to blame me entirely—if blame there be—for the Act of 1874. I will deal with the Act of 1874 later on, but my impression at this moment is that it was brought in and passed exactly as it is now; that the hon. gentleman and his leader and every one on that side of the House gave their hearty acquiescence to that Act in its present shape; that they moved no amendment, stated no objections, but accepted it as the policy of the country at the time; and, therefore, if there is any responsibility at all attaching to it which has any bearing upon the present discussion, which I deny, the hon. gentleman and his friends are as much responsible as we are.

Mr. PLUMB. There were amendments moved.

Mr. MACKENZIE. There were no amendments. There was no amendment to any principle of the Bill or connected with any point involved in this controversy. But the hon. Minister of Railways, a few evenings ago, in the very violent speech which he delivered on an occasion which he esteemed suitable for the purpose, declared with the utmost emphasis, folding his arms and looking round about him like Demosthenes, that he thought he stood in the most impregnable position with regard to certain contracts on the Pacific Railway, because up to this time no one had moved in condemnation of them. Of course, Sir, if he applies that principle of acquittal to himself he will not deny to me the same principle of action. If he feels that he is acquitted from all blame because no motion for condemnation has been made within some months—an omission which he may find rectified some day—how much more may I say that, after seven years have passed, it is rather too late in the day for the hon. gentleman to saddle me with any blame for the Act, chapter fourteen, of 1874. I desire, however, before proceeding to discuss the merits of that Act or the Act which it amended, to refer very briefly to my own position upon the railway matter. I observe that I have been charged in the leading organ of the Opposition, or rather of the Ministerial party,—I am in the habit of calling them the Opposition party because I think that is where they ought to be——

Sir JOHN A. MACDONALD. That is where you would like us to be.

Mr. MACKENZIE. I have been charged in their organ with lending my opposition to the scheme of last Session, because I was opposed to the settlement of the North-West Territory. Now, before I entered political life at all, before I had any privilege to speak as a representative of the people, it was my privilege as I felt it to be my duty, to take a very active interest in rescuing that country from the hands of the Hudson's Bay Company, and the party with which I was connected in public life invariably made that a leading plank in their political platform; and now, Sir, I can point out numbers of gentlemen who were willing at that time, as was the leader of the Tory party in Canada, Sir Edmund Head, to make that country appear worthless, and to oppose all our efforts to obtain some settlement,

which would be a righteous one; and it was only when Canada became more powerful and her political interests were more properly represented in London, that we obtained such conditions as we did—an unjust settlement, so far as our payment to the Hudson Bay Company was concerned. I therefore felt, as I always did, and as I feel at this moment, the utmost possible interest in every measure which has for its object the opening up and settlement of the great north-western territory. While I do not believe in the extravagant statements of hon. gentlemen opposite, as to the extent and fertility of the soil of that country, I believed and tried to show that there was a very large amount of its territory more or less sterile. I knew there was a prodigious tract of land valuable for settlement by millions of people, which cannot but have a very important influence on continental politics, and upon every branch of human science and enterprise which ministers to the welfare of a nation; and I would be a very unpatriotic individual, did I use any efforts of mine, or apply any influence of mine, towards retarding the settlement of that country, or towards making its settlement onerous to the Dominion at large, and to those who become settlers in that country. Now, Sir, in pursuance of a general policy, which was accepted by the nation at large, I felt, after the Pacific Railway Act was passed in 1872, after the excessive terms granted to British Columbia, that, while I still entertained the same opinion as to the unwisdom of that arrangement, as to the extravagance of the bargain, as to the impossibility of executing the contract so undertaken, yet, I say, I felt bound to give whatever assistance might be in my power as a private member of the House and afterwards as leader for five years of the late Administration. But, Sir, while this was the case, I was bound, at the same time, by other considerations as a public man, which must necessarily weigh invariably with those who have assumed the responsibilities of Government. In the first place, the Act of 1872 enacted, as did the Act of 1874, that the scheme of union with British Columbia, that part of it which involved the building of the railway within the limited time provided that the railway should be executed only if the burdens upon the people were not in excess of the then existing rate of taxation. My hon. friend from Bothwell, a few evenings ago, in discussing the constitutional law applicable to the union of two nations, or, as in this case two Provinces, took as an illustration of the obligations resting upon the superior power, or majority in the united nation, the violation of the terms of Union between England and Scotland in 1707, and proved that constitutional authorities asserted that it was quite competent for the Legislature, which was composed of representatives of both Scotland and England, although the latter should be largely in the majority, to set aside Articles of Union which were considered after the Union to be unwise in their character. Now, while I quite admit that it would be competent for the Dominion Legislature, comprising, as it does, representatives from British Columbia as well as from other Provinces, to make changes that were not contemplated in the terms of Union, that they might to a certain extent, or perhaps to any extent, so far as any constitutional legality is concerned, set aside the conditions of Union between the two Provinces. I felt however that might be, that it would not be fair, in the large majority of this House and in the other House, to violate any of the provisions of that compact which could possibly be observed; and, Sir, whatever faults I may have had as administrator of the Government of Canada, one of them was not the shirking of obligations imposed upon me as a Minister and as a member of this Parliament so far as I was able with the means the nation placed at my command to carry these obligations practically into effect by legislation. I am not at all certain but that on several occasions I went to the very extreme of what should be done in order to favor the people of British Columbia, and in order to maintain intact our own honor as a people. On one occasion, which the hon. gentleman referred to, and some other hon. gentleman referred to, in a manner which I do not intend to notice, it will be remembered that about a dozen members of my own party declined to follow me in the division respecting the Nanaimo and Esquimalt Railway, and it will also be remembered, I hope with some degree of shame on the part of the Conservative members of the then House, that while the two leaders, the hon. member for Victoria, the hon. First Minister, and the Minister of Railways, voted to support the Government on that occasion, every man of their followers—was it by instigation of their leaders—except the British Columbia members, voted against the building of the road from Esquimalt to Nanaimo, though every man of them was committed to the building of it, not only as far as Nanaimo, but to the Narrows by Bute Inlet, showing to what extent partizan hostility will be carried by gentlemen who have only the desire to serve party interests, even in connection with a great question like this. The hon. gentleman now at the head of the Government and the Minister of Railways were both well aware of the strong feeling in this House and out of it against even that compensation which I agreed to in my discussion with Lord Carnarvon, and every one of them, when asked privately, would say "Yes; the Government ought to be supported." In fact, one of those gentlemen made a speech in which he declared that it should be given, and after the measure was passed made another speech saying that I had done right in the matter. But what became of all their followers. Why, Sir, every person knows the extreme docility, to use a very harmless word, of the supporters of hon. gentlemen opposite. If I am not wrong, Mr. Chairman, you yourself showed a remarkable instance of that docility a few evenings ago. You were good enough on that occasion to say that such was your affection for your leader, and such your confidence in his statements, that you were quite willing to accept his word instead of the production of documents of public interest to the discussion. Well, Sir, I have no doubt that there are a very large number of supporters of your views on that side of the House, but I say that if that is the case, in this matter a shake of the hon. gentleman's head, who knows how to shake it scientifically on such occasions, would wheel his supporters into line just as readily in support of my Nanaimo Bill as you did in supporting his refusal to produce parliamentary documents. Now, Sir, in pursuit of my object upon the assumption of office, I had to consider what could be done in this matter, and, with my colleagues assistance, we decided upon sending a mission to British Columbia, to endeavour to obtain their cordial assent to such modification of the terms of Union as we felt might be desirable, the existing ones being wholly impossible. For the first two Sessions, I am pretty sure the Minister of Railways rather supported me in those efforts: and the third and fourth he and his friends found out that they were not under any obligation to keep the terms with British Columbia at all—that it was never intended, although the Order in Council so stated it, to build the road in ten years and commence it simultaneous in two. At all events, when we assumed office some months of the third year had elapsed and the road was not even half surveyed. Only a very small portion of the country had been trodden over by exploring parties, and we were left to fight the battle as we could with British Columbia, and with a general hostile minority in Parliament bent upon embarrassing the Government in endeavoring to give effect to their own policy when they were in office. Now the Minister of Railways, and every one from him down to the member for Beauharnois, in their speeches, have taken shelter under the Mackenzie Act of 1874. They

have not attempted to show that this is a good Bill of theirs. except, indeed, the member for Provencher (Mr Royal), He, indeed, boldly asserted, instigated thereto, it is said, by certain threats of what would happen in that country if he and other members of that district ventured, at this moment, to oppose the Government—however that may be I do not know—but such is the current rumor—that this was a good Bill. But the hon. gentleman was so logical as to say this, although the terms of the Act provides a special reserve of 15 miles along the entire boundary of the Dominion, where no hostile company can place a rail, that this was not a monopoly. But he goes further, and says if it is a monopoly it is a blessed one, for which the First Minister ought to be thanked by every person in the Dominion. The Minister of Railways says, no doubt in reference to this, in one of his speeches, like the member for Provencher, that there is no monopoly; but assuming there is, there is a way to evade the monopolists by carrying your wheat down by way of the Nelson River and shipping it among the ice of the Hudson's Bay, round by the coast of Greenland, to England. The hon. gentleman was far too modest; he should have remembered there was another way of escape by the Mackenzie River; and it is said that the Arctic Ocean round Behring's Straits is open for as much as three weeks in the year. Here is a blessed relief to be found in the far north, to which I invite hon. gentleman's attention, then. Who forgets the admirable arrangement made by the gentleman who held the post of High Joint Commissioner for Canada at Washington when he procured for us the free navigation of the Yukon and Porcupine in return for his abandonment of millions' worth of claims we had an account of the Fenian raids. It is true, we had the navigation of those rivers before; but, as the hon. gentleman did not know that, I think he is entitled to credit for having got the privilege again, and we ought to use it diligently as a way of escape from the part of the Peace River district as well as by the Mackenzie River and Hudson's Bay Straits. What was the nature of the attempts hitherto made to obtain the construction of the Canadian Pacific Railway. In the first place there was the famous contract entered into with Sir Hugh Allan, which was something like the present contract in this respect,—that it was a company of capitalists under Sir Hugh Allan, who intended to provide a financial scheme under which contractors would be obtained who would undertake the actual construction of the work, they receiving among themselves the general profits which would come to the managers of the enterprise—not the profits of the actual construction of the railroad. The Minister of Railways sometimes refers to my speech in Sarnia, in November, 1873, where I referred to the Government being able to retain the profits of the undertaking for itself—my allusion being to such profits as would come from the financial arrangements, and not to those properly coming to the constructive company organized by Sir Hugh Allan and his associates. In 1872 they passed a remarkable Act, authorizing the Government to do certain things—the Act respecting the Allan Company; and as soon as I entered office I felt that, at all events, that Act in its then shape should be removed from the Statute-book. I have no doubt but that some hon. gentlemen, and notably the hon. gentleman who last addressed the House, will be surprised to learn that the Act of 1874, under which they all shelter themselves, was not an affair of contracts at all; it was simply a basis for receiving tenders, beyond which the Government of the day could not go; but it was more than that, so far as the money and land grants were concerned, it was a continuation of the Act of the hon. gentlemen opposite passed two years before. It was not our proposal to give $30,000,000 and 54,000,000 acres, but that of the present Minister of Railways and his leader, as embodied in the Act of 1872. My Act of 1874 was in mitigation of that Act, to provide that we should not go so far as it went. Instead of giving 54,000,000 of acres unconditionally into the hands of the Allan, or any other company, we proposed that only one-third of 20,000 acres of land per mile should pass into the hands of the contractors absolutely; that two-thirds of that amount should be dealt with by the Government of the day, and the proceeds of the sales paid over to the company. The Act of 1874, therefore, was a great improvement on that of two years before. Yet there is not one gentleman I have yet heard, on the opposite side, who has referred, for one instant, to the Act of 1872 as that which originated the lands and money proposals which were somewhat changed in the Act of 1874. But there were other conditions in the Act of 1872 of the most extraordinary character. I objected to them at the time as unprecedented in their character. The 14th section of that Act reads as follows:—

"The company with which such agreement as aforesaid is made may, with the consent of the Governor in Council, surrender its Act or Acts of incorporation and accept instead thereof a charter, to be granted by the Government, embodying the agreement, so much of this Act, and such of the provisions of its Act or Acts of incorporation, and of the Railway Act, modified as mentioned in the next following section, as may be agreed upon by the Government and the company, and such charter, being published in the *Canada Gazette*, with an Order or Orders in Council relating to it, shall, in so far as it is not consistent with this Act, have force and effect as if it were an Act of the Parliament of Canada."

I doubted then, and I doubt now the constitutional power of this Parliament to delegate to anybody, even to a committee of its members such as the Government is, the power to enact statutes which shall have the force of laws passed by this Chamber. But such, Sir, was the provision, two or three times repeated, of the Act of 1872. It was quite impossible, with our views of legislative and administrative authority, our views of public and political morality, that we could permit any such power to be vested in any Government while we had the power to repeal it. We therefore introduced the Act of 1874 in order to set aside the granting unconditionally of 54,000,000 of acres of land and making such other conditions as are embodied in that Act. Instead of giving $30,000,000 we gave $10,000 per mile (or proposed to give it), and this grant we extend to all portions of the line; and after we had obtained a complete survey of the line, we were to advertise publicly for tenders on the conditions presented in that Act, and submit those tenders to Parliament for ratification and acceptance. After this had been done and Parliament had expressed its will, then we should have not only fulfilled all the conditions of our pledges, but fulfilled the conditions which constitutional laws demanded, and we would have vindicated our position as Reformers by reforming an Act which was so bad in all its features. But, Sir, notwithstanding all the bad features of this Act—bad in the sense of being over favorable to the contractors—Sir Hugh Allan failed when he went to England with his deputation; he failed to find a single responsible individual in the character of a financial contractor who would touch the scheme as it then stood. It may be said, if that was the case when 54,000,000 of acres and $30,000,000 was granted, why are they so ready to enter into an arrangement on the present terms? I will endeavor to answer that question presently. Under the Act of 1874 we never gave out any contract except that of Mr. Foster for the Georgian Bay Branch, and we never attempted to do the work until we had the surveys completed, and were able to present a complete profile from end to end of the line. But we took this precaution, and I think the hon. Minister of Railways repeated part of my speeches in reference to this particular matter; we held that the first thing required before giving a paying character to any portion of the line was to obtain the settlement of a large number of people in the North-West Territories. At the time that we

came into office it required from two to three weeks for emigrants to travel, with the waggons or carts which were then in use, from St. Paul—which was at that time the western limit of railway travel—to Winnipeg; and after reaching that point they had to gain further access into the country by such unsatisfactory and comfortless means as were then at their command. When we left office, five years afterwards, we had a railway penetrating from the north-western States to the boundary, and from the boundary to Winnipeg; we had 228 miles of the road nearly finished through our own country, and such improvements had been made in public works as would, with the improvement in the navigation, have enabled us in another year or two to turn a large share of travel through our own territory into the prairie region. In 1877 we advertised for tenders, after being able to give as full information as was possible regarding the profile of the road, the features of the country, its geological, agricultural and mineral character, and such other information as might be of interest to those who in England and elsewhere were examining into the character of the Great Lone Land. During those whole five years I was subjected, by hon. gentlemen on the other side of the House, to the bitterest hostility in connection with every step I took in this work. I was met by the most factious opposition on almost every occasion. Even when I asked the consent of the House for power to facilitate the giving out of the contracts and the proceeding with the works between Fort William and the Red River, the permission was given grudgingly, and I think, on one occasion, only after an amendment had been moved. But when hon. gentlemen came into office there was a complete change in their opinions, and I am glad to notice that since his accession to office the hon. Minister of Railways has taken back almost every accusation he ever made against me in connection with every possible subject. In the first place, though the Government of the hon. gentlemen opposite provided in their contract with Sir Hugh Allan, that the Thunder Bay Branch should be finished by December, 1874, when we undertook to construct that branch we were accused of treason to the best interests of the country; we were accused of acting in combination with Yankee railways, to carry traffic out of the country. With regard to that subject I may make the remark, that I would never scruple, as a statesman, to take advantage of crossing a corner of my neighbors' territory, if, by so doing, I could obtain the shortest and best route into my own property. This was the view which was taken by all the statesmen of the United States; for several of the railways crossing Canada at this moment have been built—notably one of them—by United States money. We ourselves, under the guidance of the hon. the First Minister and his former colleagues in a former Government, gave the Grand Trunk Company authority to lease or purchase the road through the State of Maine, from our boundary to Portland, in order to obtain access to the best harbor on the Atlantic. There was no cry then against building that line or against acquiring it. It was only when it became advisable in the interest of party—those party exigencies, which, according to a journalist on the other side of the House, justify making a wrong statement, and not correcting it afterwards—those party exigencies justified hon. gentlemen opposite in opposing the building of the Pembina Branch, although immediately after coming into office they took care to have it perfected as speedily as possible, and it will be for years to come, under their arrangement, the proper and only highway into our own territories in the North-West. Well, the hon. gentleman also accused me of improvidence. He made insinuations as to something worse in the purchase I made of 40,000 tons of steel rails. He said I purchased them when they were not wanted, and during the very last session of my incumbency as a Minister, we were assailed with statements that these rails were lying in heaps rusting here and there throughout the country. But the hon. gentleman was not six months in office when he rushed to England and bought 40,000 tons again, exactly duplicating my order and following precisely my example. He says, that he made a better bargain than I. I deny that. He bought them at a less price, but, relatively to the prices prevailing then, he made no better bargain than I. I obtained them only by the proper method. I might refer, if the hon. the Minister of Railways will pardon me for doing so, to some of his latest feats in connection with railways, out of the North-West. At one time the hon. gentleman and his colleagues sent a corps of surveyors to examine the route from Sault Ste. Marie to Lake Nipissing. They ordered that survey immediately prior to our acceptance of office in 1873. Did they mean that this was to be thrown away, or did they mean, when they sent men to examine that road, that they were to build it, if the report was favorable? I invite an answer to this, before this discussion is closed, because, if they held then what they hold now and proclaim to the public, namely, that it is treason to Canada to build to the Sault Ste. Marie, to connect with the United States roads through Michigan, then were they traitors at that time, or have their views of constitutional morality since changed? That the hon. Minister of Railways announced again that he has completely changed his views; but, if he does, we must remind him that even last Session he was favorable to this project. In 1879 the hon. gentleman brought a measure into this House, providing for the purchase of the Rivière du Loup Railway from the Grand Trunk Railway Company, and he made it a condition in the purchase, that the company should use the money paid them for the branch, in building a road through part of Michigan; yet, now he and his associates are horror stricken at the idea of our using or proposing to use, in order to save a vast expenditure of money which will be practically thrown away, a road to the Sault Ste. Marie, to connect with a straight line towards our own territory, through Michigan. I am afraid these facts will tell so strongly against the hon. gentleman, that he will have very little to say in support of his various professions at various times; or if he has, I should like to know on what principle he defends the elucidations of his contradictory views in 1872, 1874, 1879, 1880 and 1881, consecutively, and see in what extraordinary mess he will land himself and those who act with him. I remember, also, that the hon. gentleman and his friends—and I do not blame them for it—sent a corps of engineers in 1873 within a month of the time they left office; in fact, they had left office before the engineers had obtained a passage through the Ste Marie River, and I am told as the party in question was, as usual, strictly Conservative, they were in a great hurry to get the steamer to leave the Sault in case they should be recalled by the new Government. This party was sent to examine the country from Fort William westward. The hon. gentleman afterwards accused me of treason to the country because I adopted the line from Thunder Bay westward, instead of going to that beautiful place, Nepigon. The hon. gentleman's newspaper in the first place accused me of being interested in favor of Nepigon when I selected that route, and afterwards accused me of having a special interest in favor of Thunder Bay when we decided to go there. It was impossible to take a step in the execution of Pacific Railway work without being opposed by hon. gentlemen opposite in what I conceive to have been a most unfair, not to say unpatriotic, manner. I admit that our actions as a Government were not to be freed from criticism, because we were endeavoring to give effect as far as it could be done to their own policy; there must be a certain freedom of debate in Parliament. Even where a party has

originated a project it may be carried out wrongly, and therefore I did not expect any freedom from criticism; but I did expect that in matters that hon. gentleman opposite originated we ought not to be saddled unjustly with any odium that might be attached to it, and as little did I claim any credit that might be attached to the various schemes to which I have referred. I observed by the way—and I make the remark simply in passing—that a few months ago the Government were said to have decided that Fort William should not be the terminus on Lake Superior, but I observed in this contract that Fort William is the terminus. How does that happen? Has the Syndicate dictated this as well as other matters? If they have, they have shown their wisdom in a geographical as well as a political point of view. I am glad to see that the hon. gentleman changes so rapidly. Why, his changes of views are like the changes in a kaleidoscope; you shake it up in a few months and present another set of figures and forms altogether. I am not altogether blaming the hon. gentleman for changing his views in many respects, because I claim the liberty to change my own views. I do not for one moment blame him, that the reports of his engineers led him to a different conclusion from what he had previously entertained, because I found myself almost every year compelled more or less to change my views from having obtained a better knowledge of the country. I was in haste, Sir, to get the line defined across the continent. I was in haste to do whatever the Dominion might find it in its power to do, not merely to sustain the bargain with British Columbia, but to obtain knowledge of our vast country, and to do everything in my power to facilitate the construction of the Canadian Pacific Railway, always subject to the one condition, that we should not immerse 4,000,000 of people in debt in order to carry out an impossible bargain. But, Sir, in pursuit of that view, I, on one occasion, approved by Order in Council of the route being carried down the North Fraser to Fort George, believing then that, beyond a doubt, the route either to Bute Inlet or Kamsquat would be selected, the latter by Dean's Channel being far the shortest; but subsequent examinations showed the grades upon it to be so heavy, and those on the southern line to be so favorable, that I abandoned the line from the summit level to Fort George, and selected the Burrard Inlet route at the west. Such were the changes involved in the acquisition of more knowledge and in consequence of explorations undertaken by the two Governments. Now, Sir, I have shown that the Act of 1874, about which so much has been said on the Ministerial side, was simply one limiting the Executive power. We offered no person the terms the hon. gentleman mentioned in his speech; we passed a public Act to say that it would be upon such terms that tenders would be received. If one tenderer said he would take 10,000 acres in land and $10,000 in money per mile, we would, as a matter of course, accept that tender, if it was the lowest; if another said he would take 15,000 acres in land and $15,000 in money, we would accept that if it was the lowest; subject, of course, in all cases to the approval of Parliament. Now, what are the conditions of the present bargain? The conditions are extraordinary. In the first place, the Government must be aware that under no law have they a right to receive tenders without advertising for them. The only law which can apply to the Government's action is my Act of 1874, and it provides in the 8th section that "the works in any section or sub-section of the said railway shall not be given out to any contractor or contractors except after tenders have been received for the same." Now, in this case the Government had entirely changed their policy. The Statute I have quoted provided $10,000 per mile as the limitation in money and 20,000 acres as the limitation in land. That was practically the same as was provided in the Act of 1872, though a little less money and a little less land. The hon. gentleman in his speech made them more, and for that purpose misrepresented the figures, whether wilfully or not I do not know. But hon. gentlemen last year went to England, taking with them the project embraced in the hon. gentleman's resolutions. They reported through their newspapers that great success was attending their efforts. They came home, however; and they were not able to report any success to Parliament. Their mission was a palpable, utter failure. Then, Sir, during last recess they went home again, and we found reported in the papers from time to time the wonderful success that was attending them. They came home, and the First Minister announced at Hochelaga—though that announcement has been qualified since—that he had made a firm contract with parties in England. What right had he to make a firm contract? He might have made a conditional agreement that he would submit to Parliament. But what are the terms generally of this new agreement? What was proposed previously was $30,000,000, or $10,000 a mile. That was the limitation to which Parliament restrained Ministers, and in our advertisement for tenders in 1877, we provided that whoever undertook the contract of building the line should receive as part of the $30,000,000, the amount expended upon those provisional contracts, between Red River and Lake Superior and between Selkirk and Pembina. In this case they undertake a bargain, which, by their own showing, involves an expenditure of $53,000,000. Without having consulted Parliament, without having the slightest authority to do it, they enter into a contract, and have that contract signed, to expend $53,000,000 where Parliament had limited the expenditure to $30,000,000. What justification was there for this, Sir? Why should a contract be made with these parties or any others? If it had been known that the Government had determined to increase the grant from $30,000,000 to $53,000,000, do you suppose that they would be wanting in applications to obtain the contract? Sir, any person possessed of ordinary intelligence and the slightest spark of official knowledge, must have known that it would have been the easiest thing in the world, with such terms as these, to obtain offers, in a greater or less degree, more favorable than the present. But, in addition to increasing the grant by $23,000,000, and, mark you, although we have heard almost everything in connection with this matter denied, no one has denied that they have made a grant of 25,000,000 acres, to be selected where these parties please. I have read—I read six times to-day—the Minister of Railways explanation of this at Montreal, where he accused my hon. friend from West Durham of misrepresentation. I am not able to see the misrepresentation. I read the provision precisely as my hon. friend (Mr. Blake) read it, that they have absolute power anywhere; for the words are: "in the fertile belt or elsewhere." If they draw a general line on the map, and call it a branch railway, upon that general line they may set out the blocks of land. We are told by the hon. gentleman (Sir Charles Tupper) that the fertile belt only extends from the 49th to the 57th degree of latitude. Where does the 57th degree of latitude extend to? The Peace River flows through the Rocky Mountains to the 56th degree, and the 57th degree is 70 miles north of that, and within a very few miles of the northern wheat growing limit on the continent. Some of the rougher grains were grown 150 miles north of that point, but I am not aware of any wheat being grown more than a few miles north. It is said there is some grown 80 miles north of Dunvedin, near the bend of Peace River. We have 25,000,000 acres of select lands given the Syndicate. It is a point of moonshine to put them at the low price named by the Government. I am not able to see on what principle the Minister of Railways says they are worth less than in 1875. After our having spent nearly

$20,000,000 in getting a highway into the country and bringing it within three days of the Ontario settler—after lessening the expense by two-thirds of getting into the country—how it comes that the land is worth less than before, is a mystery "which no fellow can understand." It may be said, but you put an extravagant value on your side of the House on these lands. I put no value on them at all. I took the hon. gentleman's own value, which he never stated at less than $2 an acre; he said, in his speech in 1875, that the relative difference of taking the lands as they come and selecting them was $3 an acre; that if taken in alternate sections they would be worth $2, but selected lands $5. Oh, yes, if he had the selection himself—well he has got men not less acute than himself—give him the selection, and I as a public man would as soon leave the selection with him as the Syndicate so far as the country is concerned. I believe he would not give them all the best, but see that something was kept for the boy as his friend in Toronto would say. Another feature of this scheme strikes me with some degree of astonishment. Why was all this secrecy observed, no Minister has ventured to state a single reason for it? Was the thing so good that they were afraid of a multitude of offers being made if they published the terms? If that was not the reason why not tell it? Why afraid of Parliament? Why afraid of the people? I cannot believe, I will not believe, that such secrecy could be observed without some motive for it. Motives good as well as bad. If the motive was a righteous one, I promise to give full credit for it. If the motive was not good, it may still not have been malicious; it may simply have been a senseless one. It is one or the other. It is either good, wicked, or stupid. They were bound as every Ministry is bound to give the effect to the desires of Parliament. They had those desires exposed in an Act which they allowed to remain two years on the Statute-book without repealing. They knew Parliament would not readily consent to double the expenditure without at least sufficient reason; and in face of all this knowledge they go to England and make a bargain which proposes the building of the road upon the terms of these resolutions. Now I am anxious to see the road built, but I am not able to discover one redeeming feature in that scheme. I desire to point out not merely what I have said about the extraordinary secrecy observed, but about the extraordinary provisions that could not possibly have been unforseen by the hon. Minister of Railways. I give the hon. gentleman credit for being as acute as most men, and as sharp no doubt in attending to the affairs of his department, if he looks into them as he should. Will he tell me, then, why the first 100 miles of road west of Red River, which he stated last year would be built for $500,000, was not left in the hands of the contractor, or why, if taken out of his hands, the Government did not finish it themselves instead of giving it to the Syndicate and paying them for it this extravagant amount of $10,000 per mile? The money alone paid for this 100 miles is far more than the entire cost of the road, as stated by the Minister of Railways himself; yet he gives 12,500 acres per mile in addition thereto. What was the necessity for this? Is it possible to see any reason for favoring the Syndicate? If there is any other reason I would be glad to have it, for it seems to me the very worst feature of the scheme, as showing the want of talent, sharpness and business capacity—to say nothing worse—which marks this extraordinary contract; and after the hon. gentleman's speech wherein he recapitulated fairly from speeches of my own and others, the opinion that there was a general desire that the road should be in the hands of a company and worked by a company, why was it thought necessary for the Government not merely to finish the hard non-paying sections, which had already been commenced, but to undertake to finish ninety more miles of the hardest kind? Is it possible to conceive for this any other motive than what I have already referred to? Why did the Syndicate not obtain the building of those 90 miles, and why did we not retain the building and finishing off of the 100 miles on the prairie? There are 81 miles built there already, I am told, and trains are running over 60, the rails being laid over 80. This is by far the easiest 100 miles of railroad ever built in Canada or that will ever be built in any country in the world.

Mr. PLUMB. Hear, hear.

Mr. MACKENZIE. I will wait till the hon. gentleman tells me where there is a cheaper or easier road possible.

Mr. PLUMB. I can tell the hon. gentleman that there are depressions in those prairies which compel filling up and differences in grades. The prairies of Michigan and other States have no such difficulties. I can tell them also there are muskegs to be dealt with, though he may not know it.

Mr. MACKENZIE. I was a little too well informed in the matter to be corrected by my hon. friend opposite. If he says there are extraordinary depressions in those 100 miles, I must say he was not in that region, and has not studied the reports of the engineers. So much, Sir, with regard to the building of the various parts. I could quite understand why the Minister of Railways might desire to finish the section between Fort William and River—as it is so far on, it might, perhaps, be better for the Government to finish it—but I could understand still more readily why the line under contract and barely begun, between Kamloops and Yale, should be given to the Syndicate, they to pay back to the Government what the Government have expended upon it. That would have been a wise and understandable proposition. But instead of that, the Government not merely retain this extremely difficult part, the worst part of the entire line, but they also undertake the building of 90 miles of the next most difficult part to be found, instead of giving it to the Syndicate to build. They declare, in one breath, that it is desirable that the Government should get rid of this work, and entrust its construction and its working to contractors, and at the same time they undertake to build as much themselves as they will be able to accomplish during the entire time the Syndicate are accomplishing their part. What is the use of the Syndicate at all? If the Government are to continue to build entirely, from he beginning, I may say 217 miles of the worst part of the road, what is the use of employing a Syndicate to build the other portions? We could build them all at the same time, and if, instead of doing what the hon. gentleman has done, he had brought in a proposition of that kind it might be considered. As I have remarked, some hon. gentlemen—the member for Provencher—defended the scheme upon its merits. He declared that there was a monopoly, but, if there was a monopoly, it was a good thing, it was a favorable thing for his constituency and for Winnipeg.

Mr. ROYAL. Hear, hear.

Mr. MACKENZIE. The hon. gentleman is not ashamed to say "hear, hear."

Mr. ROYAL. Hear, hear.

Mr. MACKENZIE. I can only say I do not understand the hon. gentleman's speech, his logic or his position. How it can be good for any country to have no competition in railway carriage passes my comprehension. There is a tract of fifteen miles, a sort of preserve, over which the Syndicate may run their lines in a south-easterly direction, but if any other company gets a charter to build a road, they must cross that and go in a south-westerly direction, but they must always keep fifteen miles from the boundary lamp posts. What is the object of that? I can quite understand that the settlers in the district at the base of the Rocky Mountains, in the fertile district known to exist

along the base of those mountains, might find they were nearer a profitable market by going southward to the Northern Pacific railroad or some other railway in the United States and finding a connection there. The hon. gentleman knows that at the present moment the supplies for the Canadian troops, in that quarter, all go that way. The Government themselves are taking advantage of the road, but they say no settler, settled at the base of the the Rocky Mountains or south of the grand trunk of the Pacific Railway, on our side, shall have the right to cross those fifteen miles to connect with a road in the United States territory. I am unable to understand why this should be the case. The road is to be built, as I understand it now generally, on the line laid down south of Lake Manitoba, passing near Fort Ellice, and by Battleford and Edmonton to the Yellow Head Pass, that being the objective point on the west up to the Rocky Mountains. I am to understand that all the railways which may be built by independent companies on the north of that and which would tend naturally south-easterly, must stop when they come to the fifteen miles, if they are foolish enough to cross the track of the Syndicate's road. That is the proposition. But the Syndicate themselves are able to make connection with United States roads wherever they please. There is no hindrance to them. I am prepared to discuss the principle, that no Canadian road should have any connection with any road in the United States. I am prepared to discuss this phase of know-nothingism, this phase of protectionism, this phase of international stupidity, if it is brought before us in a proper shape. But I am not prepared, because I cannot conceive why it is so, to discuss the question, why a certain body of men should be privileged to make the connection and all others refused. Why is it? There must be a reason. What is the reason? Why has Parliament not been favored with these reasons? Are hon. gentlemen afraid to take Parliament into their confidence, or do they believe that in this Parliament they are able to carry any measure they like, no matter how repugnant it may be to common sense and morality? Do they expect to find every member as pliant as the member for Monck, who is very loud in the corridors, but as pliant as a sucking dove in the House? He thought—he was not sure, but he thought some propositions in this contract might possibly be improved, but he was willing to take it on trust. There is no member in the House for whose sound common sense and good judgment I have greater respect than for that of the member for Monck, and I am sure when he made these qualified admissions, and gave his qualified support to the proposition before us, he must have had before him the extreme danger of allowing such a measure to become law at the expense of the defeat or support of a political party. Then we have the other question of grades. It is now asserted, and a letter has been produced to-day from three members of the Syndicate, to say that the standard of the Union Pacific as first constructed will be given up, and that the real standard now will be the Union Pacific as completed in 1873 or 1874. Still, if that is the case, it is a matter of not the slightest consequence in the argument.

It being Six o'clock the Speaker left the Chair.

AFTER RECESS.

Mr. MACKENZIE. Before recess I was about to allude for a moment to the question of grades, and to the letter which has been put in from certain members of the Syndicate, intimating their willingness to have the condition of the Union Pacific Railway in 1878 substituted for the present words of the contract. It is not a matter, I think, of material consequence, inasmuch as the maximum grades on the Union Pacific are far in excess of anything that ought to be on the Canadian Pacific Railway. One of the objects I myself kept steadily in view, and to which the hon. Minister of Railways alluded and gave me credit for, was maintaining a grade not exceeding twenty-six feet to the mile on the line for heavy freights coming eastward or forty feet going westward. Now, I think it will be an exceeding great calamity if the degradation—to use a phrase introduced last year—of the line should proceed so far as is proposed in taking the Union Pacific as a standard. The maximum grades of that road, if my information is correct, and I believe it is, are not less than eighty feet to the mile, and that not over a short but over a very considerable distance. An hon. friend beside me says it is ninety feet in some places. I am aware that it is between 80 and 90 feet, and I take it at 80 feet. But at all events, we know this, that with grades of even 70 feet to the mile, an engine will not be able to do half the work it will be able to do on grades not exceeding 26 feet. On the Great Southern road in our own country the maximum grade is under 20 feet, and on that road one of the ordinary powerful engines used for drawing freight is able to take from 40 to 45 loaded cars. I do not speak from hearsay, but from an actual count of cars on the road. That enables the road to carry freight either cheaper or else it pays a great deal more than other roads The result of heavy grades on the Canadian Pacific will be this: if the Company or Syndicate charged only ordinary rates upon freights, that is the ordinary freight per bushel, they would not be able in that case to earn enough to pay expenses; they must, in order to pay properly, charge double what would be the rates on a road with the grades I have mentioned. And as the Syndicate will, as a matter of course, run the road so as to pay, it follows that although the rates may not seem excessive considering the quantity of grain or the product the cars can carry, they will be excessive considering the quantity they ought to be able to carry, if the grades decided on by the late Government were carried out over the road. The Minister of Railways last Session announced it was the intention of the Government to degrade the line. He announced that it was part of the Ministerial policy to make high grades and sharp curves in order to build the road cheaply; but a road is not built cheaply merely because it can be turned out of hand for a certain number of dollars less than was expected at the beginning because it is very soon made up by the difference on the freights charged to the people of the country through which it passes. I look, therefore upon the standard of the Union Pacific Railway as one that is wholly unsuitable, and one that it will be a great calamity to adopt. The hon. Minister of Railways said, in his speech, that the grades between Selkirk and Thunder Bay upon the new pieces of road, the cost of which has been cheapened by some changes, are not affected. I was very glad to hear that; but what about the grades east from Thunder Bay. That road is to be built by the Syndicate under this contract. Are they bound—they are not bound—to have the same grades as are between Selkirk and Thunder Bay, and what is the use of having good grades for 400 miles if you have bad grades for 650 miles eastward of that point? It is evident that portion will cost a great deal more for working than that portion will cost that was designed under the late Government, and is approaching completion under the present Government. In my opinion it will be far better—I give my opinion for what it is worth—to expend more money in building a road and have it so constructed that it will carry heavy freight either towards the Atlantic or Pacific at the lowest possible rates charged upon railways. It is said by some hon. gentlemen on the Ministerial side, it is enlarged upon in the press, and members of the Syndicate who have addressed a letter to the Government, which was presented to the House to-day, reiterated the same idea, that it is a matter of no consequence, although a standard

has been set up, as it is the interest of the contractors to make the road a good one and a satisfactory one for the traffic. Well, it might not be of much interest provided that otherwise the contract were satisfactory. The contract should be so made that it will be in the interest of the Syndicate to make good grades and curves, but unfortunately it is not so. Under the contract as it is, there is an excessive amount allotted to the prairie section, which could be constructed for one-third or one-fourth of the amount given, showing what the intention of the Government is. There is nothing I can see to prevent the Syndicate building the cheapest parts of the road and the parts that will pay best, and I observe they are the parts to be built first, and abandoning other portions of the road; and the Syndicate exists for the purpose of making money. The guarantee given in the form of land bonds in the hands of the Government, is a mere trifle compared with the money that would be saved in the construction of the road, and with the money that is to be made from rates that are afterwards to be charged. It so happened that on no line yet surveyed to the Pacific has there been such an opportunity as we had for obtaining favorable grades from Burrard Inlet all the way to Lake Superior; further than that it is not my purpose to go, because I believe we can obtain communication eastward during the winter season by a line built to Sault Ste. Marie, connecting with the American lines at Emerson, or some point on the boundary, and at Ste. Marie River. In connection with the building of the road, there is no efficient system of inspection provided for. There is nothing to prevent the road being built in almost any style, except one clause, which provides that if any of the material used shall be objected to, the Government may demand an arbitration to decide whether it is right or wrong. So, if there are a few cartloads of bad, mossy earth dumped into an embankment on the north shore of Lake Superior, we have, in the first place, to apply to the contractors to name an arbitrator. If they do not agree to do so, we must apply to the judge of the Superior Court to name one for them, the Government appoint another, and those thus appointed to agree upon a third. These three arbitrators are supposed to go, I presume, in a special chartered steamer, and after they land to get a full equipment to take them across the woods, to the place where the supposed dereliction of duty has taken place. This will take the greater part of the summer, and when they get there they will find that the road has been built for miles on each side. This provision is an absurd and unpractical one, and one cannot help thinking that it was designed by the cunning contriver of this Bill—I do not know whether he is present, but I believe he is not far from the sound of my voice—as a very efficient preventative against the Government having any interference in the construction of the road. One of the very bad features of the contract is this—I do not intend to enlarge upon it, but merely to mention it—the relieving of the Company from all taxation upon their lands for twenty years. It will be their interest to retain a very large portion of these lands around which settlers may be clustered, in order to obtain the value necessarily put upon these lands additional to their original value by the labors of the settlers, and there is nothing more obnoxious in principle than having exemptions from taxation prevalent in any country. There has been a considerable agitation in the Province of Ontario, and I am quite sure many gentlemen on the Ministerial side of the House have taken part in that agitation—I know some of them have—to prevent even the present exemptions, which are confined to churches and to buildings of religious orders in the Province of Ontario. Those exemptions may have something to justify them, but there is nothing to justify the exemption from taxation of the property of a great railway company, which has obtained and will obtain so large a portion of the public money in order to enable them to build the line and hold those lands. I know, Sir, from experience in my own county how this results. One of the townships in my own county was owned entirely by the Canada Company. They sold certain portions of the lands, but I have known blocks of thousands of acres, round which settlers were on almost every lot, and the property kept from sale for many years until it had risen from the price which they paid for it, one shilling per acre, to $10 to $20 per acre. This price was entirely the result of the labors of the settlers, while they only contributed the ordinary *pro rata* of taxation to the municipal corporation. But there we have a vast amount of lands, six millions of acres in excess of the entire area of Scotland or Ireland, provided with an exemption of taxation, where we expect large numbers of settlers to cluster, and these interests will prevent the settlement of lands in that quarter. The exemption also from customs dues upon all the material required for constructing the road is a most obnoxious one. This is an exemption from taxation to the Dominion Government, the other exemptions are to the Provincial and Municipal Governments of the North-West. In order to have our municipal system uniform, the laws in force in other portions of the country, should be enforced in the North-West also, and in order to have our Customs laws fairly and regularly carried out no corporation should be exempted from their just operation. If the terms to be given to this Syndicate, or to any other syndicate, for the building of the road are not sufficient let us make them more, but let there not be any adding to their income by any such extravagant proposals as to exempt them from taxation. I observe that the Minister of Railways, in one speech of his, said the entire exemption from Customs duties would only amount to a hundred thousand dollars. As I saw no detail of that calculation I am unable to say where it is wrong, but that it is wrong there can be no question or doubt; and if it is not any more than a hundred thousand dollars, he had better write another letter to the Syndicate to send another letter back declining to accept this hundred thousand dollars, and that they submit to the ordinary taxation that other people submit to. My own impression is that with the materials required for bridging, chains, iron, bolts, rails and other materials this exemption cannot be worth less than two or three millions. I do not see how it is possible it can be otherwise. We know the number of steel rails now on hand and the number that will require to be provided. We know the number of miles required to be covered and the number of tons for each mile. We know the number of tons of bolts and nuts for each mile. We have an idea of the duties paid upon the bridge material brought into the country, and any one can sit with a profile and plan of the road and make out the number of bridges, the cost of each bridge, or, taking the Intercolonial Railroad, they can find out the cost of bridging per mile, and so find out what the amount of duty which might be collected would reach. There is no doubt some basis by which we can arrive at the amount. But whatever the amount may be, be it one hundred thousand or five millions, the application of a wrong principle is the same, and must meet with the condemnation of all those who desire to see all classes of Her Majesty's subjects submit to equality in the administration of the laws.

Sir CHARLES TUPPER. I would like to ask the hon. gentleman would he tell us how much the duty would amount to on the bridges on the 400 miles from Thunder Bay to Red River, there not being one single pound of iron in his specification. All wooden bridges and yet that is a first-class road.

Mr. MACKENZIE. In considering that road I explained repeatedly to the House that my object was to get the road built as cheaply as possible, having regard to the grades

and curves alone, and that the bridges were temporary. But the hon. gentleman cannot pursue a similar line with a Syndicate having to build the entire road. We did not put up iron bridges, but we did not have to pay for them. Does he mean to say that under the present arrangement we are to build the road with wooden bridges?

Sir CHARLES TUPPER. The hon. gentleman has again and again declared and took credit for it, and that credit has been accorded to him, that he had provided for a first-class road from Thunder Bay to Red River, and he surely could not ask the Syndicate to provide a better road than the one which he has pronounced first-class.

Mr. MACKENZIE. It appears that the Syndicate are only to build with wooden bridges. I am glad we have that information; this is the first we have heard of it. Yet we are told, in the same breath, that it will be in the interest of the Syndicate to build a thoroughly substantial and good road. I have repeatedly stated that the life of such timber, as we can find it in that country, is not likely to be more than from eight to ten years. I consider that in the bridging of that part that is spoken of, from Selkirk to Fort William, it would be better to use wood in the first place, even if we had to replace it with iron at that distance of time.

Mr. PLUMB. I said it was shown by the special committee of investigation in regard to these contracts that the timber could not be found nearer than the head waters of the Mississippi.

Mr. MACKENZIE. I do not know what bearing that has upon the point. That is a question of where to find timber, not the question as to bridging at all. It was our intention to put an iron bridge over the Winnipeg, and I presume the Government had carried out that intention. I presume no wooden bridge will be built across the North branch of the Saskatchewan—certainly I never thought of doing that. Now, the evidence accumulates as this discussion goes on, that the character of the road is to be even worse than any one supposed it would be. What are we to pay a high price for if we are to obtain the worst class road? If we were building it ourselves and found it convenient to save money, even for ten or twelve years, I could understand it; but here we are paying what is acknowledged to be a very high price to a body of speculative gentlemen who expect to make a large amount of money by the venture, and we are asked that they should be treated precisely as the Government would treat itself if it was constructing a temporary road through the country. Last year the hon. gentleman avowed that his policy was to build the road, following the *contour* or profile of the country as nearly as possible, and making rather a colonization road, as his engineer counted, than a first-class railway. I admit something can be said for that. In my opinion that would be a great mistake. I think it would be far cheaper to make a good road at the beginning, even if we made a loss every year and had an efficient track for trade, one that could be conducted more cheaply than anywhere else. That would be my policy, but I admit there would be something to be said if the Government were building the road, to build it of the cheapest possible construction, even if an engine could only do one-third of the work for a time. That may be the case. I am prepared to discuss that when it comes up and to state my reasons. But now we are in the face of the world at large, and the public of the Dominion, giving a larger amount of money by $30,000,000 to this Syndicate than ever was proposed before, and allowing them, also, to select lands which never was allowed before, in every part or any part of the North-West Territory they choose to go to. The arrangement is so wide there is no hindrance, and yet we are to accept for that the most inferior road in every way that can be described or that is to be found on this continent. We are first permitting them to have grades reaching 90 feet to the mile, and we are to permit them to have sharp curves. In addition to that, we have now, it seems, to permit them to have cheap wooden structures crossing rivers, no matter how large, and besides that all the privileges to which I have adverted—a perfect monopoly of the entire trade of the west—and as the only means of escaping that monopoly, or of avoiding the claws of this spider that is placed over that territory, we are supposed to escape between its claws down to the Hudson Bay if we can, or by the Mackenzie River if we find other ways impossible. Now, why should we do this? Why, if $30,000,000 is to be paid by the Government, should not the public at large be advised of the changed condition, and the new intention of the Government to double the money that was previously offered, and obtain an offer on that basis? What is the reason for hiding it? What is the reason that in that vast territory—comprising, as the hon. gentleman told us last year, 250,000,000 acres of arable lands, containing room for many millions of people—what is the reason that we are asked to give a monopoly of the carrying trade of that country to this corporation? What is the reason that we are, further, to allow them to escape all municipal and provincial taxation in this new country? Previous to the formation of those Provinces, which are now in process of formation, what right have we to anticipate what their legislation shall be for twenty years to come in the matter of taxation? Are we to tell them that certain parties may go into their territory, and we shall enact here, by a special law, that those parties shall not be subject, for twenty years or more, to any taxation at their hands, no matter what the consequences? Are you to advertise this to the world? Are you to expect immigrants to come from the other countries, especially those that have felt the grasp of landlordism upon their throats, to come into a country where everything is placed absolutely at the disposal of this powerful body of Syndicate speculators? Sir, I can only say, that if that is the intention of the Government their Bill could not be better framed; if it is not their intention why does some Minister not speak upon the merits of the case? Why not tell us that this was kept secret for a State purpose not yet revealed? What was the purpose? This House has a right to information. Are we to be asked blindly to sanction a scheme that has never been explained to us? Suppose the hon. gentlemen opposite were to make out the case that they try to make out, that I proposed to somebody some mysterious myth in 1874, more lavish terms than these. If I did so subject me to Parliamentary censure of any kind you like; subject me to expulsion from Parliament if I proposed anything dishonorable or wrong. But does that make you any better, does that make your scheme right if mine was wrong? The fact is, the terms in the Act of 1874 were not mine at all; thou art the man. Before I adopted those terms I declared that the terms in the Act to be found on the Statute-book should not be allowed to any contractors who should undertake that work; that they should be modified, as they were modified, and it stands unrepealed to this day in the Act of 1874. Give us the reason why 15 miles of territory should be set apart as a preserve for this Company, across which no hostile company should dare to plant its rails? What is the reason for all this? There must be some reason, then why not give it to us? It must be the object of the Government—I assume it is their object—to get this work done in the cheapest possible manner. If that is the object why not give us full explanation as to the reason for giving such extravagant terms to this Company. If they had published the bare facts to the world that they propose to give $53,000,000, to assume their own figures, and to allow the parties to select 25,000,000 acres of our best lands, if they published this and found no offer but the one now before the House, burdened even with

all the terms I have alluded to, then I could understand the ground upon which Ministers would appear before Parliament and ask its sanction. But these terms were never made known to the public. The press of the country, the universal public voice of the community, demanded it before Parliament met that this should be done. Why was it not done? Was there an object in keeping it back? And if there was, what was that object? Let the hon. Minister be frank, and if they can show me that they tried by open competition, after announcing the terms and the exemptions from taxation by state, province and municipality for such a length of time to come, and forever in some cases; if, after having shown all these conditions to the whole public, they failed to get an offer, then I can understand their coming here. But they have no right to come here. They have taken tenders illegally, and they are now asking the sanction of Parliament to a scheme, so expensive and so scandalous in all its relations to the country and to the Parliament, that I am astonished that the hon. Minister of Railways would venture, bold man as I acknowledge him to be, to defend that scheme by merely reflecting upon another enactment made years ago. In this country the march of events are rapid. Seven years ago, the Act of 1874 was placed upon the Statute book; nine years ago the Act, of which it was only an amendment, was placed in the Statute-book by hon. gentlemen opposite. They failed to get a single offer, or rather, Sir Hugh Allan failed to get a single offer, and the reason was very obvious; the land was thought to be of comparatively small value. But since then, the late Government, with the general concurrence of Parliament, expended a large amount of money in making a way into that country; and to say now that the land is worth what it was in 1872, when they passed the Act giving $30,000,000 and 54,000,000 acres, after our expenditure to reach those lands, I can only say then I pity the intelligence of the men who would give ear to such an extraordinary story, yet that is their sole ground of justification. They say: "Well, it may be bad, but it is the best thing we had; it may be bad, but you offered in 1874, by your amendment to our Act of 1872, to do so-and-so, and because you did that we are right in doing this thing in this hidden, dark, mysterious way, in order to burst upon Parliament when it met, with the demand that it should be ratified within ten days of the meeting of Parliament." Such are the terms of this proposal. I regret, as I stated when I commenced my speech, that my strength will not permit me to criticize fully in detail the various parts of the scheme which invite criticism, but that has been done to such an extent by hon. gentlemen around me that I feel it would not be fair, either to myself, to you, or the House, which has extended to me so much indulgence, nor to my hon. friends opposite, who made an effort to get me an early hearing this afternoon—for which I am much obliged—that I should venture upon the discussion of the matter at a much greater length. But allow me to say before sitting down, that I am glad to find that over the entire country a feeling of repugnance to the terms submitted in this contract by the Government is rapidly growing. I am satisfied, if the hon. member for Niagara is not, as he seemed not to be, with the expression of public opinion which is finding its way to this House, either in the reports of public meetings, the reports of trade associations, or in the petitions to this House,—that never within our memory has any question submitted to Parliament within three weeks elicited so much unfavorable opinion as this measure has to the present time.

Mr. PLUMB. You are thankful for small favors.

Mr. MACKENZIE. My hon. friend will find that the favors I am thankful for are much larger than he thinks. My hon. friend's vocation is to depreciate everything he is opposed to, and magnify everything he likes, including the men he serves at present; but he will find there is a public opinion which will make itself felt in this country. If the ground we have taken is wrong, then we will suffer; if the ground the Ministry has taken is wrong, they must bear the consequences. But I venture to say that I never knew a more hearty, vigorous, almost unanimous expression of opinion than that which is finding its way before the public at present. I have at this moment a telegram from a leading merchant in Montreal, informing me of the proceedings before a large representative gathering of the Corn Exchange in that city this afternoon, where resolutions were carried demanding the prosecution of the road by the Sault Ste. Marie, demanding the giving up of the line north of Lake Superior, and condemning the terms of the contract which gives a monopoly to this particular Company. We know from the public reports that eminent men on both sides of politics are, at this moment, preparing offers to the Government of a much more favorable character than those that are now before it.

Some hon. MEMBERS. Hear, hear.

Mr. MACKENZIE. Hon. gentlemen say "hear, hear." Let us know the fact; let those names be produced if there is such an offer made; let the names be compared, one by one, with those of the men of the present scheme, and I venture to say if you are not satisfied with them, that by announcing your determination to the country to-morrow to receive tenders upon a fair and equitable announcement of the intentions of the Government, we will save many millions by that advertisement. Hon. gentlemen must not think to shelter themselves from the wrath of the country behind any alleged wrong doing on my part, or any alleged legislative mistakes on my part. That will not shelter them. They ought not, besides, to attach so much importance to any thing I did. The hon. Minister of Railways on two occasions, apologised to the whole public for having ever said that I possessed any ability. I accepted his retraction and I was glad not to incur any praise from that quarter; but it suits him now to attach sometimes a little importance to a man whom he considers destitute of all ability to meet him in public, and now it seems, from the speeches of hon. gentlemen opposite, as if there was nothing on earth standing between them and destruction, but Mackenzie and Mackenzie's Act of 1874. Well, they will find there is a public opinion in this country, which will be aroused. I hope that, whatever may be their intentions, and I assume them to be the best for the country, that having heard the discussion which they have heard, and I venture to say that no legislative leaders ever heard a more exhaustive discussion than they have listened to—not from me but from those around me—on the terms of this bargain, and having heard the competent opinion of many leading men of the country, they will not persist in asking this House to proceed with this measure. And if they should, I hope that Conservative gentlemen on that side of the House will bethink themselves of their duty as members of this House more than as supporters of the Government. So far as the fortunes of the Opposition are concerned, nothing could happen them better than that every man opposite should vote such a measure as this through Parliament. But, in a matter of such serious import, party feeling must give way to patriotism, and I tell them frankly I would rather give up the party advantages and have the scheme submitted in such a shape as would command some reasonable amount of support on the Ministerial benches of a frank independent character, not the half and half support given to it by the hon. member for Monck, nor the kind of support given to it by the hon. member for Provencher, who was evidently arranged with after coming to Ottawa.

Some hon. MEMBERS. Order, order.

Mr. MACKENZIE. I make no allusion against the hon. gentleman's honor whatever.

An hon. MEMBER. How do you explain it?

Mr. MACKENZIE. There are many influences that can be brought to bear upon an hon. member that I know nothing of.

Some hon. MEMBERS. Order, order.

Mr. ROYAL. I would like the hon. gentleman to state what influences he means.

Mr. MACKENZIE. I believe, Sir, that the hon. gentleman expressed himself as being hostile to the contract. Is that so or is it not?

An hon. MEMBER. That is not the point.

Mr. MACKENZIE. Is it true that the hon. gentleman expressed himself in opposition to the contract?

Mr. ROYAL. Never, Sir.

Mr. MACKENZIE. I understood the hon. gentleman to say in his speech that both he and his people were hostile to it.

Mr. ROYAL. I never said so inside the House or out of it.

Mr. MACKENZIE. Then I was under a misapprehension. I understood that the hon. gentleman said so.

Mr. ROYAL. It is unfortunate that the hon. gentleman misunderstood me so much. I know that the hon. gentleman does not sympathize with my opinions but that is no excuse for his misunderstanding my motives.

Mr. MACKENZIE. The reasons which the hon. gentleman may have urged in support of his opinions I have a right to criticize, and I have a right to criticize his remarks as a public man, but if my remarks implied anything else I withdraw them. I have not the slightest desire to ascribe dishonorable motives to the hon. gentleman. But I was about to say, in conclusion, that I cannot believe that the hon. gentlemen on the Ministerial side of the House, any more than those on this side of the House, can see any grounds which would justify them in passing without any amendment whatever the proposal which has been submitted to the House. But whether they do or not, it will be my duty as a member of this House, acting for myself and on my own behalf though acting with other hon. members around me, to offer every possible opposition that is of a legitimate and parliamentary character, and to take my own way of expressing to the people what I conceive to be the very serious and sad mistakes which are to be committed in the name of the progress of the North-West country, but against the interests of that country and against ourselves for all time to come. The mere pecuniary loss is a serious one—one which it will be difficult for us to bear. It will impose on us an amount of taxation which will be most serious and onerous. But when we come to consider the monopoly which the ratification of the contract will create, the provision respecting rates, the prevision respecting the character of the road to be built, the provisions in connection with almost everything that can be managed in the contract, they are of a character that I look upon them as being much more serious than even the many considerations to which I have alluded. Nothing that can be said by hon. gentleman opposite can remove the impression that this has not been wisely done, and that measures ought to have been taken to obtain better offers if they could be obtained, or at all events of attempting to secure them, before the House and the Government had committed themselves to so iniquitious a measure as this.

Mr. DAWSON. The question now before the House has been so fully discussed that it may appear as if no new light could be thrown upon it, still, it is a subject in which all the constituencies will look to their representatives for an expression of their opinion; and, as a general rule, it is to be supposed that every member will express, so far as he can, the views of his constitutents; and notwithstanding all that has been said, I believe there are some points connected with this great question which, at least in my opinion, do not appear to have received, so far, the attention which they deserve. The project of having an all-rail route from the Atlantic to the Pacific, in British territory, is, no doubt, a great and a statesman-like one, and most of the hon. members who have preceded me, seem to coincide in this, but there is a wide difference of opinion as to some of the details, and the propriety of our undertaking the whole of so great a work at one and the same time. It has been very eloquently and ably claimed, on the part of the Opposition, that the section running through the Rocky Mountains to British Columbia might be left in abeyance for the present, and that instead of building the eastern section to the north of Lake Superior, we should content ourselves with a line running to Sault Ste. Marie, there to connect with the American system of railways. It is to this eastern section that I shall first invite the attention of hon. members. For my part, I am in favor both of a line to the north of Lake Superior and a branch line to Sault Ste. Marie. As the project is now before us, it is proposed to commence the eastern section at Lake Nipissing, on that portion of the line which, for a considerable distance, will be common to both routes; and, in so far from what I have heard in this House, it should meet with the approval of all parties. The Sault Ste. Marie Branch is a line regarding the expediency of building which there can be no doubt. It will pass through a country in general well adapted for settlement, and it would connect with American railways, and thus be the means of bringing an immense traffic through the country to enrich the cities of Ontario and Quebec. A charter has already been obtained for building this branch line, from the Legislature of Ontario, and the Dominion Government has pledged itself to aid in its construction. I have no doubt that Ontario will see the expediency of aiding it as a colonization road, seeing that it will be wholly within Ontario, as she has aided and is aiding other lines calculated to promote the development and the settlement of the country. She has derived vast revenues from the territory of Algoma, through which this line would pass, and it would be a graceful act, on her part, to assist in the construction of this branch line through a region to which she owes so much, and for which she has, as yet, done so little. But, to leave this subject for the present—and I shall have something more to say about it before concluding—I would remark, in reference to the country to the north of Lake Superior, that a great deal of misconception seems to exist regarding it. I have heard it described in this House as a barren wilderness which could never be regarded as likely to yield traffic for a railway, as a region of rock and swamp, with a climate so unfavorable as to preclude the idea of its ever sustaining a considerable population. But all this has been said merely to point an argument or adorn a tale. It is much to be regretted that people should not inform themselves better before venturing on such sweeping assertions. It would be amusing if the subject were a less serious one, to hear gentlemen who have come from the rock bound coasts of Ireland, or the mountains of Scotland, denouncing a country because of its mountains and rocks. As a general rule in broken countries the valleys are of exceptional richness, and the vast region lying to the north of Lake Superior forms no exception to the general rule. As to climate, it is not so inhospitable as many of the hon. members who have addressed this House have been led to suppose. It is true that the information we are possessed of is somewhat scanty, but we have enough to convince all who are willing to be convinced, that to the north of Lake Superior there are very considerable areas well adapted for agriculture, that wheat grows wherever it has been tried,

that barley and oats give abundant returns, and that potatoes and garden vegetables come to perfection very much farther to the north. The general elevation of a country above sea level has a good deal to do with its climate, and the average height of the country at and about the watershed north of Lakes Huron and Superior may be roughly estimated at about from 1,400 to 1,600 feet. The lands in the river valleys are, of course, considerably lower, but it is the general elevation over great areas that determines the climate. In this high region experience has already shown that the climate is not unfavorable to agricultural operations. The employees of the Hudson Bay Company at all their stations grow such cereals and esculents as they raise elsewhere, and the Government of Ontario has laid off several townships at the Pic and Nepigon, where the land is remarkably good and its excellence proved by the abundant crops which it yields; and both these places, it will be observed, are at the extreme northern bend of Lake Superior, close to or beyond the 49th parallel of north latitude. Our beautiful regions of the North-West are very far to the north of that, and at a very much greater elevation, but it suits some hon. members, in order to strengthen their argument, to depict them as a sort of agricultural paradise. But, admitting that the summers are rather cool immediately to the north of Lake Superior, the railway line touches on another region of which enough has come to light to show that it is capable of sustaining a large population. It passes near Brunswick House, on the waters of the Moose River, and at that place wheat has been successfully grown, but that is not to be wondered at seeing it is in the latitude of Paris. On descending the Moose towards James' Bay the country rapidly decreases in altitude, and for some two hundred miles we have a region spreading out to the east and west at only a moderate elevation above sea level. It is a level country and its general altitude may be from 800 to 1,000 feet less than that immediately to the north of the great lakes, and this of itself would be equivalent to two degrees or more of latitude. This may be supposed to be a mere theory of mine, but I have facts at hand to sustain it. A climatologist in exploring a new country would, as a matter of course, ascertain the temperature of the rivers and lakes at different seasons, and by doing so would be able to form some idea of the average temperature of the air. Lake Superior, as is well known, is an exceedingly cold body of water, its depth being such that it is affected but little by the heat of summer or the cold of winter. Its temperature, in fact, a few feet beneath the surface, is always that at which fresh water has its greatest density, or something under 40 degrees Fahrenheit. This is a very low temperature for the summer months, and the consequence is that the climate of the country on the immediate borders of Lake Superior is considerably colder than the elevated region a little further inland. I was long under the impression that the water of Hudson's Bay, from all that we had heard of that great inland sea, must be at least as cold as that of Lake Superior, but we have now clear evidence to the contrary. Professor Bell, in the official reports of 1877-78, says, in reference to his exploration of the southern sections of Hudson's Bay:

"During our journey up the coast and back, in the months of July, August, and September, we enjoyed very fine weather the most of the time. There was very little rain and only two or three days of fog. The prevailing winds were from the southward and the temperature was warm and pleasant. The superiority of the weather over that of Lake Superior was a subject of frequent remark among my 'voyageurs' who had been accustomed to that lake all their lives. We saw no ice, with the exception of a little 'bay ice' at the commencement of our journey, which had been driven into the neighborhood of the mouth of Moose River after northerly winds had prevailed for many days. I took the temperature of the sea upwards of twenty times during our voyage, which extended over the greater part of July, August, and September, and found it to average 53° Fah. I also noted the temperature of the rivers which we visited, and found that of the average of five of them to be 61° Fah. We bathed in the salt water almost daily, and found the temperature agreeable."

He then gives a table of temperatures both of the air and water, remarking that:

"The Fahrenheit thermometer was used and whenever the sea happened to be calm the instrument was lowered to a depth of three or four feet below the surface."

The result of these observations was that he found the average temperature of the water to be 53° (Fah.) while in regard to the temperature of the atmosphere and the climate generally, he remarks as follows:—

"The average temperature of the air between the 11th of July and the 21st of September, from the above observations, would appear to be 62½° Fah. which is very nearly the mean temperature of the rivers; while the average for July and August would be 65½°. As most of these observations were taken in the morning or the evening, and as the nights were generally warm, owing to the prevalence of southerly winds, this is perhaps not far from the true mean temperature for these months, and it is only ½° above the average of the mean temperatures, for these months, of ten principal stations from Halifax, N.S., to Fort Simpson on the Mackenzie River. On our return to Moose Factory in the end of September, we found that there had been no frost there all summer, and the most tender plants such as melons and cucumbers, beans, balsams, tobacco, the castor-oil bean, &c., growing in the open air, were still quite green and flourishing."

This does not look at all like the description of a sterile region, either as to climate or soil. Speaking generally of the country, Professor Bell says:

"In my report for 1875, I gave a general account of the soil, &c., in the region between the Great Lakes and James' Bay. Following the canoe-route from Michipicoton to Moose Factory, the country is more or less rocky as far as Missinaibi Lake (that is, a lake just beyond the water-shed at the head of the Moose River), yet even in this section the proportion of rock-surface to the whole area may be comparatively small. But after passing the "Swampy Grounds," north of Missinaibi Lake, the traveller cannot fail to be struck by the abundance and the general fertility of the soil exposed in the banks of the Missinaibi and Moose Rivers all the way to Moose Factory.

"It consists mostly of a brownish, somewhat gravelly loam or earth, resting upon 'till' and sometimes upon stratified clays or the solid rock, which (latter) however is seldom seen, except at the principal rapids and falls.

"But in the central third of the section between Lake Superior and James' Bay, or from the Brunswick to the Long Portage, a light colored clay usually forms the surface. I examined the country for a mile or two back from the river in several places, for the special purpose of ascertaining the nature of the soil, and found it excellent in all cases, but tending to become more swampy in receding from the river in the Devonian region below the Long Portage.

"Samples of the soil were collected in a few places for subsequent examination.

"In traversing such a great extent of almost unbroken wilderness, one is apt to forget the possible value of this vast region for agricultural purposes. But the examples of the farms at New Brunswick House and Moose Factory show, upon a small scale, what might be extended over a great part of the country. I have no doubt that at some future time this territory will support a large population."

But we need not confine ourselves to Professor Bell's reports exclusively, for the Ontario Government has obtained a good deal of valuable information regarding this wide region, and I shall now read a few extracts from a work prepared under instructions from that Government. In the work to which I refer the portion of the territory north of the Lakes, north too, I should say, of the height of land, is described as follows:—

"The district included within these boundaries is of equal, if not of greater, area than the whole of the rest of Ontario, exclusive of the Lakes Ontario, Superior, Huron and Erie. Omitting those lakes, the Province, within the limits embraced in the proposition of the Dominion, contained about 64,000,000 acres, or 100,000 square miles of territory. From the Quebec boundary line—from Lake Temiscamingue to James' Bay—to the Lake of the Woods, the distance cannot be much less than 700 miles; while, measured from north to south, the new territory covers a breadth of country varying from over 300 to 100 miles. The Province of Ontario will consequently, in future, possess an area of fully 200,000 square miles. This is 80,000 square miles greater than the area of the United Kingdom; only 12,000 square miles less than the whole German Empire; only 2,000 square miles less than France; and equal to the combined areas of Holland, Portugal, United Italy, Switzerland and Belgium. The awarded territory, alone, possesses an area greater by 20,000 square miles than the group of countries just named, excepting Italy."

The same authority goes on to supply information as follows: —

"Professor Macoun, in his report to the Dominion Government, after repelling the current opinion that the northern shores of Lake Superior are unfit for settlement on account of the severity of the climate, and remarking that 'the vegetation around Lake Superior is noted for its luxuriance,' thus describes the aspect of the country in the vicinity of the Kaministiquia:—'As the traveller proceeds up the river, roses (*Rosa blanda*) begin to appear. By the time two miles are passed, black-ash (*Fraxinus sambucifolia*) shows on the banks, and the undergrowth becomes almost identical with that of the rear of Hastings and Frontenac on the shore of Lake Ontario. A few miles further, and forms peculiar to a dry soil begin to take the place of those seen further down, while the alluvial flats along the river support a most luxuriant growth of just such plants as would be seen on any river bottom in Eastern or Central Canada. Thickets of wild plums (*Prunus Americana*), three or four different cherries, gooseberries, currants, raspberries and strawberries grow in profusion, interspersed with various species of Viburnum and other caprifolaceous plants. The herbaceous ones were very numerous and luxuriant, and these, including the wild pea (*Luthyrus venosus et ochrocolencus*) and the vetch (*Vicia Americana*), caused such tangled thickets that was almost an impossibility to force our way through them. Wild hops (*Humulus Sapulus*) climbed up almost every tree. For the whole distance up to Kakabeka Falls there was a constant influx of new species having a westward tendency. Between Kakabeka Falls and the mouth of the river I detected 315 species, all of these natives of Hastings except eighteen.' Professor Macoun adds:—'I could see nothing in the flora to lead me to doubt the feasibility of raising all the cereals.'

"The Rev. George (now Professor) Grant, in his popular work, says of the same district:—'The flora is much the same as in our eastern Provinces; the soil light, with a surface covering of peaty or sandy loam' and a subsoil of clay, fairly fertile and capable of being easily cleared. The vegetation is varied, wild fruits being especially abundant, raspberries, currants, gooseberries, and tomatoes; flowers like the convolvulus, roses, a great profusion of asters, wild kallas, water lilies on the ponds, wild chives on the rocks in the streams, and generally a rich vegetation. It is a good country for emigrants of the farmer class. The road, too, is first rate and the market is near.' 'The Valley of Kaministiquia,' he goes on to say, 'is acknowledged to be a splendid farming country. Timothy grass was growing to the height of four feet on every vacant spot from chance seeds. A bushel and a half of barley, which was all a squatter had sown, was looking as if it could take the prize at an Ontario Exhibition.' Thirty years before Professor Grant's visit, Sir George Simpson had been equally struck with the evidences of fertility of this region. He says:—'The River (Kaministiquia) during the day's march passed through forests of elm, oak, pine, birch, &c., being studded with isles not less fertile and lovely than its banks; and many spots reminded us of the rich and quiet scenery of England. The paths of the portages were spangled with violets, roses, and many other wild flowers, while the currant, the gooseberry, raspberry, plum, cherry, and even the vine, were abundant. All this bounty of nature was, as it were, imbued with life by the cheerful notes of a variety of birds.'

"Proceeding westward with Professor Macoun, we find him referring in the following terms to the Valley of the Mattawin. At the Mattawin, vegetables of every description were growing luxuriantly, but more especially timothy hay which seems to be peculiarly suited to the region round Thunder Bay. Many of the stalks were four feet in length with heads fully eight inches long. After passing the Mattawin the soil changes to a reddish clay, but there is no change in the vegetation. The flora of the region indicates a moist climate, with a sufficiency of warmth to bring seeds in all cases to perfection."

All this, be it remarked, is in the howling wilderness, the desolate region north of Lake Superior; but we have other evidence of fertility in that country, for settlements have already sprung up along the Kaministiquia, where the people find no difficulty in raising wheat and all other sorts of farm produce in a fertile plateau, over 400 feet above the level of Lake Superior or 1,000 feet above sea level. Still further to the north, on the slope beyond the height of land, we have further extracts adduced as evidence by the Government of Ontario of the fertility and beauty of the country. From these I have culled the following:—

"Professor Macoun, speaking of his visit to the district, says:—'The approach to Fort Frances is very beautiful. As we approach the outlet to the lake and enter Rainy River, the right bank appears very much like a gentleman's park, the trees standing far apart and having the rounded tops of those seen in open grounds. Blue Oak (*Quercus Prinos var. discolor*) and Balsam Poplar (*Populus balsamifera*), with a few aspen, are the principal forest trees. These line the bank, and, for two miles after leaving the lake, we glide down between walls of living green, until we reach the fort, which is beautifully situated on the right bank of Rainy River, immediately below the falls. All sorts of grain can be raised here, as well as all kinds of garden vegetables; little attention is given to agriculture, but enough was seen to show that nature would do her part if properly assisted. Barley, three feet high, and oats over that, showed that there was nothing in the climate or soil to prevent a luxuriant growth. * * * The length of the river is about eighty miles. The right bank, for the whole distance, is covered with a heavy growth of forest trees, shrubs, climbing vines and beautiful flowers. The Indians say the timber gets larger as you proceed inland. The forest trees consist of oak, elm, ash, birch, basswood, balsam, spruce, aspen, balsam, poplar, and white and red pine. The whole flora of this region indicates a climate very like that of Central Canada, and the luxuriance of the vegetation shows that the soil is of the very best quality. Wild peas and vetches were in the greatest profusion; the average height was about six feet, but many specimens were obtained of eight feet and upwards. I took a stroll inland and found progress almost impossible, owing to the astonishing growth of herbaceous plants. The following plants were observed on Rainy River, and are only an index to the vast profusion of nature's bounties in that region: Lilium Canadense, Lilium Philedelphicum, Vicia Americana, Calystegia spithamea, Calystegia sepium, Aralia hispida, Lobelia Kalmaii, Smilacina stellata, Lathyrus venosus, Lathyrus ochrolencus, Monarda fistulosa, Viburnum pubescens, Astragalus Canadensis, Erysimum chieranthoides, Asarum Canadensis and Lopaulthus anistatus.'

"Writing of the Rainy Lake region, Sir George Simpson's description agrees remarkably with that of Mr. Macoun, just quoted. Sir George Simpson says:—'From Fort Frances downwards, a stretch of nearly 100 miles, the river is not interrupted by a single impediment, while yet the current is not strong enough to retard an ascending traveller. Nor are the banks less favorable to agriculture than the waters themselves to navigation, resembling in some measure those of the Thames, near Richmond. From the very brink of the river there rises a gentle slope of green sward, crowned in many places with a plentiful growth of birch, poplar, beech, elm and oak. Is it too much for the eye of philanthropy to discern through the vista of futurity this noble stream connecting, as it does, the fertile shores of two spacious lakes with crowded steamboats on its bosom and populous towns on its borders?"

But taking the region further to the east there is a very easy route to Hudson's Bay, by way of Black River, which enters Lake Superior at its great northern bend just opposite the Slate Islands. By this route the distance is only 175 miles to a point on the Kenogami River whence the navigation is uninterrupted to Hudson's Bay, and of this section the authority from which I have quoted, goes on to say:

"With the exception of a few rocky ridges and knolls in the upper part of the river, the country through which the Kenogami flows to join the Albany River, is uniformly level. Terraces or banks of brown loam and gravelly earth from ten to forty feet in height are to be seen all along the Kenogami and around Pine Lake, sometimes close to, and at other hers a short distance from the banks. The soil in the neighborhood of the river is good. The timber is principally spruce, balsam-fir, white cedar, tamarac, white birch and aspen. Some of the larger spruces and tamaracs have been found to measure as much as from four to five feet in girth, at five feet from the ground, but the average diameter of the trees is about eighteen inches."

In another place it is stated:

"For the whole course of 250 to 270 miles to the sea, the Albany is from twenty to thirty chains in width, from five to twenty feet (averaging about eleven feet) deep, and has a mean velocity of three miles an hour. In the opinion of Mr. Bell, the river would, except in very low water, be navigable by powerful steamers of light draught all the way from its mouth to the Falls. At Martin's Falls is a Hudson Bay post, 'where hay, turnips, and potatoes have, for a long time, been successfully cultivated, and cattle thrive well.' The river is open, as shown by the journal kept at the post for six months in the year."

And the writer goes on to say:

"With one sweep of 270 miles, the distance in which any interruptions to an unimpeded traffic occur, is thus reduced to less than 200 miles between the great inland lakes and the ocean, and there does not appear to be anything in the nature of the country to make such local improvements as may be needed to facilitate travel or the carriage of freight unreasonably expensive."

I shall quote one more passage from this most interesting work, and when my friends on the Opposition side of the House learn the name of the gifted author of the work from which I have quoted so largely, they will, I am sure, attach due importance to all that he has said. It was written for the Ontario Government by Mr. Dymond, a former member of this House, and I may take this opportunity of complimenting him on his great industry, his judicious selections from other authors, and the very pleasing and interesting way in which he has put the whole together. Speaking of the Great Moose River, he says, chiefly on the authority of Professor Bell:

The islands and mainland about the mouth of the river, consist of alluvial earth well suited for cultivation. Farming and gardening have been very successfully carried on at the Hudson Bay posts at Lake Mattagami and Missibini. At Missibini spring wheat has been grown and turned out well. The climate becomes moderate as the slope

towards James' Bay is descended, the lower level being a compensation for the increasing latitude. The red and white pine are both found in the neighborhoods of Mattagami and Kenogamissee Lakes, and also at Lake Missinibi, but not further north. Indications of mineral deposits present themselves at various points on the route, and large deposits of gypsum occur on the Moose, near James' Bay. A specimen of lignite from the main Moose River gave the following analysis:—

	Slow coking.	Fast coking.
Fixed Carbon	45 82	44.03
Voluble combustible matter	39 60	41.39
	Slow coking.	Fast coking.
Water	11.74	11.74
Ash	2.84	2 84
	100 00	100 00
Ratio of voluble to fixed combustible	1.16	1.06

The lignite is very similar to some found in the Souris Valley, and also to specimens collected for analysis from the neighborhood of Dirt Hills and Woody Mountain, in the North-West Territory. An analysis of ore from a large deposit on the Moose, at the foot of the Grand Rapid and below the Long Portage, has yielded 52.42 per cent. of metallic iron.

I shall not weary the House with further quotations, and I believe I have quoted enough to show that this vast country to the north is not the inhospitable region that some members delight in representing it to be. It has vast areas of agricultural land, a climate favorable to the growth of cereals over a great part of its extent. It has coal fields which may become of commercial value, and, in proximity to the coal fields, are vast beds of iron ore. It has rivers of great magnitude, open for, at least, six months of the year, and some of them navigable for considerable stretches. The Moose is said to be navigable for 90 miles, from the sea inland. Considerable herds of cattle are kept by the Hudson's Bay Company, at Whale River, at Moose River and at the Albany. At the mouth of the latter river there are open flats of vast extent, covered with nutritious grasses, where hay could be made in almost unlimited quantity, and there can be no question as to a very large portion of the whole country being well adapted to the raising of stock. Once this line is completed to the north of Lake Superior, it would be very easy to connect it with the navigable waters leading to James Bay, as the country is, in general, level and well adapted for railway construction. It should not be lost sight of that the trade that may arise from the fisheries of Hudson's Bay may be a matter of importance in the future. This line to the north of Lake Superior will, in fact, have the effect of opening up a new Ontario, and it will be a subject of wonder to future generations how intelligent men in the present could be found to describe it as a howling wilderness. From the extracts I have just read it will be seen that in the very highest and, therefore, the coldest part of the region, near Albittibi Lake, there are forests with trees measuring nine feet in circumference, and it would be unreasonable to suppose that a soil which can sustain trees of such enormous growth would not also grow potatoes, but that is what we must conclude from the eloquent speeches which we have just heard from the other side. It has been said that the Syndicate has made an excellent bargain, and that the members composing that association will, each and all, realize fabulous fortunes. But there is a dark side to this brilliant picture, and I must refer to it, even at the risk of dashing the high hopes, perhaps, of the Syndicate itself. The lands which they are to receive have all at once become of very great value in the eyes of those opposed to the scheme; they are worth, it is said, as much as $4 per acre, but in estimating the value of wild lands as a source of revenue we could not have a better criterion to go by than the territorial revenue of the Provinces previous to Confederation. If I am not much mistaken the sums that were realized by the Government of the old Provinces from the sale of agricultural lands, did little more than meet the expenses of management; that is, apart from the revenue collected on timber. The territorial revenues have been chiefly, if not entirely, from the woods and forests, and, in Ontario, to a small extent, from the mineral lands. In the lands which the Syndicate are likely to get, there are no extensive forests of commercial value, and their territory can only become remunerative to them by being opened up and rendered accessible by means of expensive highways, whether railways or colonization roads. But it should be remembered that every section of theirs which becomes valuable in this way, will have, beside it, a section of the public lands rendered equally valuable. If, as some members say, they can make their lands worth $4 an acre—equal to $100,000,000 for the 25,000,000 which they are to receive—the public lands mixed up with them will also become worth $100,000,000. But I entertain no such glowing anticipations. Years must elapse before the lands will become of considerable value, and in the meantime the cost of developing and opening them up will form a serious drawback to the profits. Besides, we should consider that if they get 25,000,000 acres in the west, they render accessible the very large country to which I have referred in the east, where there are many times 25,000,000 acres; part of it probably as good and all of it far easier of access and much nearer to a market than that which they will have obtained in the west. Great objection has been taken to their lands being exempted from taxation, but it would detract very much from the prospective value of these lands if they were to be at the mercy of local Governments and local municipalities. I have had some experience on a small scale of how that sort of thing works in Western Ontario, and I can tell this House that large land holders have but a poor chance with local municipalities, and we should remember that in Ontario and British Columbia, which cover the greater part of the line, their property will not be exempt from taxation. As to getting in their iron and supplies free of duties it is a matter of dollars and cents, and if they were not allowed this privilege it is to be presumed that they would not have entered into the bargain without an equivalent in some other shape. Attempts have been made to frighten us with the idea that a large and powerful corporation, such as this Syndicate must become, will have at their command such influence as would enable them, if so disposed, to demoralize the electorate; but I think the experience we have of the influence of large corporations in this way is exactly in the opposite direction. Take, for example, the Grand Trunk Railway Company. Who fears them in an election? That Company has able officers, and its affairs are no doubt very well managed; still they must have freights to be able to live as a company, and a cent or two on a bushel of grain makes all the difference, as regards their popularity among the farmers or traders. There can be no doubt that a large proportion of the voting class are, and always will be, against railroad managers, notwithstanding all the advantages they derive from the railroad. The Grand Trunk Railway Company are held by the farmers and traders of Ontario to have made discriminating charges against them, and the farmers of Western Ontario—far from being under their influence—have sought to punish them by contributing to the building of the Credit Valley Railway, which is destined to have some influence on the fortunes of the Grand Trunk. A cent or two, as I have said, on freight makes all the difference, and a great railway corporation is not likely to sacrifice its interests by carrying farm produce at unremunerative rates in order to obtain popularity with the electorate. Whatever influence the members of the Syndicate may acquire, will depend, as with other people, on their personal popularity. In such a corporation there will naturally be men of all shades of political opinion, and it is not to be supposed that in this free country they would submit to be controlled by any central authority in matters purely political. The Grand Trunk, so far as I know, has not, as a corporation, interfered in politics, and its employees, I fancy, have been left to vote

or abstain from voting just as they pleased, and so it will be with the Syndicate. It will not be in a position to exercise overpowering political influence if it tried, and it is not likely to try, for nothing could be more dangerous or detrimental to the interests of a commercial corporation than to permit itself to be turned into a political organization; and for my part I do not think that we need allow ourselves to be apprehensive on this ground. There is one feature in this arrangement which should commend itself to this House. It is that the Syndicate is to be allowed to locate the line, or, in other words, to select the ground on which it is to run between given points, and this, in view of the errors which have hitherto been committed in location, is a very important matter. The Syndicate will, in its own interest, choose the ground where the railway can be most cheaply constructed and most economically run. It will not be governed by theoretical or whimsical crotchets such as led to the lamentable and costly blunders which have led to the waste of millions between Thunder Bay and Fort Garry. The Chief Engineer of those days had his full fling, uncontrolled by a Board of Commissioners such as there was on the Intercolonial line, and at his own sweet will he chose "governing points," as he called them, and ran the line through rocky regions, such as section 15 and section B, which, under more judicious management, could easily have been avoided. And the worst of it is that between Thunder Bay and Winnipeg there is, by these errors in location, a permanent addition of full 30 miles unnecessarily made in the distance, which will have to be travelled over for all time to come, and this is a very serious matter, in view of the competition which is likely to arise in the future. The true governing points in the Lake Superior section were Thunder Bay and Fort Garry; and they could have been connected in a line almost direct, which would have touched the head of Rainy Lake at Sturgeon Falls and crossed at the narrows of the Lake of the Woods, where there is every facility for bridging, and from which place to Fort Garry the country is as level as could be desired. By adopting this scheme a long stretch of navigable water between Sturgeon Falls and the Narrows could have been made use of as a temporary expedient, pending the construction of the all rail line which would, when completed, have been, as I have said, 30 miles shorter by this route than by the present one. We might thus have had a means of communication through our own country years ago, and many of our people who have since settled in the State of Minnesota, would have been now in Manitoba or the North-West Territories, and the trade of Manitoba would not have been diverted to a foreign country, as it now is. It has been the custom to blame the land regulations for the circumstance of so many of the settlers who set out for Manitoba having stopped by the way; but the true cause is very different, and it will be found in the beauty and fertility of the land which they passed over on the route through Minnesota. For two hundred miles south of the boundary line, in the valley of the Red River, the land is of the richest conceivable description, in fact, precisely the same as that north of the boundary line in the same valley, and our people in passing over it, as they had of necessity to do, were so attracted by it as to be led to remain there. I would be glad to see Canadians in possession of such a land if they had not in occupying it to change their allegiance. We lost them because, through a wild freak on the part of the engineer in locating the line where it now is and where it cannot be used until completed in every part, we had no means of sending them to their destination through our own country. In losing these settlers the country has lost more than the value of many millions of acres of land, and whoever is responsible for allowing a a half crazy engineer to deflect the line from its proper course, is responsible for that. A good deal has been said of the estimates, and the cost of carrying this great undertaking to completion; but we must remember that the estimates we have to go upon are, in great part, the merest guess. Mr. Fleming's estimate, as first given for the Thunder Bay Branch, or what is now known as the Lake Superior section, and as stated by the then First Minister, was about $25,000 per mile; subsequently he issued a report, in which he set the cost of sections 15 and B., at over $80,000 per mile, and the average cost of the whole at nearly double the amount of his first estimate. The late First Minister said, last year, in reference to sections 13, 14 and 15, as will be seen in *Hansard*, page 1,526:

"I received the approximate quantities from Mr. Fleming in good faith, after the country had been visited by himself, after surveyors had been over it, and if Mr. Fleming led me astray in giving false quantities, there is no epithet too strong to address to him. But until Mr. Fleming says that with his own lips, I will not believe that he could be guilty of such an act of perfidy. Having Mr. Fleming's estimates of the approximate quantities, I proceeded to let the works. The works were let upon those estimates; upon those estimates I based my calculation of the cost of the entire line, and I am prepared, at this moment, upon those estimates to maintain that valuation."

And he remarks further:

"If Mr. Fleming, or any other engineer, now says that he had no intention of setting forth those specific quantities as approximately accurate, I can only say that the department was grossly deceived, and the Minister was grossly deceived."

But every practical man must have known by that time that Mr. Fleming's estimates were the merest guess work, and that his glowing reports were but the romance of figures run wild. I verily believe, that if the First Minister had asked him for an estimate of the cost of a highway to the moon, he would have been too obliging to refuse it, and I suspect that even then he was in the habit of holding rather too frequent converse with that luminary. On both sides Mr. Fleming's estimates are being made use of in the debate now going on, but I think it would be well that hon. members should not forget the character of these estimates. When Mr. Fleming himself saw that they were likely to be acted on he went to England, leaving his chief-assistant to meet the storm which was impending. But if hon. members are to take his estimates in reference to construction they should also take them in regard to running expenses; and, in one of his first productions, Mr. Fleming estimates the annual cost of maintaining and running 2,000 miles of railway at $7,000,000 and in this his guess may not have been so far astray. Applying this rate to the 2,700 miles of railway to be worked by the Syndicate you have an annual outlay of $9,450,000; but, supposing that the Pembina Branch of 85 miles, the Lake Superior section of 406 miles, and the prairie section of 800 miles, will pay running expenses, and perhaps yield a profit on running, or say that one-half of the whole distance will yield a profit—which is more than hon. members on the opposite side of the House will admit—you have an annual outlay of $4,725,000 for maintenance and running expenses on the other half, and what is to reimburse the Syndicate for that outlay? My own opinion is, that the eastern section, to the north of Lake Superior and Lake Huron, will eventually yield a considerable return in freights, both for timber and wheat, and I have heard it said, that the traffic arising from the agricultural sections of the west will soon be so considerable as to require a double track from Winnipeg eastward. I am not quite so sanguine as this, although we have the example of the Grand Trunk Railway struggling for freights from Chicago, and prepared, if it could only obtain all it could take from that place, to leave the Canadian traffic to one side, and run through a country quite as long as the eastern section of the Pacific Railway, without caring much about the auxiliary traffic it might give; but the Grand Trunk has very keen competition at Chicago, while the Syndicate will, in all probability, have the field to themselves in the Canadian North-West,

There is, however, a section which cannot be expected to yield a return sufficient to pay for maintenance and running expenses for a long time to come. I allude to the Rocky Mountains and British Columbia section. Oh, but it is said we are to have a great traffic from the Pacific Ocean, from Japan, China and India, but we should not forget that the promoters of the Union and Central Pacific after reckoning on a large traffic from these countries, were grievously disappointed. The Suez Canal came into operation about the same time the Union and Central Pacific line was opened, and it soon absorbed the trade of these eastern countries, or I should rather say western countries, as regards us, to such an extent as to throw whole fleets of sailing vessels out of employment, the fleets that in former times used to pass by the Cape of Good Hope. For what may remain of Asiatic trade our railway will have keen competition. The Northern Pacific is likely to be completed as soon as the Canadian Pacific. The Union and Central Pacific must always command its share of traffic. and the Southern Pacific will also have its share; but beyond and above all these there is a project in contemplation which, should it be carried out, will leave but little of Asiatic freight, at least that portion of it which seeks European markets, to any trans-continental railway. The same genius which called the Suez Canal into existence, and linked the Red Sea and the Indian Ocean to the Mediterranean, has in contemplation a feat of almost equal grandeur, and we may yet see the Atlantic linked to the Pacific at Panama. Lesseps has stirred up the continents of Europe and America to the importance of the enterprise, and he is himself yet full of energy and spirit, and is just the man to succeed in what he undertakes, if success be possible. That he will succeed in this Panama Canal scheme I have not, in my own mind, the slightest doubt, and when that canal comes into operation, as it sooner or later will, where will be the Asiatic traffic for American or Canadian trans-continental railways. Say what we will, the Syndicate is entering on a vast enterprise of which the gentleman composing it cannot see the end. We must look at both sides of the question, and if we estimate their probable gains we must also take into account their probable losses. It is an enterprise which will tax their energies, their skill, their time and their resources to the utmost. The whole country through which the line will run is yet, except in one or two comparatively short sections, an unbroken wilderness, and under the most favorable circumstances many years must elapse before the population becomes so numerous as to render the running of a railway over such vast distances in anyway profitable. It is chiefly to their lands that they will have to look for some return for long years to come, and the returns from land, as we all know, are precarious and slow. It has been claimed in the course of this debate, that our Canadian Pacific line would have a powerful rival in a line to be constructed on the south side of Lake Superior. I am sorry that our friends on the Opposition benches should take a view which, if it should come to be entertained generally, might retard the Sault Ste Marie Branch, which they express themselves so anxious to see constructed. A line to the south of Lake Superior would, without doubt, bring traffic to Canadian railways, if once the Sault line were constructed, but it could not prove a formidable rival to our Pacific line, because, for one reason, it would be longer. It would, in fact, be a good deal longer than some hon. members seem to suppose. I do not know what authority the member for North Norfolk has for saying that the country to the south of Lake Superior is less difficult, as regards railway construction, than the north. My information leads me to a different conclusion, and any one at all familiar with the south shore knows that after you get about 100 miles to the westward of Sault Ste. Marie, the country becomes very rough and broken. The mountains rise higher than on the north coast, and there are deeper river valleys between them. There is no possibility of getting an air line, and all the calculations as to distance which I have seen are based on air lines. In fact, a good line, or a moderately good one, cannot be found within a less distance than from 50 to 100 miles of the coast. A moderately straight line might be found from St. Paul eastward, by keeping well inland, but not from Duluth, and those who have been making estimates should add, at least 40 or 50 miles to the distances they have set down. Nevertheless, I believe that if the Sault Ste. Marie line were built, the Americans would extend their lines to that place, and it would be the means of bringing in a large traffic to the country, not only by railways, but also by water from Lake Superior. Long after Lake Huron had closed, and it closes early in its upper reaches, we would have water borne freight coming from Duluth and other ports to the Sault. Lake Superior is at this moment practically as open to navigation as it was in mid-summer, and that is a matter of great importance, considering the vast quantities of agricultural produce which, as the States of Minnesota and Dakota fill up with settlement, must pour down on Lake Superior. The Sault Ste. Marie Branch, too, would develop a fine country on Lake Huron. It would give a much needed outlet to the island of Manitoulin with which it could be connected by a short lateral line; and we should not be led to lose sight of such settlements as that by this all-absorbing Pacific line; we have magnificent forests and fine agricultural lands on Lake Huron which would give no small amount of traffic to a railway. But this Sault Ste. Marie Branch is essentially a line which Ontario should build. She does not give an acre of land to the Pacific line, although together with the Canada Central, which has been subsidized by the Dominion Government, it will pass for twelve hundred miles through Ontario, and therefore she may well afford to build this Sault Ste. Marie Branch, and I have not the least doubt but that she will eventually provide for it in some way. It is somewhat strange that in all this discussion, more especially in reference to other lines cutting off the traffic of the Canadian Pacific Railway, it has not occurred to any hon. member that there is another possible line which might cut off traffic in a way that would astonish us. The projected line of railway passes just to the north of Long Lake, from which the Kenogami River flows to the Albany. From a point ninety miles by the course of the river below Long Lake, the navigation of the Kenogami is unbroken for a further distance of about one hundred miles, always following the course of the river, to the Albany; and the Albany is navigable from thence, a distance of 150 miles, to Hudson's Bay. The railway will therefore pass within a distance of ninety miles of a point accessible to vessels from Hudson's Bay. But supposing the Kenogami to be too shallow for large vessels, which it probably is, the railway will pass within 150 miles in a direct course of a point on the Albany accessible to large vessels from the Bay. The country between Long Lake and the Albany, at the mouth of the Kenogami, is reported to be level and well adapted for railways. The distance from Duluth to Thunder Bay is less than 200 miles, from Thunder Bay to the outlet of Long Lake may be about 150 miles, and from the latter place to the navigable waters of the Albany, call the distance 150 miles. We have thus 500 miles from Duluth to a point on the Albany navigable from Hudson's Bay. Now, supposing that Hudson's Bay should turn out to be navigable to vessels with auxiliary steam, for four or five months of the year, as it probably will, we have here an outlet for the produce of the west which is worth taking into account. Instead of the produce of the Canadian North-West going to Duluth and thence finding its way by any of the various routes suggested to the seaboard, it is just possible that the States west of St. Paul

might seek an ocean port in the shorter distance. I merely suggest this for consideration among other projects, but would be sorry to commit myself to it until something more is known about Hudson's Bay and the practicability of navigating it. To refer once more to the wide region lying between the Great Lakes and Hudson's Bay. I think that our friends on the opposite benches have committed a great mistake in representing it to be such an inhospitable and forbidding wilderness. Have they forgotten the question of the boundaries of Ontario, and that if the general election for which they seem so anxious, were to take place to-morrow, it would be in order for them to represent it as a land of promise. It is easy to conceive the patriotic indignation whice they would seek to excite against the Government for its declining to sanction an award, the merits of which have been so little understood. In order to convince the people of Ontario that they have lost, or are being kept out of something valuable, they would, like the Government of Ontario, have to depict the new territory, not as a region of barren rocks and dreary swamps, but as a land overflowing with milk and honey. They would have to restore the violets and the roses, which Mr. Dymond speaks of, to the portages; they would have, with Professor Grant, to border the streams with walls of living green, and, with Professor Bell, to point to beautiful agricultural lands hundreds of miles in extent, with a climate which permitted the most tender plants to remain green until the last days of September. They would have to lead the people to contemplate vast forests of valuable timber where pine trees nine feet in circumference wave their green tops high in air—a hundred feet or more. But this is not all. They would take delight in showing that this valuable territory, rich in minerals, such as coal, iron, copper, gold and silver, was laved by a sea which possessed within itself vast stores of wealth. They could, and I have no doubt would, depict the white whale (the white elephant of the waters) as rolling by thousands at the estuaries of the rivers, and call on their hearers, at the same time, to look at the countless seals, which afford such valuable oil, and at the walrus with its tempting ivory. They would find land and sea possessed of resources; if, by enlarging on them, they could gain a seat or make a point against the existing order of things. But, they evidently have not thought of all this, and—in their desire to frustrate the arrangement with the Syndicate—the *role* they may have to play in the future has been forgotten.

Mr. WRIGHT. After the exhaustive speeches of gentlemen on both sides of the House—from those who have been described as amative Radicals and aristocratic demagogues, and so on—I shall be permitted to say a few words. In all seriousness I think this subject has been treated in a very exhaustive manner by both sides of the House. The hon. Minister of Railways has delivered a most elaborate and exhaustive argument which I fancy many gentlemen on the Opposition side have found it very difficult to answer. My friend the hon. member for Richmond and Wolfe also made a most admirable historical *résumé*, which I think placed the matter in a very clear and comprehensive light. My friend the member for Niagara, with his usual eloquence, devoted a good many hours to the consideration of this most important subject, though I thought myself that at times he was disposed to be slightly casuistical in some of his arguments. My friend from North Norfolk certainly made a most able speech, but as it was said that he had spoken on the other side with the same ability and power, I think it proved conclusively that he at any rate was capable of looking on both sides of the question, and that he followed the advice of the American philosopher Emerson, who says that in the nineteenth century no sensible man ties himself to a blind consistency. The subject has been so fully discussed that I do not intend to occupy much time. We all remember, when this scheme was originated, that it was the policy of both sides of the House that the railway should be built by a company, aided by liberal subsidies of land and money. Well, this vigorous plant which was planted by the right hon. Sir John A. Macdonald, was watered by the hon. Mr. Mackenzie, and was, some of us thought, very much diluted by those magnificent water stretches. Then came the arrangement with Sir Hugh Allan and his congeners; and my impression always has been that, if Sir Hugh Allan and his company had been allowed to carry out that arrangement, it would have been the best possible, and we would have had the Pacific Railway built to-day. But, unhappily, that could not be, owing to a combination of fortuitious circumstances. As we all know the Conservative party sustained a very severe defeat; in fact, as the hon. leader of the Opposition was fond of telling us, they came back from the elections a broken band, a miserable remnant, a corporal's guard. We were like the broken band that gathered round the camp fires of Swedish Charles after dread Pultowa day. We had been hunted like partridges. On the mountains we were treated as though we had been the followers of Cataline. Many of our best and bravest had fallen; but there was no murmur for the dead whose bones lay on many a bleak hill-side and lonely valley, the prey of the jackalls, wolf and carrion crows that always follow on the track of a defeated army. Many of our men had a hunted look as though they still felt the breath of the bloodhounds on their cheeks. But at last, after being hunted from place to place, the Conservative party turned fiercely to bay. I think there is nothing finer in history than the manner in which the French and English gentlemen gathered round their wounded leader, and I say it to the honor of the Conservative party, that never in the hour of his highest elevation, when he stood foremost in the councils of his country, did he receive such unfaltering loyalty, such true devotion, as in the hour of his darkness, desolation and despair. But, Sir, we had traitors in our camp then, even as there were traitors under the palm trees of Judea, we had men who thought that, in order to save ourselves, we should allow our leader to be trampled to death under the feet of the horses which were following him. There were men who wished to cast him overboard as the Jonah to the sharks who were clustering around our ship. But, Sir, the party were true to *him*; and determined to share his fate, we passed through that long dark night of opposition, fighting the good fight and keeping the faith until there were unmistakable signs that day was about to break, and the hour of our deliverance was at hand. Then, Sir, the great battle was fought, and owing to the fidelity of followers, the sympathy of the people, and, above all, to his own matchless skill, dauntless courage, and magnificent statecraft, the victory was won, and he stood once more foremost in the councils of his Sovereign. Contrast the conduct of the Conservatives to their leader with that of the Liberals to theirs; but this is a domestic matter, however, of their own, with which probably we have nothing to do, but when the history of Canada comes to be written, the name of the leader of the late Government will always be remembered with respect and regard, and it will always be considered that he preserved his fealty with great sternness towards the country and its fame. The other day I said to a gentleman connected with the Liberal party, that we of the Conservative party did not treat our leaders as they treated theirs. His answer to me was that sometimes the Liberals disposed of their leaders, but very often the Conservative leaders disposed of their followers. "Well," I said to him, "If they do so, they do it in the interest of the country and the followers are very willing to be disposed of." Well, remembering the history of the last few years, remembering the tide of prosperity on which the Government were floating, remembering the results which the National Policy had produced, remembering that we had been blessed with a magnificent harvest, that our commercial

affairs had improved, that our garners were filled to overflowing, it was a matter of astonishment to many that the Ministry should have selected this time to change their policy, and in place of building this road themselves with all the means those gentlemen had in their hands, that they should have delegated to others an authority which, I think, they should have exercised themselves. It struck me as strange that the Minister of Railways should have stated the other night that the Government could by no possibility build the road as well as a company. It struck me strange that a man of his ability, a gentleman whom I have always followed, and whom I trust always to be able to follow, a man of his extraordinary energy and knowledge of details, with that magnificent department in his hands, with the public purse filled to overflowing, that this hon. gentleman and his colleagues could not have done this work as well as a dry goods merchant in Montreal, or a gentleman who had been engaged trapping musk-rats in the North-West. I did believe that those hon. gentlemen did not consider precisely the position which they occupy and the high estimation in which they are held by the country. It appeared to me they were abnegating their high position, giving up to others those rights they should arrogate to themselves. They arrived at this decision, and I think myself it was a very extraordiary decision; but I believe it was a patriotic one, because I believe those hon. gentlemen felt certain that they could not build the road as well as a company. They determined upon crossing the sea and making an arrangement with the plutocrats of Europe for building this road. They took ship and reached the other side safely. I remember seeing a satirical journal alluding to their passage and the pleasant time they had in London. They witnessed the performance of a great artist, and the hon. the Minister of Railways, with that regard for the True, the Good and the Beautiful, which always distinguished him, after admiring the artistic power of the great artist, said: "It is magnificent, but I think she is too thin." "Not so thin," said the hon. Chief of the Government, "as our pretence for being here." It was a good hit, but I think it was not a fair illustration of the case. The hon. leader of the Opposition alluded to the interview between the two political Machiavelli's, as he called them, the author of "Endymion" and the author of the "New Dominion." Now, if that hon. gentleman had pursued his usual course of argument he might have made much of that. I cannot conceive a more interesting matter for Canada or the world than the interview which took place between these great men, these two great arch-Conservatives, who would perhaps understand everything that makes the greatness of empires and which makes the weakness of human nature, and they could smile very well over the truth of the proverb that men are governed with very little wisdom. I think that interview would not have told against the Canadian. The Hebrew law-giver might have said: "Look to Cyprus, to Candahar, to Cabul, which we undertook to add to the English dominions." The Canadian would have said: "I have added to Her Majesty's dominions an immense empire with the loss of but one single life." The advantages would all have been in favor of the Canadian, and I think it was a matter which the members on the Ministerial side might have pursued with advantage. But I have no doubt the hon. gentleman received excellent advice from the great leader of the Conservative party in England, who belongs to a great family of a very ancient date—to the Hebrew family. He might have said in his usual mystical manner that the Hebrew race was dominant in the world, and that their business was to make money, either millions or pennies:

"Once this little nation was an Arabian clan, a little nation alone and outlying, amongst the mighty monarchies of ancient times, and a Megatheria of History. The sails of their rare ships might have been seen in Egyptian waters; the camels of their caravans might have treaded through the sands of Baalbec, or wound through the date groves of Damascus; their flag was raised, not ingloriously, in many wars against mighty odds, but it was a small people, and on one dark night the lion of Judea went down before Vespatian's eagles, and in flame, death and struggle, Jerusalem agonized and died. Yes! the Jewish city is lost to the Jewish men, but have they not taken the world in exchange."

My Canadian friend, if you wish to build the Pacific Railway from the Atlantic to the Pacific, you must do it through the instrumentality of Hebrews or Scotchmen, or both combined, for those two nations contain the brain and purse-power of the world. Behold, I show you a mystery. In the morning of life I visited the cradle of my race, under the shadow of the Pyramids, with the desert sands around us, with the stars above, which had looked upon Cleopatra and her imperial lover. I attempted to solve the Asian mystery. An Arab sheik, who looked like a contemporary of Abraham, Isaac and Jacob, gave us the hospitality of his tent; three famous jugglers, Ali, Muley and Hassan came to entertain us. Ali commenced by throwing a flip-flap and jumping down the throat of the second juggler, Muley; Muley then threw a flip-flap and jumped down the throat of the third juggler, Hassan; Hassan concluded the performance by throwing a flip-flap and jumping down his own throat. I bowed my head in admiration and astonishment, and when I lifted up my eyes, the sheik, the tent and the jugglers had disappeared; and the sphinx looked down upon me with a smile, and I knew the problem was solved, and that the mystery was a mystery no longer. My vocation was fixed and I determined to become a politician! Next day I took ship for England and commenced by changing my politics. I had been a Reformer, and I became a Conservative; my great opponent, who had been a Conservative, became a Reformer. Like Hamlet and Laertes, we had exchanged weapons, and the poisoned rapier remained in my hand. A wise man has said that in the nineteenth century no sensible man confines himself to a blind constituency. I am certain that the Canadian would have received the advice of the Hebrew law-giver with much consideration, but must have felt that the Canadians were not at present in a state of Arcadian simplicity. Perhaps he was told that it was better to come to our own merchant princes, to our own dealer in furs, and get them to build the railway

"In native swords and native ranks
The only hope of freedom dwells."

Well, they came back here, and we are trying to carry out this Syndicate. For my part, I must confess that from its first inception to the present time, I did not regard it with much favor. But, when I came to consider its particulars, I regarded it more favorably. I was told, yesterday, by an eminent prelate from the North-West, well acquainted with that country, that, after all, it was the best arrangement that could be made. I have been told, by a practical man of the Liberal party, that, after all, this arrangement was a reasonable and a fair one; but, he added, it tells against the Conservative party. After this, I said to myself, that, under the circumstances, I would be disposed to give the Government a fair support. I must confess that I think the Government expected a great deal from their party. We have followed them through thick and thin, in season and out of season we have been at their service, and I dare say the party will respond to the call which has been made upon them. As I have said, the Conservative party has always been animated by that spirit of patriotism which leads them to make sacrifice for their country. *Mourir pour la patrie* is really the motto of our party. I wish the same could be said of the party of hon. gentlemen opposite. They have no occasion to find fault with the Syndicate scheme; all the fortune, prestige and power to be derived from it enures to their advantage, for I do not know that there is a man on the Syndicate who is

a supporter of the Conservative party. Yet they complain that we are giving this magnificent North-West over to the men of their own race who in the hour of our deepest gloom did the best to destroy us. It is a grand exhibition of self abnegation and patriotism on the part of the Ministry, and I think, as the hon. Minister of Railways said, that the legacy of patriotism he will leave his children, and we will leave our children, is one which is not to be despised. I, for my part, regret the action of members of the Opposition who have been engaged—during the slight interval which should have been devoted to festive, religious and other celebrations, in attempting to "Boycott" this excellent Administration. The House will join with me in saying that their attempts have been signally unsuccessful; perhaps in the distant future, some results may be obtained from them. I am sure we were all delighted to hear the ex-leader of the Opposition deliver himself with such force and energy as he has to-night; I am sure that every one regretted his illness, and rejoiced to see that so much of his prestine energy and ability yet remained to him. I have no hesitation in saying that I extremely regret that the Ministry had felt it necessary to take the course they have taken with regard to the construction of this railway. I have always voted for its construction; I have stood, in season and out of season, by this project for connecting the two oceans, and build up what we believed to be a great British Northern country; but I am free to confess that I would have preferred that the Government would have made haste slowly. At any rate, if they felt themselves bound to give the carrying out of this great project to a Syndicate, I would have preferred they had given it to a Syndicate of a different complexion. I am free, however, to confess, from my knowleege of the men, remembering how scientifically they disposed of the Conservative party, that I have the greatest possible respect for their business ability. I remember distinctly, when I was the chairman of a large meeting of Conservatives in this building, that if we had then obtained the support of one hon. gentleman who is not in the Syndicate, but is the power behind the Throne, we would have sustained the Government; remembering distinctly how he disposed of us, I have the most profound respect for his business ability. Certainly, this is the age of rehabilitation. Every great historian, every man of the modern school of history, proceeds to rehabilitate some man who had hitherto been considered a monster. Mr. Froude takes up Henry VIII and makes him out to have been a most admirable statesman; Freeman takes up William the Conqueror, and makes us look at him, not as a brutal savage who ruthlessly destroyed the institutions of the English people, but as a man remarkable for his absence of prejudice; W. W. Storey, in one of the finest poems of the day, published in Blackwood, proceeds to vindicate the character of the man who, I fear has, been very unjustly treated—I allude to Judas Iscariot. He proves that this apostle was the purest patriot of them all; he was the Finance Minister of that day. He had the power of the purse; he thought that he was predestined to perform a great work, from which great results would be obtained. He tells us that the usual interpretation of the documents connected with the dire event is not correct, that Judas did not throw away the thirty pieces of silver and then hang himself, but that he invested the money in a judicious manner, and entered into a Syndicate. Now, I am pleased to see the hon. member for Vancouver in his place. I hope that he is satisfied that this country has at last determined to do justice to British Columbia. We have heard his eloquent voice very often raised in this House advocating the cause of his Province with that singular ability which always characterizes his utterances; and I venture to say that if the other members of the House only looked to the interests of their sections with half the ability, energy, zeal, pertinacity and determination which animate the hon. gentleman from British Columbia, a different result would have been obtained, and at any rate, I think a better bargain would have been made with the Syndicate, and we would not have been placed in our present somewhat awkward position. I trust the hon. gentleman, when he goes home, will be received with that gratitude that almost always awaits public benefactors. Hon. gentlemen who have read Gil Blas will remember the consultation of doctors over the licentiate Sédello. Doctor Saint Grado, whose theory was that unlimited bleeding and hot water were universal panacea for human ills, applying an immense leech to the unhappy licentiate, the ingenious Gil Blas said to the doctor: "Do you think there is any more blood in his veins?" The doctor replies that he thinks there is a little; then, said Gil Blas, let us apply this other leech and finish him. And I would ask the hon. member for Vancouver not to apply that leech just at present. I think the British Columbia members deserve well of their country, and hope they will meet with their reward. We are told in the history of New York, that old Olaf Vancourtland dreamed a dream; he dreamed he sat in the gubernatorial chair of Woutter Van Twyller, who at that time presided over the destinies of the Netherlands; he was perpetually smoking his pipe, drinking Schiedam schnapps, and enjoying the esteem and reverence of his subjects; so I trust it will be with the hon. member for Vancouver, and that when we visit British Columbia, passing over the Pacific Railway, we will see the hon. member sitting on the verandah of the Government House, smoking the pipe of peace, and having perpetual British beverages, and basking in the esteem and respect of his fellow-countrymen, without being troubled by the disturbing influence of Chinamen. As I have already said our motto is *Mourir pour la patrie*. We sacrifice everything to the interests of our country; and, while hon. gentlemen on the other side are constantly indulging in lamentations, I am satisfied that whatever may be the result of this contract, in a party sense, the country will be benefitted by it. Those hon. gentlemen are always telling us that the country is being destroyed, that our people are leaving us. I do not believe that our people are leaving us to any considerable extent. I know that in my own county the people at the present moment are exceptionally prosperous, and for my part I am prepared to say I believe that the country will prosper no matter under what *regime*, and that if hon. gentlemen opposite play us out they will take up the scheme and be supported by their own friends. As the hon. member for Lambton said, they would feel bound to carry out the bad bargain made by their predecessors. In the meantime, however, I am satisfied that the country will prosper, and that we are every day improving in our material resources; that we are benefitting by the wonderful change that has come over our commercial affairs. These hon. gentlemen are fond of morbid anatomy; they are constantly looking at dead bodies. Like Philip III of Spain, who was fond of visiting the tomb of his dead Queen, these hon. gentlemen seem fond of contemplating decay. I would ask them if we are a people who should be ever looking at our country as a dead queen, lying in state with all her jewels upon her, or should we not rather regard her as a blooming and blushing bride ready to spring into our willing arms. I believe that this country is prospering and will prosper. I believe that her future will be a great one. I agree with Victor Cousin that it is better to be young than old, better to have the future than the past.

Sir ALBERT J. SMITH. Notwithstanding the extent to which this discussion has been protracted, I feel it to be my duty to make a few observations upon the subject before the House. It is undoubtedly a subject of the very greatest

importance, a subject whose importance has not been overrated. It is a subject which involves the expenditure of $100,000,000, or one which, had we the population of England, would involve the consideration of $1,000,000,000. But it is not only a question of money; it is a question of concessions made which have no precedent in this country. It is a question of the Legislature for twenty years, a question involving the remission of taxes on property, not less than $50,000,000 or $100,000,000; it is a question involving a gigantic monopoly, a monopoly securing to this Company the whole carrying trade of the North-West for at least twenty years. If these are the considerations involved in this question, then I say it is quite impossible for us to overrate its importance. It has been said that this question is too transcendent in its consequences to be determined as a mere matter of party, but from the course which this discussion is now taking it is evident that it will be determined by mere party and political considerations. I firmly believe that if it were possible for hon. gentlemen opposite to emancipate themselves from their party ties and their party allegiance, not less than 100 men on the other side of the House, if they acted upon their conscientious and patriotic convictions, would cross the floor and vote against this measure. And though I fear it would seem impossible for them to do so, I ask them if it would not be a splendid spectacle to see these hon. gentlemen acting on their convictions and voting for the true interests of the country. The hon. Minister of Railways has spoken of the legacy which he intends to leave to his children, but I think if these hon. gentlemen should choose to act in the patriotic manner I suggested, they would immortalize themselves and leave to their children an infinitely better legacy than that which seems to satisfy the hopes of the Minister of Railways. It is necessary for us in considering this question to carry our mind back for some time. Recollect the pressure that was brought to bear on the party in 1871 in connection with this question. We were told that if we did not adopt the measure which was then before the House, British Columbia would go out of the Union. We were told that time was important and that the matter must be pressed an to early decision. At that time the Government imposed an obligation on this country of which the present contract is the sequel. The followers of the Government yielded to the pressure which was brought to bear upon them and sustained a measure to provide for the construction of the railway over 2,700 miles of unknown country to British Columbia in ten years, notwithstanding the protests which were made from this side of the House against an obligation whose fulfilment has been an embarrassment to this country ever since. A change of Government took place, and the member for Lambton has explained the circumstances which surrounded him and he assumed the administration of affairs. He felt embarrassed by the obligation which the previous Government had imposed upon him, but at the same time he felt it was his duty so far as in him lay to maintain the public faith of the country and carry out the obligation which his predecessors had assumed. He introduced the Act of 1874, and that Act seems to be the foundation upon which hon. gentlemen opposite attempt to sustain the following measure. I would like to ask what the Act of 1874 has to do with this measure. At that time British Columbia and the North-West were almost *terræ incognitæ*—there was no civil government established in the North-West, no law or order was maintained there; it was a country utterly alone and inaccessible. There was at that time no railway with 200 or 300 miles of the boundary to connect with the United State system. Indeed, the hon. the Minister of Railways himself acknowledges that the circumstances have changed. There was no communication with the country, and it is easier to build three miles of railway there now than it was at that time. Therefore,

Sir ALBERT J. SMITH.

I say there is no justification whatever in the reference to the Act of 1874. Some hon. members seem to satisfy themselves that if they can show that the offer made in the Act of 1874 was not more burdensome to the country than the present scheme, that, therefore, they are justified in supporting it. Will that doctrine satisfy the people of the country? Will it justify hon. members with their constituents to say that the Act of 1874, passed before the country was known, seven years ago, is an excuse and justification for making this contract and giving this Syndicate the amount proposed by this scheme? It has been said, too, by members opposite that it has been admitted by all parties that the principle was that the Canadian Pacific Railway should be constructed by a private company, and not by the Government. It is quite true, at the initiation of this measure, in 1871, a resolution of that kind was passed and approved, generally, by both parties. But while the member for Lambton presided over the Government of this country and was anxious to do what was possible, consistently with that overshadowing condition that the taxation should not be increased, this measure of 1874 was passed, and, as he explained, to-night, the Act did not make an offer to any particular set of men, but provided for the construction of the road as fast as the finances of the country would justify, and nothing further. It did not require the whole should be built at once, or put under contract immediately, but authorized its construction by sections. Under the late Government, a portion had been constructed or let as a Government work, and the Pembina Branch finished. A large portion of the line from Thunder Bay to Selkirk was under contract when the Government changed. What was the policy of the incoming Government? It was to construct this as a Government work. Now, I will show, from the speeches of the First Minister himself, and Minister of Public Works, that they have deliberately abandoned their settled policy, which was to construct that road as a Government work, and in no other way. What did they do in 1879? The Minister of Railways submitted his resolutions, and told the House, in a very elaborate and able speech, that he had reason to believe that the British Government were prepared to render substantial aid and assistance to the construction of the railway. I ask hon. members to refer to his series of resolutions, and see whether the Government of the time did not announce, through the Minister of Railways, their policy that this road should be constructed as a Government work. They then took authority to utilize 100,000,000 acres, and told us they believed the British Government would assist them, and also to provide for the establishment of a tribunal consisting of several trustees of this line, a portion of whom were to be appointed by the British Government; and provided that those lands were to be sold at a certain price, the proceeds to be applied in the construction of this great public work. Further, they took power to construct 125 miles of railroad from Kamloops to Yale, and, further, to let contracts on the prairies to an extent not exceeding $1,000,000, without the necessity of submiting them to Parliament. That was their declared policy in 1879. They went to, and returned from England without accomplishing anything whatever, though the Minister of Railways tells us that he had communication with the great leading men of that country which produced a great deal of good, but we failed to discover it yet. Their mission utterly failed. What was the course taken during last Session? In 1880 what do we find—any change of policy? No, it is marvellous—hon. members on the Government side must be blinded by partisan feeling, or they would see that the scheme then submitted and which received their vociferous applause was that the railway from ocean to ocean should be built as a public work. Will hon. members deny that, or that the First Minister himself, with the

responsibility of his position, went into an elaborate calculation to show that this whole road could be built as a public work without costing the people a dollar? His speech proves my statement. In submitting the resolutions with regard to the Canada Pacific Railway, he said:

"What the policy of the late Government would have been we do not know. * * * * but when we came into office we decided to undertake it as a public work."

Can any hon. member deny or gainsay that? What does the Minister of Railways himself say on that point?

"I had no hesitation in saying that the whole sentiment of the country is changed on this question. I am not at all ashamed to say my own opinions are changed in relation to the character of this great work. I remember when the First Minister brought in his Act in 1874. for the construction of this as a Government work, I felt we were incurring too great a responsibility. I believed it was unsafe for the Government to undertake the construction of this great work from end to end; but I do not hesitate to express my opinion that the whole condition of Canada has changed since that time."

Now, let us deal resonably with the facts and not be blinded with mere political considerations. Have we not shown out of the mouths of both hon. Ministers that the Government policy was to construct this railway as a Government work? Was there a single hon. member, last Session, after those declarations of policy, who had the slightest idea that the Government intended to deal with the Syndicate, a party of speculators, during the recess, for the purpose of constructing this railway? I venture to affirm that not a man in the country anticipated it. We had no intimation that a Government delegation would go to England for this purpose, but supposed the Government were going to act on their declared policy, which their followers so heartily sustained. Now, Sir, I desire to call your attention to the speech of the hon. First Minister delivered last Session, because his utterances have a special significance of their own; and I would ask hon. gentlemen on both sides to see how utterly erroneous were the calculations he then made. He seemed to think that 50,000 people would go into the North-West during the past year. He said:

"I can inform the hon. gentleman from the returns of the hon. the Minister of the Department of Agriculture, that 12,000 are known to have gone in, and, from the best information we have got, as many more went in that could not be counted, who were not under the supervision of that Department; but let us say that 8,000 more went in, and that only makes the 20,000. If we are to judge from the reports we have heard, we may rely upon it that 50,000 people will go into that section of the country this year. We know that in the United States, when railways were about to be opened across the prairies in the various States and territories, a large influx could always be calculated upon, because there is always an increasing rush towards those lands which are being opened up by the construction of railways. We are told that 50,000 will come in, but let us put the number at 25,000, and I have been informed by everyone—and I have spoken to a great number of persons who have come from the North-West, and who have the best means of judging—that that estimate is ridiculously absurdly small.

Mr. MACKENZIE. I suppose it was the same person who informed Lord Beaconsfield who thought it was absurd.

Sir JOHN A. MACDONALD. Very likely. I would ask the hon. member for Lambton, if he does not really believe that number will go in.

Mr. MACKENZIE. As the hon. gentleman has asked me a question, I will tell him that I do not believe so, nor do I believe that 20,000 went in last year. I think a large number will go, but not the number he stated

Sir JOHN A. MACDONALD. Then the hon. gentleman is the first person that I have heard say that 25,000 was not altogether too small an estimate of the certain rush of emigration going to that country this year. That number, of course, includes the baby as well as the adult; it includes the whole population moving into the country. In ordinary cases the estimate is: the average family numbers five—the head of the family and four others. In the Western States the average is not so large, for obvious reasons; because so many young men go in without family to settle there. * * * We then take the average price of the whole of the lands extending from the $5 section, within five miles of the railway, to sixty or 100 miles away. The average price of the lands sold to the 1,500 purchasers would be $3 an acre—this is greatly under the average. What, then, would be the result?

Mr. BLAKE. Over the whole belt—220 miles?

Sir JOHN A. MACDONALD. Yes. Take $1, $2.50, $4 and $5 per acre, and the average, $3; admit we sell at those terms lands, in 1880, to the value of $1,440,000, of which we shall receive one-tenth the price, or $144,000, we should receive from the fees from the homestead and pre-emption grants $60,000 more, making in all $204,000 in cash. Then we calculate that, as 25,000 would go in this year, we may add each year an increase of 5,000, so that we may expect 30,000 to go in next year. That is a very small percentage, if we look to the results from railway enterprise in the United States. We assume, herefore, an increase of 5,000 a year till 1890, and expect in that year 75,000 settlers in our North-West.

Mr. BLAKE. Can you not make it another 10,000?

Sir JOHN A. MACDONALD. I think that is a very moderate estimate. On those figures, the estimate of the total cash revenue to be received for the lands, by 1890, is $38,593,000.

Mr. BLAKE. That is up to 1890.

Sir JOHN A. MACDONALD. Yes, and including 1890.

Mr. BLAKE. That amount with interest?

Sir JOHN A. MACDONALD. We expect $38,593,000, including simple interest for the lands sold in that period.

Mr. BLAKE. What proportion is principal and what interest?

Sir JOHN A. MACDONALD. I cannot say. That will be the total sum received in cash to the end of 1890. But, besides, there will be all the instalments to come in after 1890 accruing, yearly, so that the lands sold in 1890 will be one-tenth paid for nine years afterwards—for each year there will be an instalment of one-tenth paid. The actual value in 1890, of the pre-emption, up to that date, unpaid will be $16,440,000. The actual value of the railway lands sold up to that date will be $16,272,000, making in all, $32,712,000. If you add to that total, unpaid, the $38,593,000 that will be paid in 1890, you get a grand total of $71,305,000. Deduct from that the estimated cost of surveys for the ten years, $2,000,000, and of the land officers, $400,000, and you reduce it by $2,400,000 Having shown that the estimate of the number of settlers, if the land be taken up, and if the average price is not excessive, we find we shall have $69,000,000, either of money in hand, or money for which e shall have the best security in the world—the land itself. The whole estimated cost of the railway, including surveys, and construction through the difficult as well as the prairie country, does not exceed, by the most excessive computation, $75,000,000—for the work from Lake Superior to the Pacific Ocean. I believe hon. gentlemen opposite will be surprised, yet, to find it built for less than $75,000,000. It will not cost more in the most rigid calculation. Some gentlemen and newspapers have said that the Engineer-in-Chief is one of the most extravagant engineers possible. We can, therefore, place some reliance on his calculations. If we finish the road for $75,000,000, and in the first ten years only sell half the lands we estimate, where will be the burden on the people? That would not make a very serious invasion into the very large tracts of land we should have still to sell. As the road progresses, the annual sales of land will more than be sufficient to meet all the possible cost of the railway. In addition to all that, we must remember we shall be pouring into that country an enormous population, which, on a prairie soil will rapidly become—not with the painful toil of the people of Ontario and Quebec, who have had to clear the forest—consumers of dutiable goods and contributors to the revenue. We shall be receiving a large revenue from that country altogether independent of the products of the lands. Where, then, is there any danger of this country being over-ridden by taxation or being oppressed? There is none. I believe, under this scheme, we shall settle the country rapidly; that the proceeds of the sales of lands will meet our engagements, as the work progresses, including the claims for interest. I believe that the interest upon the railway expenditure can easily be defrayed without adding further to the taxation of the country."

This seems to be a very clear and lucid statement from the First Minister. He assures his friends on the other side and tells the country, through Parliament, that he will in ten years sell land enough to realize all the money required for the construction of the Canadian Pacific Railway, not only prospective expenditure, but the expenditure that had already taken place, amounting to from $15,000,000 to $20,000,000. Now, then, did the hon. member approve of the scheme? Did hon. members on the other side declare their acquiescence and signify their willingness that this mode of construction should be adopted? They did. How does it lay in their mouth to take other ground and say that this railway should be built through the agency of a company? The Government declared their policy and the hon. members on the other side sanctioned and approved of that policy without a dissenting voice, and cheered vociferously when this policy was announced from time to time. Now, I think I have established sufficiently that the definite policy of the late Government was that this railway should be built by the Government. I have shown that they themselves provided the means by which the railway was to be built, and that money was to be realized out of the land in 10 years to construct this whole railway, and that its construction should put no financial burden upon the people. It must be evident to every one that such was the policy of the Government at the close of last Session. What took these hon. members to England

The country knew nothing about it; they had not been authorized by this House to go; they went to England without the knowledge or authority of Parliament, and I would like to see the Order in Council authorizing that delegation to England. What was the result there? We were told that they were enlisting the greatest bankers of the age, that they were successful in their mission—from time to time it was declared in their newspapers that they were succeeding. Did they succeed? What does the result show? They did not succeed. They returned to this country, and what do we find? We find the First Minister, on his return, makes his speech, and I think it may be said it was an unfortunate speech, and one which will cost this country millions of dollars. What did he tell those gentlemen who waited upon him, the members of the Club Cartier who presented him with an address and who seemed to be under the delusion that he had been successful in his mission? He told those gentlemen that he had made a contract in England—a contract firm as he called it—which would relieve the people of this country of the entire cost of the railway. Will any hon. gentleman say he did not say that? Had the right hon. gentleman any warrant for saying that a contract was made in England? It was made in this country, and if it were made in England, why, when information was asked for by this House, was it kept back? Is it not due to the people of this country, when we find a contract made, involving upwards of $100,000,000 of the people's money, that they should know something about it? This contract was made in direct contravention of the law of the land. If there is one principle more than another sacred to the people of this country, it is that contracts for public works should be given to public competition. Do hon. members on that side justify a practice opposite to that principle? This contract was made behind the backs of the people of this country, and it is the privilege of this House to know who it was that those gentlemen corresponded with, who it was they invited tenders from. Are Messrs. McIntyre and Stephen the only favored people of this country, and none others? Why, there are plenty of men throughout this country of equal worth and standing, who would have been glad to tender for a great work like this. I say that hon. gentlemen have trampled under foot the sacred rights of the people and the law of the land. They went to England without authority, and they made this contract without authority. Is it not of the last importance that we should know who were those gentlemen that the Minister of Railways corresponded with in reference to this contract?

Sir CHARLES TUPPER. The hon. gentleman has asked me a question; I will answer him by reading from the Toronto *Globe*, in its article giving the events of the year:

"The event of the Session was the division on the question of letting the contracts for the Yale-Kamloops section of the Pacific Railway in British Columbia. The Minister of Railways had let these contracts on the eve of the meeting of Parliament, but in view of the unsatisfactory financial condition of the country Mr. Blake moved to have them postponed. The debate which followed was the beginning of an agitation, which culminated at the very close of the year, and the full history of which will have to be written at some future time. The Ministry obtained from Parliament authority to negotiate for the formation of a Company to build the Pacific Railway, and three of their number, including the Premier and Minister of Railways, went on a mission to England to effect that object."

Sir ALBERT J. SMITH. Is that true? I ask him if there is a word of truth in it?

Sir CHARLES TUPPER. Then, I tell the hon. gentleman that while the Government stated there was no possibility, owing to circumstances to which they drew the attention of the House, of proceeding with the work except in the mode in which it had been begun, they obtained from Parliament authority to apply 100,000,000 acres as the means by which they could proceed with the construction of the Canadian Pacific Railway. The statement made by the Toronto *Globe* is strictly true that both in 1879 and 1880 we had the fullest authority of this Parliament as found on the Statute-book.

Sir ALBERT J. SMITH. Point me to the Statute, if you please.

Sir CHARLES TUPPER. The Act of 1874. The decisions of Parliament in 1871, in 1872, in 1874, in 1878, and in 1879—all of them gave a direct authority to the Government to carry on the construction of the railway in that way.

Sir ALBERT J. SMITH. Does the hon. gentleman know that the Act of 1872 was repealed?

Sir CHARLES TUPPER. Was the Act of 1874 repealed? Has it been repealed yet?

Sir ALBERT J. SMITH. He says that his authority was the Act of 1872. I say that Act is repealed. Does he mean that he acted on the authority of the Act of 1874? I am dealing with the subject as it was presented to the House during the last Session. I am not going back to the time when this Parliament appropriated 100,000,000 acres for the purpose of constructing the railway, and I say that scheme was projected on the principle that this railway was to be built as a Government work. More than that, these resolutions themselves provide that the Government shall select the land. I ask whether I am not in the judgment of the House, whether I have not proved in these statements I have made concerning the policy of the Government, that the House and the country are entitled to all the information that can be given with reference to these contracts. If you ask this House to sanction the appropriation of $100,000,000 of its property, is it not reasonable that the people should be given all information in connection with the subject, more particularly as there was no authority to let this contract, because we know that tenders for contracts for any public work in the country must be called for, and the House is entitled to be put in possession of every tender and paper in connection with the transaction. Why this concealment? Why should we ask in vain for information, when we are asked to pass upon a great transaction like this, involving one hundred millions of dollars of public property, it is but reasonable we should have some information. The hon. First Minister returned to this country and told these young gentlemen of the Club Cartier that his mission had been entirely successful. That he had made a contract, and that his highest aspiration when he left this life—the advantages in the life to come are not commensurate with his aspirations here—he hoped that he should have the privilege of looking down upon these gentlemen of the Club Cartier journeying to British Columbia in a railway. Now, if there is any punishment in the life to come for the political sins of this life, I am afraid that my hon. friend will not have the opportunity of looking down, but will be obliged to look up if he wishes to see these gentlemen of the Club Cartier going to British Columbia. I think we can say without hesitation or fear of contradiction, that the mission of the Government in England was abortive. They made no contract there; they consulted, apparently, Mr. Rose as one of the parties who joined the Syndicate, or rather his son, and then returned home without making a contract. I propose to deal with this contract now on its merits, and I may say that though the hon. gentlemen opposite made able speeches it is remarkable how little they treated the merits of the case at all. They abused my hon. friend the leader of the Opposition, and then they showed a wonderful sympathy for the ex-leader of the Opposition—a sympathy for which I do not think he will thank them. It seems to me to be in very bad taste for the hon. gentleman to have anything to say on the domestic relations of the party on this side. I think the hon. member for Kings will agree with me that the people in our Province think we ought to

have a dissolution. They seem to think that this matter is so gigantic, involves so many startling principles, that it should be referred to the people, particularly as the people have not given any authority to the Government to make that contract. In demonstrating the value of the lands, I see no reason or excuse for hon. members opposite for appealing to speeches made seven years ago by hon. members on this side as to their value. I am going to quote the speech of the right hon. Premier of last year. I have great confidence in his judgment. I will quote his opinions as to the value of the lands, and I presume he stands now by that opinion. The hon. Minister of Railways has changed his mind several times in this matter and is proud to acknowledge the change, but I do not think the First Minister will deny now that he stated these lands were worth $3 an acre. The hon. Minister for Railways in 1875, told us that if he had the right to select the choice lands of the country those lands were worth $5 an acre; but we must make some allowance for the accustomed exaggerations of the hon. Minister of Railways, and I prefer to adopt the value put upon the lands by the First Minister. He told us last year they were worth $3 an acre. If they were worth $3 an acre, I want to show what has been done by this Government, with this Syndicate. Is it necessary for me to read the estimate given by the Minister of Railways as to the cost of this work. He stated as follows:—

Sir CHARLES TUPPER. Before six o'clock I was about taking up the question of the expenditure that will be required to complete the Canadian Pacific Railway. I will now submit a calculation I believe to be an outside one, or above the probable outlay. This estimate has been prepared by a gentleman who has had the widest and best opportunity of forming a deliberate and dispassionate judgment on the subject—a gentleman whose ability, in my opinion, is only exceeded by his caution—Mr. Sandford Fleming, Engineer-in-Chief of the Canada Pacific Railway. However much this estimate of expenditure may be reduced, I am sure it cannot be exceeded. The distance from Lake Superior to Burrard Inlet is 1 956 miles: that is, adding twenty miles for the diversion of the line to the south of Lake Manitoba, and deducting three and three-quarters miles for the reduction in the distance between Lake Superior and Red River, and the shortening by the change of route passing north of Edmonton instead of south as before. That total includes the Fort William and Selkirk section of 406 miles as now reduced; and for that I submit an estimate for completion in the manner intended as a first-class road, and with a thorough equipment for the large traffic expected, and including terminal stations, $17,000,000, or $1,000,000 less for the reasons stated than my estimate of last year. The 1,000 from Selkirk to Jasper Valley, the dividing point just beyond the foot of the Rocky Mountains, including a light equipment—all that will be required for some years—Mr. Fleming estimates at $13,000,000, that is $3,000,000 more than the average estimate for the 200 miles west of Red River, in order to be entirely safe. We have 100 miles actually under contract, and have received tenders for the other 100 miles, and I do not expect the average cost to exceed that of the 100 miles just let.

Mr. BLAKE: What is the amount estimated for the equipment per mile?

Sir CHARLES TUPPER: A light equipment is all we shall require for some years.

Mr. BLAKE: Will it be $1,000 or $2,000 per mile?

Sir CHARLES TUPPER: When the traffic demands a heavier equipment there will be means for providing it.

Mr. BLAKE: I only want to know your estimate in dollars.

Sir CHARLES TUPPER: It is $13,000 per mile, as against an estimate we should be justified in giving of $10,000 a mile, making $3,000,000 more than the average of the amount probably needed to complete and supply with a fair equipment the 200 miles we have under contract on the prairies. From Jasper Valley to Port Moody the distance is 550 miles. From Jasper to Kamloops, in British Columbia, to which the portion now under contract extends, is 335 miles, which can be constructed, I believe, for $40,000 a mile. But Mr. Fleming more cautious, has given an outside estimate of $43,660 a mile. This is much heavier than the prairie district, but is light compared to the section we have let in the canyons of the Fraser. That will give $15,500,000 for the section from Jasper House to Kamloops. From Kamloops to Yale is 125 miles, which Mr. Fleming estimates at $80,000 a mile, or $10,000,000 to complete the road, with a fair equipment for any traffic likely to be required. In my opinion we may set down, instead of 10,000,000, $9,000,000 for that work. From Yale to Port Moody, 90 miles, he estimates at about $38 888 a mile, or $3,500,000. Those 550 miles foot up to $29,000,000, to which, with his usual caution Mr. Fleming adds $1,000,000; this makes, with the $17,000,000 for the road from Fort William to Red River, and $13,000,000 from Red River to Jasper Valley, $30,000,000 from that point to Burrard Inlet, a total of $60,000,000.

This is the deliberate estimate of the Minister of Public Works, and of course these statements were in his mind when he made the present compact. The estimated cost of the road around the north shore of Lake Superior, which with the $60,000,000 would make $80,000,000. At that time about $15,000,000 were expended. And what do this Government propose to give the Syndicate for building a railway which they estimated would cost $80,000,000. I will take the lands at $3 per acre, a low estimate, for the First Minister valued them at $5, and I will endeavor to show. We are told that 1,000 miles can be built for $13,000,000, so we will take that amount out. The Syndicate receives in cash $25,000,000; they receive for railway built and to be built, $28,000,000; land, at $3 per acre, $75,000,000, or a total of $128,000,000. The surveys which is proper to charge, because the Act of Mr. Mackenzie provided that they should be charged, bring this total up to $131,000,000, an amount representing an actual donation to this company of good value beyond peradventure.

Sir LEONARD TILLEY. Hear, hear.

Sir ALBERT SMITH. To what particular remark does the hon. gentleman intend to apply his hear, hear. If he thinks I over-value the lands he must blame the hon. gentleman beside him (Sir John Macdonald), because he valued them even higher.

Mr. BLAKE. And he himself valued them at the same figure.

Sir ALBERT SMITH. I believe he did.

Mr. ROCHESTER. Will the hon. gentleman tell us his leader's opinion on the subject.

Sir ALBERT SMITH. The hon. gentleman can himself do that. If he were to look at this question upon its merits rather than through party eyes he would know more of the subject. But I will deduct the $13,000,000 which these hon. gentlemen say was the cost of the first thousand miles, and we will have left $118,000,000 for the thousand miles which the Syndicate have to construct. And this is to be paid for a railway around Lake Superior and one from Jasper House to Kamloops. And how much do they say it would cost to build those two branches? From Fort William to Nipissing, $20,000,000; and from Jasper House to Kamloops, $15,500,000; so that they are agreeing to pay $118,000,000 for what they themselves said would cost $35,500,000. These calculations will justify their correctness to any hon. gentleman who chooses to look at this matter as a commercial transaction, and that is how it should be regarded. I am quite certain that if these hon. gentlemen could emancipate themselves from party ties and look at this matter as one of business, they would not question my figures. And how much will this Syndicate make out of the central section? Now, taking the central section, I will show how unfairly the Government have dealt with the country in respect of it, and how much the Syndicate will make, provided they confine their attention entirely to its construction, which it is perfectly competent for them to do. The Government had no security for the construction of that section—no lien on that work; it becomes absolutely the property of the Syndicate; all that the Government have power to do is simply to retain 5,000,000 acres, or one-fifth on the land grant, the 10,500 acres a mile. They have assigned to what they call the Central Section: 900 miles, $10,000 a mile, and 12,500 acres a mile. What will this yield? What is the cost of the work which they give us themselves? 9,000,000 cash; deduct one-fifth of the land, and you have 10,000 acres a mile, or 9,000,000 acres altogether, which, at $3.00 an acre, gives $27,000,000, or a total of $36,000,000 in cash. Deducting one-fifth, according to the contract, and taking the estimate of the Minister of Railways, the 900 miles will cost $11,700,000, leaving a clear profit of $24,300,000. Will the Minister of Railways contradict that calculation, or any other hon. member; if so, I shall be very

glad to be corrected. I take $3.00 an acre because it is the estimate of that hon. Minister himself. I now propose to criticise to some extent the contract itself, which is a most extraordinary one. We are told that it is important in the interest of the country that every railroad should be built and worked by a company. Why do they not do it? The Government are going on for 10 years to construct sections, and some of the most difficult, and are becoming what was never known before in any country, a railway contractor with a private corporation for the construction of a railway. Is not that a prostitution of the functions of the Government? They have bound themselves not only to complete the sections under construction, but have entered into a new contract with this corporation to build a line from Yale to Port Moody, 90 miles, at $3,500,000. Are they not then really contractors? I think the people of the country will be alarmed at finding the Government, who say they are wrong to build railways, becoming contractors with a private company. Is not this a new doctrine to incorporate in the administration of the affairs of the country? I never heard of the like before. The hon. member for Niagara seems to be such a disturbing element as to render it almost impossible for me to make myself heard on the other side. It is stipulated in this bargain that the Company should pay the Government the cost of the 100 miles of road extending from Winnipeg westward and the other expenses incurred by the Government; and that they shall have the right to assume the said work at any time on paying cost of construction incurred by the Government. Thus the Syndicate have a right to the expenditure by the Government – without paying a dollar of interest they get the road for the bare cost, and also 1,250,000 acres of land, worth $3 an acre, $3,750,000—and all this for nothing. The next section of the contract provides the Government shall build a line from Yale to Port Moody, which is to become the property of the Company. This is an extraordinary obligation to assume for themselves and any Government that may come after them. The hon. member for Niagara certainly deserves to be characterised in names I would not like to use here, for his incessant interruptions. He is so thorough and blind a follower of his leader that if his leader told him the moon was made of green cheese he would echo the statement. I am coming to another point, as regards what the contract provides for in respect to those portions of the road which are to be constructed by and handed over to the Government. With regard to those portions of the road already built, and handed over to the Company, there is no forfeiture, there is nothing more than a simple covenant, to secure their running by the Company in the interim, until the rest of the road is completed. The contract provides:

"The railway constructed under the terms hereof shall be the property of the Company: and pending the completion of the eastern and central sections, the Government shall transfer to the Company the possession and right to work and run the several portions of the Canadian Pacific Railway already constructed or as the same shall be completed. And upon the completion of the eastern and central sections, the Government shall convey to the Company, with a suitable number of station buildings and with water service (but without equipment), those portions of the Canadian Pacific Railway constructed or to be constructed by the Government which shall then be completed; and upon completion of the remainder of the portion of railway to be constructed by the Government, that portion shall also be conveyed to the Company, and the Canadian Pacific Railway shall become and be thereafter the absolute property of the Company. And the Company shall thereafter and forever efficiently maintain, work and run the Canadian Pacific Railway."

Now, what I say is this—that upon the completion of the line from Thunder Bay to Selkirk, the Company have the right to the use and possession of that line, and may run it if they choose. They say they will run it; but when we look for the security of the running of this road, we find that the $1,000,000 security does not apply to it:

"The contractors immediately after the organization of the said Company shall deposit with the Government $1,000,000 in cash or approved securities, as a security for the construction of the railway hereby contracted for.".

I find, also, that the bonds for five million acres to be retained by the Government applies entirely to the running of the railway after it is completed:

"The Government shall retain and hold one-fifth of such bonds as security for the due performance of the present contract in respect of the maintenance and continuous working of the railway by the Company, as herein agreed, for ten years after the completion thereof."

I would appeal to the Minister of Justice himself whether the position I take is not sound law and the true interpretation of this contract. When the hon. Minister of Railways was propounding his policy to the House, he anticipated an objection which is now raised. I read from the *Hansard* of last Session:

"I dare say I will be told by the hon. member for West Durham (Mr. Blake): Granted that your figures are correct, assuming that you can build this railway for even less money than you have estimated, you have only encountered the first difficulty; you have then to operate the line, and the cost of that will be so greatly beyond anything you can hope to obtain from it, that you will place an intolerable burthen upon the people of this country. I must address myself for a few moments to that question. I will first give the information I have just received from the Superintendent of the Pembina Branch:

"'The 160 miles we have now opened in the North-West, shows that from the 1st day of March to the 12th day of April we have carried 5,236 passengers, and 1,248 loaded cars containing 12,460 tons of freight. The gross receipts during that short period were $36,387, and working expenses $15,000, leaving a net profit of $21,387, and this during a more difficult and stormy period than has been known for many years.'

"By July, 1882, we will have about 700 miles of this road in operation; we will have 85 miles from Selkirk to Emerson or St. Vincent. We will have 200 miles in operation west of the Red River, which, with the branch of 16 miles to Winnipeg, will give us some 700 miles in operation, without reference at all to the section in British Columbia. I have every reason to believe that every mile of thut road, from the day it is opened, will make an ample return for all the expenditure incurred in its operation. I think it is safe to say that in every succeeding year, as we extend gradually this road towards the Rocky Mountains, it will furnish such an additional volume of traffic from Red River to Thunder Bay, which will become the great *entrepot* of that country, as will prevent it from burthening the people, and give us some fair return for the interest on the money used in its construction."

This is the character of the property we are handing over to this Syndicate. What more? Has it occurred to hon. gentlemen on the other side that this Pembina Branch, which has been in full operation for some time, must be handed over to this Company as soon as this contract is ratified? We have a return showing that during the past year about $60,000 of net revenue has been derived from the running of that road over and above working expenses. Has it been considered that there is a property which is a productive and paying property, and that when the country becomes developed and settled with a thriving population, and the business increases, the revenue, instead of being $60,000, is likely to be $10,000? I do not believe the Minister of Railways himself will dispute that statement. And yet we have handed over this Pembina Branch without any consideration, to this Company, who can, in ten years, derive an actual cash profit from it of $10,000,000. Now, that is a clear proposition and cannot be denied. There is no forfeiture whatever to the Company if they refuse to run portions of the road that will not pay expenses. They may stop running the road altogether if they choose, and there is no power inherent in the contract to compel them to run it—no power but a Court of Chancery, if that even is sufficient. Now, all I shall say upon the clause granting 25,000,000 acres of land is, that it is a very extraordinary thing. This provision was not in the Allan contract, it was not in the Mackenzie contract of 1874. Every clause in this contract betrays the work of an able and astute mind. I wonder if my hon. friend from Argenteuil (Mr. Abbott)—I do not blame him in a professional sense, he was working for his clients—but it seems to me I can see the mind of that hon. gentleman in every clause of this contract. Those hon. gentlemen of the Syndi-

cate are able and astute men and they got the First Minister into their power. He knew he could not meet Parliament without submitting his schemes, after declaring at Hochelaga that he had completed the contract firm, when, in point of fact, it was not completed. The gentlemen of the Syndicate took in the situation thoroughly; they knew that, to a certain extent, the First Minister was in their power. I was about to say in connection with the 25,000,000 acres that all the lakes and water stretches in that country are to be excluded from the acreage of these 25,000,000. That will not be disputed. I appeal to the hon. member for Hamilton (Mr. Robertson) to look at this contract and see if all the lakes and rivers do not fall to the Syndicate. How is that? Who started this? Who suggested this claim? It is not in the Allan contract; there is nothing of the kind in the Act of 1874, and why should it be put down here? It shows that the men representing the Syndicate were masters of the situation. Therefore, I say, it is unfair to the country when you allow these men to go in and select the choicest lands, and yet exclude from the acreage all the lakes and water stretches. Then we find that the Government is to give these people the road-bed in full. I will pass on now to another clause:

"The Company shall have the right, subject to the approval of the Governor in Council, to lay out and locate the line of railway hereby contracted for as they may see fit, preserving the following terminal points, namely: from Selkirk to the junction of the western section by way of the Yellow Head Pass."

When we come to look at the Acts of 1872 and 1874 we have no such provisions. The Company are authorized to deviate to the extent of five miles from the line of location. It is said to be subject to the approval of the Government, but the result will be that the Company may build a railroad wherever they choose without regard to the terminal points:

"The Company shall have the right, from time to time, to lay out, construct, equip, maintain and work branch lines of railway from any point or points along their main land of railway, to any point or points within the territory of the Dominion. Provided always, that before commencing any branch they shall first deposit a map and plan of such branch in the Department of Railways. And the Government shall grant to the Company the lands required for the road-bed of such branches, and for the stations, station grounds, buildings, workshops, yards and other appurtenances requisite for the efficient construction and working of such branches *in so far as* such lands are vested in the Government."

Now, Mr. Chairman, have you with all your knowledge of the subject fully comprehended the scope of this clause? Do hon. members on the other side know that this clause authorizes this Company forever to build branch railways in that country without any limitation of time. I dwell strongly on this point because I consider it is a very serious matter. I would prefer to see this contract defeated and the Government remain in power than to see the Government defeated and the contract adopted. It is not much of an object for gentlemen on this side to occupy the benches on the other side of the House. But, Sir, this clause undeniably bears that construction that for one hundred years hence this Company have the right to construct branch railways throughout that entire country—larger than the Province from which I come by one-third—they have the right to contract railways there forever without limitation. I sincerely submit to the House that this part of the contract should be altered and modified. This seems to me to be a terrible power, but here it is, and I invite the attention of the lawyers of this House to that clause, and to say if it is not true that this Company may from time to time forever have power to construct branch lines of railways without coming to Parliament at all for a charter? The next clause reads as follows:

"For 20 years from the date hereof, no line of railway shall be authorized by the Dominion Parliament to be constructed south of the Canadian Pacific Railway from any point at or near the Canadian Pacific Railway, except such line as shall run south-west, or to the westward of south-west, nor to within fifteen miles of Latitude 49. And in the establishment of any new Province in the North-West Territories, provision shall be made for continuing such prohibition after such establishment until the expiration of the said period."

Now, my hon. friend from Lambton has dealt with this question, but not exhaustively, I think. The Government asked this Parliament to suspend its functions, for 20 years, and to prohibit itself during that time from authorizing the construction of any line of railway touching the boundary line of the United States. Now, is that not a terrible contemplation? The hands of Parliament are tied for twenty years, so that we cannot give a charter to any company to go to the boundary line of the United States. The hon. member for Niagara ought to think seriously of that. He must feel it is an extraordinary power to give to a company. It is bartering away the legislative power of this country to this Company, which will have the right, whenever and wherever they choose, to build a line to the boundary line of the United States, and no individual nor company will have the right to get a charter to build a similar line. I call your attention to the section which authorises this Company to extend this line by purchase, to buy the Canada Central Railway and the Occidental Railway, which, with all the other branches and the main line, shall then constitute the Pacific Railway, and have all the privileges and advantages which the Pacific Railway has under the terms of this contract. The Syndicate will have the right of exemption from Customs duties? This seems to be an extraordinary provision which we do not find in the Acts of 1872-4. How is it the Government yielded to this, when in Allan's contract there is no such conception? Does it not show that there is some ingenious and astute mind behind all this that make these suggestions, and that has an undue influence on the Government? All the branch lines of railway which this Company are authorized to construct forever shall be exempt from taxation, as well as the main line forever. That is a fair construction of this contract. I call attention to the definition of what constitutes the Pacific Railway. That definition embraces all branches and stations; they all become portions of the Pacific Railway, and consequently are entitled to all the privileges of the railway.

Sir JOHN A. MACDONALD. Where do you find that?

Sir ALBERT J. SMITH. In the 15th section, which reads as follows:

"The Company may lay out, construct, acquire equip, maintain and work a continuous line of railway, of the guage of four feet eight and one-half inches; which railway shall extend from the terminus of the Canada Central Railway near Lake Nipissing, known as Callander Station, to Port Moody in the Province of British Columbia; and also, a branch line of railway from some point on the main line of railway to Fort William on Thunder Bay; and also the existing branch line of railway from Selkirk in the Province of Manitoba to Pembina in the said Province; and also other branches to be located by the Company from time to time as provided by the said contract; the said branches to be of the guage aforesaid; and the said main line of railway and the said branch lines of railway, shall be commenced and completed as provided by the said contract; and together with such other branch lines as shall be hereafter constructed by the said Company, and any extension of the said main line of railway that shall hereafter be constructed or acquired by the Company, shall constitute the line of railway hereinafter called the Canadian Pacific Railway."

I say that these branch lines of railway become a portion of the Pacific Railway and share in all its privileges. If this Company should purchase the Canada Central Railway and the Occidental Railway, these two railways when incorporated will become a portion of the Canada Pacific Railway, and thus this Company will have the authority of this Parliament to build branch lines in Ontario and Quebec without referring to Parliament at all. That is a fair legal construction. These extensions and acquisitions shall become a portion of the Pacific Railway, and the clause gives the Company authority to build branch lines from the Pacific Railway to any part of the Dominion. I have no doubt at all that this was the intention of these contracting parties, or else why is the clause inserted. It seems specially provided for that case:

"As respects the said railway, the seventh section of "The Consolidated Railway Act, 1879," relating to powers, and the eighth section thereof,

lating to plans and surveys, shall be subject to the following provisions:

"a. The Company shall have the right to take, use and hold the beach and land below high water mark, in any stream, lake, navigable water, gulf or sea, in so far as the same shall be vested in the Crown and shall not be required by the Crown, to such extent as shall be required by the Company for its railway and other works, and as shall be exhibited by a map or plan thereof deposited in the office of the Minister of Railways. But the provisions of this sub-section shall not apply to any beach or land lying east of Lake Nipissing, except with the approval of the Governor in Council."

I would ask the First Minister, as a distinguished lawyer, whether it is not clearly indicated that it was the intention of the contracting parties that whenever they should require the central line of railway or the Occidental line they should have the power to take lands, without reference to this Parliament, in any portion of Quebec or Ontario. It says east of Lake Nipissing it was not to be done without the authority of the Government. I think that is plain, because the Government are not building any railway east of Nipissing, unless it was intended these franchises, extensions, and privileges should apply to the whole line of railway; otherwise there is no necessity for that provision. The Minister of Railways, in the long and elaborate speech which he made in opening the discussion, told us that the standard of the Union Pacific, as at first constructed, was the standard provided in the Allan contract. The hon. member for West Durham (Mr. Blake) brought him to book and it was found that the hon. gentleman was in error. The Allan contract was made in 1873, and the Union Pacific was first constructed in 1869, and between those two dates the road had undergone a vast improvement. My hon. friend from North Victoria (Mr. H. Cameron), who is an able and distinguished lawyer, said, and he appeared to speak for the Government on that occasion, for they vociferously cheered him, that the clause meant the Union Pacific as it was in October, 1874. Then we have a letter from the Syndicate, but I say if the hon. gentleman from Victoria (Mr. Cameron) is correct, the sooner this letter is returned to them the better, for I will show that it comprises the standard to 1873, and that it does not provide the same protection to the country with regard to the character of the road as did the Allan contract. The letter says:

"With reference to the objections that have been raised to the description in the third clause of the Pacific Railway contract of the approximate standard named in that clause, we beg to state that when the contract was framed it was not considered that there was any difference of importance between the time of the original construction of the Union Pacific Railway and the date of the Allan contract. We are, therefore, prepared to agree on behalf of the Syndicate, that the description of the standard shall be construed as applying to the Union Pacific Railway as it was in February, 1873."

Now, we were told on the authority of the Government tha it meant the standard of 1874, and that this standard was a good as that provided in the Allan contract. This letter shows how hard it was to draw anything out of these gentlemen of the Syndicate. They now send this letter to heal up the difficulty, but even now they have not gone the whole hog, so to speak; they do not cover the ground of objection at all. The letter goes to say:

"The obligations of the Company will virtually be the same as if that date were substituted in the clause in question for the words "as the same was when first constructed." We have no hesitation in agreeing to this construction, as it is obvious that our interest will lead us to construct the railway in a substantial manner with steel rail and efficient equipment, and our reason for desiring that a standard should be named was not in any degree to enable us to construct an inferior railway, but merely to prohibit us from captious or arbitrary criticism."

Now, Sir, what was the standard provided in the contract with Sir Hugh Allan:

"That the railway shall be constructed and equipped according to specifications to be hereafter agreed upon between the Government and the Company, and their materials of, and manner in which the several works forming part thereof shall be constructed, and the mode of working the railway, or any part thereof, including the description and capacity of the locomotive engines and other rolling stock for working it shall be such as may hereafter be agreed upon between the Government and the Company."

Now, hon. gentlemen will see how the public interests are protected in that contract; but in the present scheme we have not a word about the locomotives, or the rolling stock, or the tolls, which, as I shall presently show, are in themselves a very serious consideration. The clause in the Allan contract proceeds:

"Provided always that if the Government and the Company should be unable to agree as to the details of any of the matters in this clause mentioned, the same shall be from time to time referred to the determination of three competent engineers, one of whom shall be chosen by the Government, one by the Company, and a third by such two engineers; and the expenses of said references shall be defrayed by the Company. And in order to establish an approximate standard, whereby such matters may be regulated, the Union Pacific Railway of the United States hereby selected and fixed as such standard, but in a general way only, and not with respect to any minor details in its construction or working which may be found to be objectionable, nor with respect to alignment to grades, which shall be as favorable as the nature of the country will permit of without undue expenditure."

Now, we are told that self-interest will dictate to the Syndicate that they should build a first-class road, but the same principle applied in the contract with Sir Hugh Allan, and why were these provisions imposed in the one case and not in the other. The Minister of Railways says the two contracts were identical in this respect, but the Allan contract says not. This shall not be the standard. The language used is: "In a general way only, and not in respect of any minor details as to the working, nor in respect to the grades, which shall be as favorable as the condition of the country will allow." Why do not these gentlemen, if they want to assimilate that condition with that of the Allan contract, which the Government were under the impression was different from what it is—for the Minister of Railways says that the same standard provided for in the Allan was provided for in the present contract? Another question of some importance is with regard to the ten per cent. The whole country is interested in this matter, and especially the North-West. The contract provides that the Government in Council shall not interfere with the tolls or tariff until the Company realize 10 per cent. en the expenditure connected with the construction of the road. What does that apply to? To the capital actually expended, or to the amount received from the Government by the Syndicate in the constructed portions of the road? It is also provided that the limit to the reduction of tolls by the Parliament of Canada, provided for by the Act of 1879, respecting tolls, is hereby extended, so that the reductions shall not secure less than 10 per cent. per annum profit on the capital actually expended in the construction of the railway. I appeal to hon. members whether that does not mean 10 per cent. on the actual cost of the road. The Government have estimated this road will cost $80,000,000 or more. This provision, then, will authorize the Company to derive 10 per cent. profit from the whole amount expended on that road, if they do not spend on it $1, and they most assuredly will not expend one dollar. They thus get some $57,000,000 in cash, besides all the land. On that amount they will receive 10 per cent., the amount expended by the Government. Before the Government can interfere or arrange the tariff, the Company must receive 10 per cent. interest on the $80,000,000, or $8,000,000 a year. It does seem hard that the Government should give $80,000,000 or more to construct the road, hand it over to the Syndicate, and then that Syndicate shoutd realize 10 per cent. on it, when, in point of fact, they never expended on it $1. This is not fancy or fiction, but a fair, legal construction of the language. The Syndicate understand it thoroughly; and the Government have not condescended to give us their own views thereon. I am unable to exert my voice further at this time, but at the same time I may say in conclusion that I hope that hon. members on the Ministerial side will disregard their political bias and lay aside party feeling in a calm consideration of this question. It appears

to me the Government are applying the whip to their supporters. I do not use the phrase in any offensive sense. My hon. friend from Ottawa County (Mr. Wright), who lately spoke, seems to have his mind considerably disturbed by this project, and I believe that other members on that side have minds not easy on that subject. If they will come impartially to the consideration of this question and deal with the contract on its merits, I would undertake to say that, if the Government will relinquish this contract, my hon. friends would consent to their remaining in power without any hesitation.

Mr. BLAKE and several other hon. members. Hear, hear.

Sir ALBERT J. SMITH. I would cheerfully see the Government continue in power if thereby this contract could be defeated. We would enter into a compact that the Government should remain in their places if they would relieve the country from this calamity threatened by this contract. I implore hon. members on the Ministerial side to consider this bargain as a commercial transaction, and divest themselves of all party feeling in judging of its character.

Mr. CASGRAIN. Mr. Chairman, the question now before the House is too important a one for me to let the vote be taken without giving my share of the arguments that I am bound to urge on behalf of the county that I represent. When the Government brought this measure before the House it did so in such a party manner that we were afraid—at least for my part I was afraid—that this scheme would be passed before we had time to make it known to our constituents. That is why I took the most favorable opportunity that presented itself to request the Government to furnish us at once with the copies of this contract, in order, as far as possible, to be able to send to our counties, and especially to the county that I represent. I am proud to say that I was able to distribute this contract in my county so as to make it known; I wished to particularly draw the attention of all those who take an active part in public affairs in my county, and for that purpose I deemed it my duty to send a circular to each one of them, in order to make them acquainted with all the objections that we had to this contract. I think that I have fulfilled my duty as a member by thus enabling my electors to become acquainted with what I look upon as enormities in this contract. I am not going, this evening, to repeat the arguments that have been brought forward on this side of the House against the provisions of the contract. Certainly, I have the right to congratulate myself on belonging to a side of this House that has been able to furnish in such detailed manner, in such a plausible manner, and in so peremptory a manner, reasons that would be sufficient, were it not for the very strong party spirit of hon. gentlemen opposite, to cause this contract to be unhesitatingly rejected. The proposal made by the hon. member who has just taken his seat (Sir Albert J. Smith) is a serious one; it was not made lightly. We consider the interests of the country are so much at stake at the present moment that we are willing to give up all our pretensions, if the maintenance of the Government depends thereon, provided that we obtain the necessary amendments to this contract. Indeed, when we came here, I speak for myself, and it seems to me that a member speaking from his place should be listened to and believed, I was persuaded for my part that the contract to be submitted to the House would be acceptable to the people. That is what I thought, but I was deceived, like a great many others, by the words which fell from the lips of the Prime Minister. I was deceived, as was the hon. mover of the Address, for he told us the contract would be a favorable one. We believed it, I believed it, and the people believed it; the electors in my county believed it—the seconder of the Address as well. And what did he say? I think that his words may be looked upon as coming from the Government. He was, what they call in English, the mouthpiece of the Government. What he came and said here on the floor of Parliament, was it a *naiveté*? But I cannot believe that it was when the speech was written. He said:

"Arrangements have been made that will secure the building of the road according to the stipulations of the treaty. The whole road from east to west will be built, equipped and worked by a private company without its costing the Dominion Government a single penny."

Well, Mr. Chairman, that is the assertion made on the floor of this House. Was it in order to deceive the people? Was it in order to deceive us? I say that we were deceived; and I say that the Government has not the right, for the honor of the country, to deceive us; the honor of the country is as much the property of this side of the House as of the other side. The fair name, the reputation of the Government, is as much our property as that of the other side of the House. I heard the hon. member for Portneuf (Mr. Vallée), whom I do not now see in his seat, say that we were made to remain on the Opposition benches. He could not, as far as I am concerned, pay me a more flattering compliment than that. I maintain that the position of members of the Opposition is the most enviable position that can be desired, and for my part I do not wish to abandon it. I do not wish to take up the time of this House at any great length; nevertheless, I have two or three points to submit. On examining the contract now before the House, I asked myself, and I still ask myself, what position I am personally to take; what is my duty at the present moment? Here is the contract that is submitted to us; what alternative have we? The fact is there is no alternative. I wish there was one. I wish I was in a position to say that I was willing to adopt some kind of a contract, in order to place this undertaking in the hands of a Syndicate. But circumstances are entirely changed, we are no longer in the same position we were in five years ago. The position that we are in to-day is that, according to the statement of Ministers, we have constructed nearly half of the road; that is to say, that we have spent $35,000,000, and $78,000,000 are required to complete the road. And to complete it where? To complete it in the most favorable place, in the place that will pay later on. I say that circumstances are completely charged, and that is why I see no necessity of changing the plan the Government had formed last year for building the road. The hon. Minister of Public Works stated that this contract had been passed to prevent the ruin of the country. Therefore, the policy adopted by the Government last year, was unquestionably bringing the country to ruin. On the other hand, what have we with the present contract? We are falling out of the frying-pan into the fire. Shall we fall into the hands of the Syndicate, or shall we remain in the ruin that the hon. Minister has brought us to? That is the position we are in. Well, now is the time to come to a decision. I would fain make every possible effort to bring myself to accept an acceptable contract; and I say it in all truth, I do not want to conceal what I think, I came here disposed to help the Government in any acceptable scheme. But there is no means of accepting the one now thrown on our hands. The hon. member for Rouville endeavored to throw a parting shot at me, by saying that, last year, I had pronounced against the Sault Ste. Marie Branch. I have enough to answer for the faults that I am really guilty of, without any being invented for me. In quoting my words he should have quoted all I said, in order to have my exact meaning. Talleyrand once said: "Give me two words written by any man and I have enough to hang him." I do not think that my hon. friend is as capable a man as Talleyrand was. Here are the very words that I made use of:

"I believe that the Canadian Pacific Railway will yet be built, but that we can build it on the plan proposed, I do not think. Why have we not been furnished with the facts, as to the American Pacific Railway and

its cost per mile for working. They would afford us a fair criterion for a judgment on this subject. I see the Government do not intend to go beyond Thunder Bay to the east. Then I call Thunder Bay a *cul de sac*. The navigation at that place is stopped for a part of the year. Trade will not go that way in winter, but take its natural course south. The border country is flat, and the natural channel for trade is in the direction of the United States. You cannot prevent it going in that direction. You may bring trade to Thunder Bay in summer, and draw it to the Georgian Bay, by loading and unloading vessels; but in winter, as well as in summer, you will have to take the shortest cut and go by the American railways to Sault Ste. Marie. Your railway to that point will be tapped all along the route, the through freight being next to nothing. The project of a railway from Thunder Bay, north-west of Lake Superior, is as wild as that from Winnipeg to Hudson's Bay. The hon. the Minister of Public Works said that public opinion was with the Government in this matter. I appeal to the Conservatives of Quebec, if the strongest pressure has not been brought to bear on them, to induce them to support the Government at this conjuncture? If they could shirk the vote, if the Government were not depending on them, they would do so."

From these words, which came in incidentaly, because I was opposing the part of the road that was being built to the north of Lake Superior, my hon. friend concluded that I was opposed to the Sault Ste. Marie line. He is entirely mistaken. I am still in favor of that line, and I say that it will be built. I may say to the hon. member for Portneuf (Mr. Vallée), that if he will only examine the recent maps and plans of railways in the United States, he will see that with thirty additional miles of railway we will join Sault Ste. Marie to the east. By wishing to have this connection only ten years hence, hon. gentlemen seem to calculate that this is a very short space of time, yet ten years are a good deal in a man's life. Ten years hence, a great many heads that I now see around me will have been mowed down by death; so that circumstances in ten years from now will not be at all the same. Moreover, according to an old saying: In ten years from now a great deal of water will have flowed down the river. If the members of the Syndicate have really and seriously the intention of building the road to the north of Lake Superior, they have shown by the contract, on the very face of it, that they have no such intention. And I ask myself now why there are three distinct contracts in this contract. There is, in the first place, the contract of the Government who bind themselves to contsruct the most difficult part of the road. There are, next, two other contracts for the same line divided into two distinct parts, and why? The reason is quite simple, it is in order that if only one part is built, the damages resulting from the non-execution of the other part shall be lessened by so much; so that the Syndicate will get rid of this part of the road, and will only have to pay a comparatively small sum as an indemnity. Now, much has been said, and I will only mention the matter in order to refute what has been said with respect to the influence of the Grand Trunk in our districts. Berhaps members who live in the district of Montreal or in the Province of Ontario, do not know the extent of the influence of the Grand Trunk in our district. If they had had to deal with this influence as we have had to do, I am sure that not one of them would wish to grant to another company one-half or one-quarter of the influence that the Grand Trunk has exercised in our affairs. On the other hand, what is the influence of the Grand Trunk compared to the influence of this immense corporation, an influence so great that I heard the Prime Minister say that he would hurry up the discussion, that he wanted to have the vote taken before Christmas, because Mr. Stephens, one of the members of the Syndicate, was in Ireland wishing to get immigrants. I already see the enormous pressure brought to bear by this powerful Company, which is yet only in the embryo state but which is, nevertheless, already as strong as Atlas and bears upon its shoulders the present Government. There is no hiding it, the pressure brought to bear by the Syndicate is already enormous; it is so enormous that the Government has not been able to obtain from the Company a slight concession to help their friends, and to help them in the hour of need.

Mr. CASGRAIN.

Now, as this contract is going to be adopted, from what I can see, I owe it to myself to make a suggestion to the Government. I see in the execution of this contract an enormous difficulty. I am going to point it out, not so much in order to make an objection against the Government, as in order to allow Ministers to obviate a difficulty that they will find in their way. Probably in three years from now, as the hon. Minister of Railways observed, the prairie section will be completed. We will consequently be obliged to grant the Company 11,250,000 acres of land. To survey these lands and lay them out in alternate sections, it will be necessary, of course, to survey 21,500,000. Now, if we make allowance for bad lands, which must cover at least half the territory—and the argument I am now making is serious, and as a statesman I draw attention to it—we have, consequently, four times 11,250,000, that is to say, 45,000,000 acres of land to survey in three years. How will you be able to strike off, by surveys, in so short a space of time, all the rivers, marshes, sandy lands and lands unfit for settlement? I took the trouble to get information from the Deputy Minister of the Interior upon this point, and I have found that since these lands have been in our possession, we have only been able to survey 12,27[illegible],17[illegible] acres, at a cost of $560,576, which makes four cents and a half per acre; consequently we arrive by calculation, at a sum of $2,025,000 that we will have to spend in three years on the railway, merely for surveying the lands that we are obliged to deliver to the Company as fast as the road is built under penalty of paying an indemnity. And what is the indemnity that the Company can exact? These gentlemen are not there in the interest of the country, but in their own interest. These lands are sold beforehand. I can assert that when this contract will have been ratified by the Senate, you will find $10,000,000 on the New York market as a bonus to any company willing to take it. I declare that this contract will be worth to the Syndicate, the day after its ratification, $10,000,000 on the New York market. Now, I desire to draw the attention of the House to another point: I have listened attentively to what has been said on the other side of the House and on this side, and I am at a loss to know what we are paying for this contract now and what we shall be paying for it in ten years from now. There is not a single member on the other side of the House, except the member for Portneuf (Mr. Valée), who has given us the price of the contract. We are in the dark. If I had Diogenes' lantern to scrutinize the consciences of hon. gentlemen opposite, I might perhaps find the price of this contract, but I have not got it. The Government keeps the origin of this contract hidden, and deeds done in darkness are not deeds that can be approved of Well, on striking our balance sheet ten years hence, what will be the price of the contract? My hon. friend from Portneuf (Mr. Vallée) has given us a figure, and I fear that he gave it in all sincerity. He gave $148,000,000, estimating the lands at $3 an acre, the price fixed by his friends on the other side of the House. Well, $148,000,000, that is the cost now, but what will it be ten years hence? When you have added the two deposits, the cost of commission; when you have necessarily added contingent expenses, and interest calculated only at five per cent., you arrive at a figure that will exceed $175,000,000. Therefore, I say that we are walking in darkness. Gentlemen on the other side are in the dark as to the sum they are actually granting. The cost is not yet determined. I have endeavored to find it out, but there is only one way of coming at it, the price of this contract. The members of the Syndicate which have made these calculations can alone tell us what is the price of the contract. One word more and I have done. I have observed in this contract that the Government have, so to speak, divested themselves practically of the right of regulating the tariff on the road. In speaking of this question, I maintain that it has not

been exaggerated on this side of the House. On the contrary, the greater the time that elapses, the more the population will grow, the more this enormous privilege will make itself felt. We are creating gigantic discontents. The member for Chicoutimi (Mr. Cimon) admitted candidly that the road was absolutely necessary, and that in order to have it at once he was willing to pay even more if required; and that, if in the future it became necessary to buy off this enormous privilege granted to the Company, we would buy it off. That is not an argument a sensible man would use, Mr. Chairman, to make us purchase what already belongs to us. Now, my hon. friend from Beauharnois (Mr. Bergeron) was fain to make a sort of funeral oration over Sir George Etienne Cartier, who is a demi-god in his eyes. What makes me allude to this subject is, because he recalled the famous words uttered by Sir George some nine years ago. Sir George said what the member for Beauharnois repeated: "All aboard for the West!" And that shows what mortification can be put up with by those who are disposed to put up with anything. It is now nine years since that was said, and have we gone West? No; we are still here. I said last year that the road would not be built on the plan proposed by the Government, and I was not mistaken. The Government have changed their plan; they are now building the road according to a secret plan, a hidden plan, concocted in the strictest privacy, a plan that we are not acquainted with and for which, gentlemen on the other side are going to vote, so as to please the Government. I said, in the second place, that we should have exact data to go upon if we were to build the road; I said those data should be based upon American railways. I was almost a prophet. These gentlemen should be thankful to me for having found out a plan they are now making use of. Mr. Chairman, I do not wish to trespass longer on the time of the House. I now appeal to the good sense of the House. I do not believe that I am able to change the opinion of one single member on the other side, yet it is evident that there is a general feeling of uneasiness among them. If I had a request to make, I would address the Prime Minister, who has a large number of faithful and devoted followers, and I regret that he was not in his place when my friend from Brant (Mr. Paterson), paid him a compliment, that I consider well deserved; and when he made a serious appeal, a patriotic appeal, a warm appeal to his patriotism and to the patroitism of his followers. The contract now submitted contains clauses of such a grave character, that are of such deep interest to the country, that if he will give a little further consideration, if he is not too tightly held in the clutches of the Syndicate; if he can rid himself for a moment from the grasp that is upon him, we will be the happiest men in the world to be able to help him out of the difficulty, to help him to make, with another Syndicate, a bargain preferable to the one now submitted.

Mr. BLAKE. If I were not to have a subsequent opportunity of addressing this House I would desire to reply to some of the arguments of hon. gentlemen opposite at the present stage of this discussion. Now, however, I only wish to say a word or two on points which I think ought not to be allowed to rest even to the next stage of the debate. First of all, with reference to the point of the member for Lincoln (Mr. Rykert), that this contract was one which could be enforced by specific performance of the Court of Chancery, he appealed to me to sustain that position as one having some knowledge and experience of that Court. I was obliged to say so far as my opinion was concerned, that that position was not in accordance with the law. The Minister of the Interior (Sir John A. Macdonald) differed with me in that view, and seemed to think that while a permissive power did not involve any obligation to build the railway, yet if there was a contract for its construction, it would be enforced in the Court of Chancery.

Sir JOHN A. MACDONALD. I did not say that. I said that where an Act empowering one railway to be built was permissive, it could not be enforced, but if the Act was compulsory it could be enforced.

Mr. BLAKE. Then the hon. gentleman with his usual astuteness sought to cover the error into which the member for Lincoln fell by a statement that did not cover the point at all. But the member for Lincoln said that it could be enforced in the Court of Chancery and appealed to me as a supposed authority with reference to the practice, procedure and jurisdiction of that Court in favor of that position; and the Minister of the Interior says that all he stated was that if the Act was compulsory it can be enforced in the Courts. We all know that legal contracts can be enforced in some Court or other. I will answer the member for Lincoln by simply giving him one of our authorities which I believe to be still recognized as the law, and which expresses the views of this Court on that subject. The opinion is that of Vice-Chancellor Sir W. Page Wood, touching a contract for a railway:

"I will assume the agreement, the subject of this suit, to be an agreement clearly and distinctly valid within the Statute of Frauds, with every requisite provision, as plainly expressed as if the contract had been fully drawn out; and I will further assume it to be a contract, in the common form, to execute certain works, to be paid for in money instead of shares. Assuming this to be the state of things I can not conceive that there would be in this case anything, except the allegation, to which I will presently advert, of the deception practised on the plaintiffs, to distinguish the case from Ranger vs. the Great Western Company, in which Lord Coltenham observed, that the contract was obviously of a nature over which this Court could not have jurisdiction by way of directing specific performance; and I apprehend that there is not anywhere to be found in the books, an instance appropriating to such a case as I have before me, in which the Court has been asked to exercise its jurisdiction of specific performance, for carrying into effect a contract for the execution of works of very complicated and difficult character, and for the non-completion of which contract a remedy may be had, and as it seems to me, not only an adequate, but the better remedy in damages."

That is the law, and it is quite clear that the Court of Chancery never does undertake a specific execution or interfere with such works as these, for the obvious reason, that it would be quite impossible for the Court to continue for a series of years taking cognizance of and supervising the execution of works of such a complicated and difficult character. I accept the hon. Minister's statement on this point.

Sir JOHN A. MACDONALD. I referred altogether to process by writ of mandamus.

Mr. BLAKE. Quite so. The hon. member for Lincoln was referring to a procedure in Chancery which induced me to make these remarks. There have been several charges made against me during the course of the debate, one of which was that I was afraid to meet the hon. Minister of Railways. Well, I have been sitting opposite the hon. Minister of Railways in Parliament for some 13 or 14 years, and conscious as I am of his great powers of oratory and his signal ability, and conscious as I am that I am unequal to him in these particulars, yet, as I have not been called upon to vindicate a course that I did not think was righteous, I must say I never felt any nervousness at the prospect of meeting that hon. gentleman in debate. I have been waiting for about three weeks or a month for him to answer the statements I made in a speech I delivered, but he has not yet done so; when he has I will have an opportunity of answering him. Whatever may be believed in other places I do not think that in this audience it will be believed that the hon. gentleman has any apprehension of meeting me, or that I have any apprehension of meeting him. An observation was made, I think, by the hon. member for Niagara, and other members, that I stated that I was not bound by any opinions I had before expressed; that that was a general statement of my position as a public man; and much argument, and much, I may say, of vituperation has been expended upon me in that view. I cannot hope, from the experience I have had of several years, to get rid of such charges, or to prevent their being circulated in the organs of hon. gentlemen opposite for all time to

come. But as these statements have been made in this House I take the earliest opportunity to simply read to the House the words I used in the speech which has been interpreted in the way I mention. Three times only I referred to past opinions. On the first occasion I said:

"The hon. gentleman also adverts to some speeches I made. He adverted to a speech I made in 1875, and quoted a portion of it from the *Hansard*. Well, I am not going to bore the House by reading some of the rest of it. I am very indifferent whether portions of my speeches are quoted without the other parts which are necessary to a proper understanding of them by a Tory land seller or the Minister of Railways, and I leave to those who take sufficient interest in my proceedings to peruse the speeches, and they will, if fairly read, answer the objections made to them. I have nothing to retract in the speech the hon. gentleman quoted. I abide by, as applicable to the then existing state of things, every sentiment expressed in that speech. The hon. gentleman himself, in the course of his remarks, adverted to the wholly changed condition of things."

In another part of my speech I adverted to the same topic, but to another speech of mine, when I said:

"It was less than a year ago I spoke that speech, but even, if it had been a whole year ago, I should be disposed to adhere to it. I find nothing in these estimates at all inconsistent with the views I entertain to-day with reference to the gentleman's railway, and if I did find anything inconsistent, if I did believe that I erred in any statement I had made in that speech, I hope that I know enough of my duty to confess my error and act upon my present judgment, whatever that may be. I have not yet been able to find that there was any error in the estimate I then made, or in any other suggestion of the speech."

The last time I referred to the subject I said:

"The hon. gentleman went to work to make contrasts upon proposals' and here again circumstances wholly differ. He talked of the values of lands. He alluded to speeches which had been made by hon. members at various times with reference to the selling values of land in the North-West. He referred to a speech of mine made at the time the Foster contract was under discussion, in which I expressed my own opinion then as to the value of lands in the North-West to the contractor at that time. What was the condition of things? This was not a contractor, Mr. Chairman, who was about to build a railway through the lands which he was to receive. This was not a contractor who was about to receive lands through which a railway was presently or, as far as he knew at all about to be built. This was a contractor who, at that time, was to receive lands in the North-West where there was no present prospect of there being a railway at all, and it was with reference to that country, at that time, with its then population, with the then estimation as to the fertile area, with the then views of English and foreign people about it, with the then prospects of railway communication, with the circumstances that the contractor was not to be able to utilize and make marketable the lands by building the railway through them, that that opinion was expressed. Sir, I do not hold myself bound, to-day, as to the present condition of things in the North-West by any opinion as to lands expressed at that day, and on the then condition of things in that country."

There, Sir, is my statement as to my general views with reference to my opinions, and the only statement I made as to my not being bound by former opinions—a statement which I cannot make clearer than I made it in the speech to hon. gentlemen who will receive it with no measure of candor or fairness. By that statement I still abide, and it does not justify inferences which were drawn from it or the meaning which was put upon the phrases used. I have one other remark to make. A considerable portion of the time of the House has been occupied by speakers who have ventured upon a repetition to this House of old, stale, exploded slanders with reference to my past career in another Legislature. To a majority of this audience I believe the truth of this matter is known. I believe to a majority of this audience I have had occasion to state what was the truth of these matters in this Chamber on former occasions. I do not intend at this hour, and at this stage of the debate, to ask the House for that measure of justice, for I believe it would be only justice which would be involved in permitting me to make a statement of the facts. To those who know the truth I can confidently appeal for my vindication; to those who do not know the truth, I can refer to the position, however humble it may be, which it has been my fortune to occupy during the course of ten years in the estimation of the people of my Province and the country at large. I do not suppose anything will prevent the repetition of these stale, exploded slanders. They have become the Tory gospel of envy, hatred, malice and all uncharitableness.

Mr. BLAKE.

Mr. McCALLUM. I have just to say to the hon. gentleman that I hope he will not consider that I have slandered him, because, so far as I spoke here, I spoke by the book, and I stand here to say that the action of that hon. gentleman in reference to the railway policy of the Province of Ontario has demoralized that Province to this day. Yet he gets up here and says we slandered him. If he means me, why does he not name me? I am here to meet him at any time. The Opposition had a majority of one, but he turned it into his favor, and in a few days he turned that one into a majority of thirty. How did he do that. He bought them all. He bought the silence of a Minister of the Crown when he said, across the floor of the House: "You had better speak now." I know there was a Committee of the House instructed to enquire into that matter, but the hon. gentleman struck his own Committee, by whom he wanted to be tried. I am a living witness of this matter. I will not stand here and be slandered by that hon. gentleman, or by any other man.

The following resolutions were read and carried on division:—

1st. That it is expedient to grant and appropriate twenty-five millions of dollars according to the terms of the contract relating to the Canadian Pacific Railway transmitted to this House by His Excellency the Governor-General by his message dated December 10th.

2nd. That it is expedient to grant and appropriate twenty-five millions of acres in the North-West Territories according to the terms of the said contract so transmitted as aforesaid.

The Committee rose.

House resumed; and (at 1:10 o'clock, a.m.,) the House adjourned.

HOUSE OF COMMONS.

THURSDAY, 13th January, 1881.

The SPEAKER took the Chair at Three o'clock.

PRAYERS.

BILLS INTRODUCED.

The following Bills were severally introduced and read the first time:—

Bill (No. 22) to incorporate the St. Lawrence Wrecking and Salvage Company of Canada.—(Mr. Robertson, Hamilton.)

Bill (No. 23) to incorporate the Ontario and Quebec Railway Company.—(Mr. Cameron, N. Victoria.)

MAILS IN BEAUCE COUNTY.

Mr. BOLDUC enquired, Whether it is the intention of the Government to grant two daily mails, in the County of Beauce, with a view to promote the development of the gold mines therein?

Mr. LANGEVIN said he could not give any definite answer to the question at present.

EMIGRATION FROM CANADA.

On the order for the further consideration of the proposed motion of Mr. White (Cardwell), for an Order of the House for a statement of the number of persons who have passed from Canada, into the United States, by way of Sarnia and Windsor, since 1st January, 1880, and of persons who have, within the same period, come into Canada from the United States by way of Windsor and Sarnia, &c.; and the motion of Sir Richard J. Cartwright in amendment thereto.

Sir JOHN A. MACDONALD. I move, in amendment to the motion, "that Mr. Speaker do now leave the Chair,"

that all the words after "that" be struck out, and the following be substituted: "the Government Orders of the Day be now read." When I moved the resolution, that the House should proceed with the discussion *de die in diem*, I explained the reason for taking that course, which was, that it was of the very greatest importance that this matter should be disposed of, one way or the other, without any delay. We are told it is of very great consequence, that, if the contract is to be affirmed, the contractors should have the earliest opportunity of organizing, and entering into arrangements for getting out ties and getting in supplies, in order to go on at once vigorously, effectively and continuously with the construction of the railway. Therefore, I think that the hon. gentleman opposite will not object to our proceeding at once to Government Orders.

Mr. BLAKE. Mr. Speaker, the hon. gentleman gave notice that he would upon Friday, move that the Order for the resumption of the Government Order for the consideration of the resolutions from the Committee would then be taken up and proceeded with after routine. He now proposes to anticipate that motion by the procedure which has just been adopted, and by a surprise, and without giving any notice of his intention to interrupt that which he proposed to do in a regular, if a somewhat high-handed, course on Friday. It seems to me that this course is highly objectionable. If the hon. gentleman had intended to take this particular mode of reaching the Government Orders, the least he could have done would have been to announce that such was his intention. Instead of announcing such intention yesterday, he, I do not say intentionally, but in the result, misled us by omitting to intimate that intention, and by giving notice that he would, to-morrow, move a motion to get the Order, from that day forth, first on the list. So that, not merely was there no intimation of the hon. gentleman's intention to take away this day, but the House was led, by the notice the hon. gentleman placed on the paper yesterday, to presume he had no such intention, but that things were to be left in the natural and ordinary course until, in that course, his motion for Friday was reached, and a discussion of the House taken upon it. I object, most decidedly, to proceeding, under these circumstances, with this Order to-day. The hon. gentleman says it is of importance to the contractors that they should get out ties. It is of much more importance to know whether the contractors should have power to enter into the contract. The hon. gentleman says it is important to get immigration, but we know of no plan by which the contracts are to bring in emigrants. We are not told in this contract that the contractors are to deal with immigration. It is a Government plan of immigration, which it is said will be delayed, thwarted, injured and impeded, if the House does not immediately come to a conclusion. The idea that Parliament and the country, through its representatives, because it is important that ties should be got out for the prairie section, and the Nipissing section, should not have reasonable notice of the course of procedure proposed to be adopted, that therefore we are not to be informed what is to be taken up, and placed at a disadvantage with respect to the proceedings of this House by notices being placed on the paper which are not true guides, but false lights as to the intentions of the Government, as to the course they will take, is, to my mind, monstrous. The hon. gentleman should not press this amendment upon us, and he will not make very much progress in the debate if he does press it upon us.

Sir JOHN A. MACDONALD. The concluding remark of the hon. gentleman precludes the possibility of my withdrawing my motion. The hon. gentleman is evidently in training after the fashion, and, although he does not generally draw his inspiration from the Mother Country, he has evidently determined to follow the obstructionist system which prevails in the Mother Country. If that is attempted, we shall put it down in the way in which even such a lover of free debate as Mr. Gladstone puts it down. The notice I gave last night was quite consistent with the motion I make to-day. I ask the hon. gentleman if it was not understood by the whole country, that when I made my former motion it was for the purpose of disposing of this question, for the reasons I gave, and for reasons which were satisfactory to this House, before the general business of the Session should be proceeded with. The House was called two months before the time for the special purpose of settling this question. The hon. gentleman has had a month to discuss it. He has discussed it in this House and out of this House; and, Sir, I am amazed and astonished at the course taken by the hon. gentleman, after all his efforts, after all his eloquence, in saying that the country and this House has not had a full opportunity of understanding the whole of the contract, all its merits and all its alleged demerits. Sir, the hon. gentleman said he was deceived and misled by the notice I gave last night. The hon. gentleman never saw it last night.

Mr. BLAKE. I learned it early this morning.

Sir JOHN A. MACDONALD. Exactly; this morning. I could not have given that notice until the resolutions were carried in Committee, and I gave notice that from and after Friday this discussion should every day be the first Order of the day. The hon. gentleman must know that we are assembled especially to dispose of this question in one way or the other, and I repudiate the insinuation that there was any attempt to deceive the hon. gentleman. The hon. gentleman was not deceived.

Mr. BLAKE. I was.

Sir JOHN A. MACDONALD. The hon. gentleman knows what we came to this Parliament for; the hon. gentleman knows for what object I put that resolution; and the hon. gentleman cannot by any affected indignation cause a majority of this House to play the game of delay which is evidently the game of hon. gentlemen opposite. We shall not allow that, and if the hon. gentleman chooses to play the *role* of obstruction, he must take the consequences, and we must take the consequences, and the ties must take the consequences.

Mr. MACKENZIE. Will the hon. gentleman tell us how we became aware what Parliament was called for?

Sir JOHN A. MACDONALD. I know my hon. friend has too much intelligence not to know why we were called in December instead of February.

Mr. MACKENZIE. There was no intimation of any sort.

Mr. CASEY. The hon. gentleman talks about affected indignation being expressed by the leader of the Opposition. There must be very little doubt in the mind of any one who heard him that the indignation was not affected, but real. But if there was anything required to convert affected indignation into the keenest kind of indignation, it was the speech the hon. gentleman has just delivered. He tells us we are playing the part of obstruction in this matter, and that it will be put down. There is in that an implied threat what we consider freedom of debate will not be allowed in this House. He talks about the effect of this measure on the ties. He had better take care that it does not affect some other ties than those which are to be laid on the Pacific Railway. The party ties by which his supporters are attached to him are very strong and very elastic, but any one of these ties may be snapped under too great a strain, and I know that the strain of this matter has from the first been too great for many of his supporters. He says it is obstruction to ask for delay in this matter. Sir, I ask any fair-minded man in this House if it is obstruction to demand an observance of the ordinary rules of the House in transacting public business. These rules were devised

especially to protect the minority in this House from the overbearing majority, and it is a duty we owe to ourselves as an Opposition and to those who sent us here, it is a duty we owe to the country at large, to insist on an observance of these rules.

Sir JOHN A. MACDONALD. If I have broken any rule in making my motion let the hon. gentleman point it out. I am quite in order.

Mr. CASEY. It is a question in my mind whether such a motion can be made without notice, but even if it can it is a motion to suspend the rules of the House, so that we have a substantial and practical grievance in demanding protection which the rules of the House afford us. The hon. gentleman told us that the country had plenty of time to understand the merits and demerits of this contract. I grant the first proposition because it takes a very short time to understand its merits. Why, a gentleman who was once a colleague of his own, who has occupied such a position in public life as frees him from all party suspicion—I refer to Sir Wm. Pierce Howland—stated that this contract in his opinion had absolutely no merits at all. As to its demerits I contend that the country has not had time to understand them; and that a proper and decent consideration of this question should go on for some time longer. Some new objection hitherto unsuspected is continually cropping up against it. It may be discovered before long that the hon. gentleman was rather premature in saying that this was the best possible bargain that could be made, and I doubt not that it is the expectation of the hon. gentleman that something may come to light to disturb that little dream of his which makes him so anxious to go on with this scheme. He tells us that we knew perfectly well what we were brought here for. We knew that we were brought here to consider some scheme for building the Pacific Railway, but we knew nothing whatever except what leaked out through the newspapers as to the nature of this scheme. When we come here we find that a great many details, perfectly new in their nature, not parallel to anything ever before presented to this House in any offer, are included in this contract, that the least objectionable parts of it, perhaps, are the lump sums of cash and lands to be paid; that many complicated provisions are in it which require extremely careful consideration; that not only have no tenders been publicly asked for, for the performance of this work, but that the right hon. gentleman and the hon. Minister of Railways, and I believe the hon. Minister of Agriculture, worked the scheme up in secret, Star Chamber consultation—or rather, not Star Chamber, because that would be judicial, at least in form, and this was injudicial in form and injudicious in result. Suppose you had entrusted an agent to make a bargain for you, and that he consulted in private with a contractor, entered into a bargain with that contractor, and refused to tell you what other offers he had had for the performance of the work or whether he tried to obtain any other offer, would you not be induced to suspect something very like collusion between your agent and the contractor. If the agents of the country consulted in a hole-and-corner manner, from day to day in Ottawa, with the contractors at whose mercy they had placed themselves by their previous injudicious conduct, one cannot help suspecting that there has been something more than is laid before the House in the intercourse between those gentlemen. You cannot help suspecting that the protocol of those consultations, the simple statement of what took place between the parties, would be more interesting than any work of fiction ever given to the public by my hon. friend's great prototype the leader of the Conservative party in England. It would sell better than "Endymion."

Sir JOHN A. MACDONALD. I rise to a question of order. The hon. gentleman is discussing the merits of the question instead of the amendment before the House.

Mr. CASEY. I am not discussing the merits of the question any further than is necessary to support my contention that we should not go on post haste with the consideration of such an important question as the one submitted to the House. I am quite in order in making as extended reference to the question proposed to be discussed as is required to show it should not now be discussed.

Mr. SPEAKER ruled that the hon. gentleman must confine himself to the reasons for opposing the amendment.

Mr. CASEY. I thank you, Sir, for the impartial manner in which you have sustained the freedom of debate in this House. I have shown sufficient reason that what the hon. gentleman characterizes as a game of delay is really a game that should be played by every patriotic man in this country.

Sir JOHN A. MACDONALD. Hear, hear.

Mr. CASEY. I fully accept responsibility for the words I have uttered. What the hon. gentleman characterizes as a game of delay is the patriotic game. It is the game of insisting upon the fullest ventilation of this contract and of all other alternatives that may now or hereafter be laid before the House before we adopt the contract.

Mr. MILLS. Before the question is put, I wish to make an observation or two on the amendments submitted by the hon. leader of the Government. I think there was nothing to justify the hon. gentleman in making a threat against hon. gentlemen on this side. I think, however, much time may be taken up in discussion of this question. When we look at the time taken up in England in the consideration of great public measures, we will see that we have devoted here, perhaps, more time than the hon. gentleman usually permits to be devoted to measures he submits to Parliament, although not more than the public interest requires. I would ask the hon. gentleman to point out a single measure in England, during the last twenty-five years, that has been carried through Parliament in less than three months. They cannot point to a single one. If the hon. gentleman will look at the Irish Land Bill question, the Separation of the State and the Church in Ireland, and Parliamentary Reform in England, in 1867, he will see that, in every instance, the length of time taken up in the discussion of questions, not more complicated than this, not affecting the public interest so great in extent, more time has been given to their consideration than has been devoted to the consideration of this question. The hon. gentleman is not warranted in holding out a threat to us, when we ask that the country may have an opportunity of considering this contract from our point of view. It is the constitutional right of the country to be informed with regard to what is transpiring in Parliament, and we know the responsibility will ultimately fall upon them of every legislative measure that is carried. Feeling the responsibility will be theirs, we want to give them an opportunity of making known their opinion on this question. I remember another occasion, when the Pacific Railway question was before Parliament, the hon. gentleman insisted on passing to the Orders of the Day. Well, the proposition to-day reminds me of what transpired on that occasion. I may say to the House that in my opinion the reason why the right hon. gentleman is in so much haste, is that there is about to be submitted to the Government propositions much more favorable than these to the extent of $15,000,000 or $20,000,000. Now that being the real reason, the hon. gentleman shows a want of moral courage when he seeks to anticipate what is about to be done and commit his supporters to the most unfavorable proposition under consideration. Now, I think this matter ought not to be pressed; I think it is a duty he owes to the House and country to permit this new proposition to be submitted to Parliament. He knows right well he did not comply with the Act—did not advertise for public tenders, and that the

propositions he has accepted and wishes to press upon us are extravagant in their terms—that many who would never think of going into railway enterprise would be willing to undertake the construction of this road on terms much more favorable to the country than those granted the Syndicate. The hon. gentleman knows that a better proposition will be made to the Government in a few hours, and he wishes to so commit his followers to the present as to prevent their considering the better one and, at the same time, the interests of the country, in opposition to the interests of the Administration. How would hon. gentlemen on the Ministerial side of the House go to the country and say we do know that a more favorable proposition than the present, by $15,000,000, was submitted to the Government, but we considered the Government worth more than that amount to the country, and we rejected the better proposals. That is the value which the supporters of this Ministerial motion place on the Ministry. We shall see how many Government supporters are prepared to stifle the public interests and prevent the public weal being fully considered in this important matter. What is done to-day cannot be easily re-called. I decline, so far as I am concerned, to permit Parliament to sacrifice the interests of the country in order to uphold a Government blunder. I do not say that the Administration acted corruptly in the matter, but I do say they have made a most unfortunate blunder, and which, if upheld by the House, will inflict upon the country serious mischiefs and disasters which will be felt for half a century. No matter who sits on the Treasury benches, the members of this House, sent here to consider the public interests, have no right to sacrifice them to protect a Government in every eggregious blunder committed.

Mr. ANGLIN. I respectfully submit that the motion of the right hon. gentleman is out of order. On looking at May —taken entirely by surprise as we are—edition of 1855, page 228, we find the law laid down in this way:

"On a day upon which motions have precedence, a motion 'that the Orders of the Day be now read' is also permitted to interrupt the debate upon a question; and, if put by the Speaker, and carried in the affirmative, the House must proceed with the Orders of the Day immediately, and the original question is thus superseded. A motion for reading a particular Order of the Day, however, will not be permitted to interrupt a debate; and, when the House are actually engaged upon the Orders of the Day, a motion for reading the Orders of the Day is not admissible, as the House are already doing that which the motion, if carried, would oblige them to do."

We were actually engaged in debating an Order of the Day, and therefore under this ruling of May, it must be very clear that the motion of the hon. gentleman is not admissible. It is a motion that we pass, not to the Orders in general, but to a particular Order. I think that if the right hon. gentleman looks at the passage he will satisfy himself that he has made a mistake. I trust, Mr. Speaker, you will agree with me, as I understand the member for Cardwell (Mr. White), in this case when the Order was called, moved the adoption of the motion, and to that motion the right hon. gentleman moved his amendment. So the debate had commenced, and we were engaged in a debate on this Order, and therefore, plainly, according to the ruling of May, the motion of the right hon. gentleman is inadmissible.

Sir JOHN A. MACDONALD. Now that the hon. gentleman has spoken to a question of Order, I am very glad to discuss the matter with him. The hon. gentleman, in the course of his remarks, said, that at all events there must be a motion to bring up the other Orders of the Day, and not any particular motion. He is wrong in both cases. If he had read on a few sentences further he would have found himself answered in both instances. On page 263, May states:

"Sometimes questions have been superseded by amendments by reading the Orders of the Day. On the 10th May, 1852, the Orders of the Day having been postponed until after the motion for assigning the vacant seats of St. Albans and Sudbury, an amendment was made to the question for leave to bring in a bill, by leaving out all the words after 'that,' in order to add the words 'this House do pass to the other Orders of the Day.' And on the 19th May, 1852, on resuming an adjourned debate on the Colonial Bishopric Bill, an amendment was made to the question for the second reading, by leaving out all the words after 'that the,' and adding 'other Orders of the Day be now read.' A question has also been superseded by an amendment for reading a particular Order of the Day."

That is common sense. If you read the Orders of the Day against any particular motion, it cannot interrupt the debate, but you can move to bring up any one, and that is the formal decision of this authority.

Mr. ANGLIN. The sentences just read by the hon. gentleman are not in the copy of May I hold in my hand. It is clearly an innovation and departure from the old and sounder rule. I never found, during my experience, that those innovations were defensible when fairly considered.

Mr. PLUMB. The hon. members for Bothwell (Mr. Mills) and West Elgin (Mr. Casey), not speaking to the point of Order, have urged a delay in the discussion of this important question. These hon. gentlemen think it is very hard that this question should be forced on a minority—to adopt an expression which they are constantly using. Now, I do not think it would be hard to find an answer to their contention out of their own mouths. It will be remembered by those who had the honor to sit in the late Parliament, that on the eighth day of May, 1874, the hon. leader of the Government of that day introduced his Pacific Railway resolutions. They were adopted in Committee and reported on the twelfth day of May—or four days after their introduction. They were forced through this House, at three o'clock in the morning, by a majority who refused to hear a single word from this side of the House, a majority who choked us down in the most brutal manner. In the meantime, the ordinary business of the House had been going on, but they were introduced on the 8th, adopted on the 12th, and forced through the House by means which hon. gentlemen knew too well how to employ against a minority, who were constantly taunted with being a mere baker's dozen—a corporal's guard. That fact is, I think, a sufficient answer to the remarks of the hon. member for Bothwell (Mr. Mills), and the hon. member for West Elgin (Mr. Casey).

Mr. CASGRAIN. Will the hon. gentleman tell us at what period of the Session that was done? Was it not at the end of the Session.

Mr. PLUMB. Yes; but they were not introduced until the end of the Session. Hon. gentlemen had time enough to prepare them.

Mr. COURSOL. I am not at all surprised at the attitude of the hon. leader of the Government on this question, for the matter is one of the greatest importance, and it is one which we all expected should be gone on with at once. I am aware though perhaps hon. gentlemen on this side of the House are not all aware, that the present is a system of warfare which the Opposition deliberately decided in caucus to adopt. If I am to believe the organs of the party which are generally, if not always, to be believed on such matters, the Opposition decided to obstruct the business of the country with regard to this measure in every possible way, and step by step until they had kept up the discussion to such an extent that they themselves would be tired, and the country also. I hold in my hands one of the organs of the Liberal party, which has the honor of having a Senator for one of its directors, and a member of this House for another. Without further remark I will read the extract from the paper.

Mr. MACKENZIE. What paper is it?

Mr. COURSOL. *L'Electeur*. The extract is as follows:

"The Opposition held a caucus yesterday morning, when the greatest enthusiasm pervaded its doings. It was determined to adopt all Parliamentary means to prevent the passing of the Pacific Bill. The members

will speak at each stage of the measure, will propose amendments to all points, will take the opinion of the House on every detail, and when the Government asks the concurrence of the House, they will solemnly proclaim that they have done all they could to save the country from the destruction that threatens it, and will declare that the moment they are in power they will repudiate so unjust a bargain, and will then all leave the House together."

It will be news to you, Mr. Speaker, to learn that after pursuing that course the hon. gentleman expected to lead the House *en masse*.

Mr. BLAKE. I wish to say that that account is wholly inaccurate.

Mr. ROCHESTER. Where do you get your information.

Mr. BLAKE. I was there.

Mr. CHARLTON. I may be permitted to mention a few reasons why I object to the adoption of the amendment made by the leader of the Government. The hon. gentleman who last spoke has referred to the importance of this question, and assigns that as a reason why the matter should be immediately acted upon by this House. In the opinion of the hon. gentlemen on this side of the House that is the very reason why the matter should be considered slowly and deliberately, and why it should be fully discussed. Haste in this matter may entail the most disastrous results upon the country, hence the ground we take is the proper and correct one. With reference to the remarks of the last speaker regarding the action of the Reform caucus, I hold that the very fact that our party allowed the resolution to be reported from Committee last night is a sufficient answer to the contention of the hon. gentleman; it shows that there is no factious opposition to the matter; that there has been no endeavor to talk against time. The discussion by members on this side has been, I maintain, pertinent to the question, and it has not been unduly prolonged, I believe the hon. gentlemen who have this measure in charge are afraid of the public opinion which is being created. Do these gentlemen anticipate that 4,000,000 people scattered over this vast country will arrive at a decision on this matter with the same promptitude and celerity as this House of Commons? Why, the people are just beginning to consider this matter, and the hon. gentleman who leads the Government is too good a politician not to understand that matter right well. He is alarmed at the evidence that a great tide of popular indignation is beginning to arise against this measure. It is a feeling of alarm which leads him to endeavor with this indecent haste to force this question on the House of Commons. Every effort has been made to belittle the demonstrations that have been held throughout the country. We are told that these meetings are failures. I know from my own observation, that as regards three of these meetings, that assertion is false, and I have reason to believe that in a great majority of instances these meetings which hon. gentlemen opposite call failures, as being only slimly attended, as not manifesting enthusiasm, on the contrary, were most successful, largly attended and enthusiastic, and that the sentiments expressed were unmistakably hostile to this measure, without reference to party lines. I held two meetings in my own riding, largely attended by Conservatives, and when the resolutions were put there was but one dissenting vote in each case. I have presented petitions to this House that I know were signed by prominent Conservatives. Everything indicate that the Government are afraid of investigation and discussion. What were the conditions under which this House was called together? I say they were most suspicious. Had this important measure been co nfided to the country? Had the country been permitted to know anything about the most important measure that has ever been introduced to this Parliament? No, Sir, the country was kept in entire ignorance of the provisions of this contract. What was the paltry plea offered for concealing the terms of this contract from the people? Why, forsooth, it would be an infringement of the dignity of Parliament! Who are we assembled here? Are we the lords of the people, or are we deputed by the electors to come here and attend to their interests? Are we not instructed by our constituents as to what we shall do; do we not then go back and give them an account of our stewardship, and do we not then receive from them commendation or condemnation for the course we have taken here? The dignity of Parliament requiring hon. gentlemen opposite to conceal this measure from 4,000,000 of people who are directly interested in it, because, forsooth, it might infringe from the dignity of 206 of their servants who are sent here to attend to their interests! Then, was there not something suspicious in the time chosen for the assembling of this House of Commons? Why was it called on the 9th of December instead of early in January? I can imagine those hon. gentlemen carefully calculated all the probabilities of getting this measure through quickly, and they naturally concluded that if they called the Parliament before the holidays the members would be anxious to adjourn and get home before the holidays. It was an unseasonable time to call this Parliament together. We were told in a semi-official manner, when we assembled on the 9th of December, that if we were good boys and allowed this measure to pass we would be allowed to have our Christmas holidays, but that if, on the contrary, we were refractory and impeded the passage of this measure we should not be allowed our holidays. But some of us had made up our minds that we would forego our Christmas holidays rather than allow this iniquitous scheme to be forced through Parliament without full discussion. A good many members on the other side of the House were also anxious to have their holidays, and when the pressure on the leader of the Government became greater than he could bear, he receded from his position. What was the concession? He had heard it was the intention of the Opposition to hold meetings throughout the country during the holidays, and, to prevent this, he proposed an adjournment from the Thursday before Christmas to the Tuesday after; and then, after three days' work, from the Thursday before New Year's to the Tuesday after. That was to break up that week and to prevent the Opposition holding their meetings. We made no objection; but, for some reason, on the following day he came down with a proposition to adjourn from the Thursday before Christmas until the Tuesday after New Year's. We see in all this a desire, on the part of the Government, to hasten, by all possible means, a decision of this question. I regret that the Government are afraid of the discussions. I assert that they know that the terms of this contract are indefensible. The right hon. First Minister knows very well that public opinion forms slowly, and that formation is just beginning to assume proportions that frighten him. I know he is afraid of that public opinion, and that fear moves that hon. gentleman to endeavor to force this measure through the House in this unseemly manner. And this measure is covered by a blind—whether creditable or not I cannot say. We find upon a notice paper, this motion:

"Sir JOHN A. MACDONALD. On Friday next—That from that day the motion for concurrence in the Resolutions reported from the Committee of the whole House relating to the Canadian Pacific Railway shall have precedence next after Routine Proceedings."

That motion was to be taken into consideration to-morrow. I contend that motion is a blind to cover the designs of the hon. gentleman made manifest by the course he has taken to-day. And I hold there is great pertinence in the fact mentioned by the hon. member for Bothwell (Mr. Mills), that it is a current rumor in the lobbies of this House, and throughout this city, that a new Syndicate is being formed to proffer terms to the Government that will save to this country many millions of dollars, and that will expunge from this contract all its objectionable factures, and particularly the one most distasteful to the public, that with

reference to the monoply of railway transportation. Are we to suppose that those astute gentlemen on the other side of the House are ignorant of all these matters? Are we to suppose that they are ignorant of the fact that the contract under the consideration of this House is to be superseded by one much more favorable to the interests of the country? Why, Sir, these gentlemen act in a manner that will lead the country to say that they are arch-conspirators against the interests of the people, in attempting to hurry this matter through the House with indecent haste, because they know that an offer is about to be made, with the objectionable features of this contract expunged. For these reasons I shall oppose, and I believe every fair-minded and impartial member of this House should oppose, the motion the right. hon. gentleman has made.

Mr. CAMERON (N. Victoria). I quite agree with hon. gentlemen opposite that ample time should be allowed for the discussion of this most important question, and that the Government should not adopt any course that would put a stop to or accelerate unduly such discussion. I differ, however, from hon. gentlemen opposite in their second proposition, for it seems to me that ample time has been, and will be, allowed for proceeding with the debate in the way the leader of the Government proposes. The country has had ample time to be informed of the provisions of this contract.

Some hon. MEMBERS. No.

Mr. CAMERON. I say there is no man in Canada who has not had time to obtain knowledge of the provisions of this contract, and to communicate his opinion to his representative since the 9th of December. The hon. gentleman who has just sat down, has told us that a tide of popular indignation is going to arise. He admits that it has not yet arisen, although they have been trying to sweep up that tide by meetings throughout the country and through their organs. I would like, on that subject, to read a quotation from a Reform newspaper published in my county, which, although strong in its condemnation of this contract, is yet honest and candid enough to express the truth whatever it believes it to be:

"Since Parliament adjourned various meetings have been held throughout Ontario for the purpose of discussing the Syndicate bargain, and of getting up a popular demonstration against the railway policy of the Government. As regards the first object, namely that of discussing the terms, the meetings have been successful, but as regards the second object, that of making a demonstration against the Government measure, the success has been by no means brilliant. The country, as a whole, has not demonstrated worth a cent, and outside of Ontario there has been no demonstration at all. And yet the Reform party is unanimous in condemning the bargain, and all the better informed Conservatives do not hesitate in expressing a doubt as to the merits of the Government scheme. Why, then, is there so much hesitation in giving public expression to opinions unfavorable to the project? It is quite inexplicable. We will not even attempt an explanation."

That is from a Reform paper, and serves to confirm the candid statement of the hon. member from Norfolk.

Mr. WHELER. Name the paper.

Mr. CAMERON. The Bobcaygeon *Independent*, edited by a man of very great ability and truthfulness. As to the length of time which is necessary for Parliament to consider important railway measures, I may venture to refer what occurred in the Ontario Legislature, and I should like to ask the leader of the Opposition whether greater time was allowed by him and his Government for the Ontario Legislature to consider the batch of resolutions, granting a million and a half in subsidies to different railways, which were passed a year and a half after he assumed power—whether these resolutions were not laid on the Table of the House within a day or two of the end of the Session, and whether they were not rushed through the House without opportunity of discussion and against the protest of the Opposition.

Mr. BOULTBEE. The opposition to this motion arises from the desire, as hon. gentlemen opposite say, to have this matter discussed in the country. Now, like the member for Norfolk (Mr. Charlton), I attended three meetings, and I have the impression that the Opposition do not want the thing discussed in the country. I attended a meeting in Toronto where the leader of the Opposition spoke, and where this matter was to be discussed. I fought my way with considerable difficulty through the Grits who occupied the front seats, and was treated with insult for three or four hours because I presumed to stay near the platform. The meeting was opened by an hon. Senator taking the chair, and to show how fully he wanted this contract discussed, this old, venerable, grey-headed man, who should not be led away by passion, got up and condemned it thoroughly. After he had delivered himself in that shape, I approached him and modestly asked if any one would be allowed to discuss this question. That seemed to be a bombshell to the gentleman on the platform; but finally, I was told that after Mr. Blake had spoken I might be allowed to speak. Well, I waited there for three or four hours under the insults of these gentlemen, who, I think, if the lights were out would have murdered me. After Mr. Blake had sat down, I asked the chairman, "Will you allow me to say something now?" He said, "Well, just wait; we want a resolution put." Then a gentleman, I think Sir Wm. Howland, came forward and moved a resolution so absurd and ridiculous, that how a man like W. P. Howland could make it was explained the next day, when he said he had not read it beforehand. When the resolution was put, I asked, "Will you allow me to say something?" "Oh, no," they said, "not till after it is passed." As every resolution was put, I asked to be allowed to say something on the other side, and every time I was refused. They said "You must wait until these resolutions are passed before you discuss them." Well, I put it to every sensible man whether that was fair. Such was the fact, and after that was all done, they said they would allow me a short hearing. I tried for an hour to discuss that question, and was hissed and howled down the whole hour. I did not hear the leader of the Opposition encouraging the crowd, because my back was towards him, but I was told he did smile on the crowd, and rather encourage them. I know he did not do this; he was not a brave enough man, and a courteous enough gentleman to get up and say "This man has waited the whole night to say a few words; give him a hearing." I saw the chairman, a dozen of times afterwards, go amongst the meeting, encourage the crowd, and apparently ask them to put me under the pump. When I saw that I recollected the remark Sir Francis Hincks made about him some years ago, that he was six feet of hypocrisy. I say to call any such meeting as that a meeting for the purpose of discussion, was a foul falsehood. It was not a meeting for the purpose of discussion: it was emphatically for the purpose announced before the meeting began, of condemnation. I attended another meeting in my own county, at Thorne Hall. I did not intend, at first, being present, as I had many business engagements on hand, but they telegraphed me that Mr. Mackenzie was going to be there and I went up. We began at 2 o'clock in the afternoon, before an audience of respectable farmers, and we discussed the question until 9 o'clock at night, the farmers having refused to adjourn, as they wished to hear the whole thing out. The question of adjournment was raised by the chairman at 6 o'clock, when he found that the meeting was rapidly going against him. He got up and said, "I am going to adjourn this meeting for supper." Several of the farmers present said they did not want supper before hearing the discussion out. The meeting was held in a ball-room connected with the hotel, and while the question of adjournment was being discussed, the door opened to the Grit orators and the chairman retired to supper. The farmers, practical business men, moved another man into the chair, but just as he was

going into the chair the other chairman came back, said he would rather take the chair, which he did, and they kept him there until the close of the meeting. That is the way these meetings have been conducted. As to the feeling of the country, the longer the matter is discussed the better the people are becoming to like it, the more they are satisfied that the men who have taken this thing in hand are as good business men as any to be found in the country. I would like to say one word to the hon. member for Norfolk. He said we are here, and we have to go home to our constituents to give an account of what we say and do here. That accounts for what seems to be the somewhat erratic course of my clever friend from North Norfolk. In ordinary circumstances an ordinary man would say that when you had spoken on all sides of a question, and taken different views of it on all occasions, and when you want to speak to your constituents you are likely to get into a tight corner. Not so the hon. member for North Norfolk. He gets into a corner in a school-house with men who are in favor of the National Policy, and showing them a speech of his, he says: "This is what I said; exactly your opinion." And in the school-house he finds the men present are opposed to the National Policy, and he shows them another speech, saying: "I have stated this: I have opposed this Policy." He then goes to some place where the people are in favor of building this railway by means of a bargain like the present, and is able to show them that he spoke in favor of such a scheme as that. A clever man like that can do this thing, but there may be an end to it. Newspapers are getting into circulation. Let me advise the hon. member for North Norfolk, if he considers it his duty for the future to go back to explain to his constituents what he says and does here, not to change his mind so often, and announce it publicly every other Session, because it will be attended with marked inconvenience.

Mr. CHARLTON. I would like to make a personal observation. So far as I know, my course in this matter has been perfectly consistent. In 1876, when I made my first public utterances on this question, I advanced the opinion that it was the proper course to take, that the building of the road would be to give the prairie section an outlet to market, and after having done that, to proceed with the construction of the railway from that time forward as the wants of the country might require, without building the expensive portions of the eastern and western sections. In 1878, the next time I made any remarks on the subject, the hon. member for Bothwell introduced a Bill into this House, entitled "The Colonization Railway Scheme." That Bill provided for the granting of certain amounts of lands to railway corporations under certain circumstances; the minimum grant provided was ten sections to the mile, and the maximum twenty sections. I spoke in favor of that Bill, and the reasons I urged in support were precisely those I would urge to-day on the same question. The positions I took in 1876 and 1881 are perfectly consistent with each other. I opposed in 1876 the building of anything more than the prairie section of the road; I proposed in 1881 proceeding first with building the prairie section of the road. With regard to the position I took in 1878, I would be happy to support a measure to-day to provide for the construction of the prairie section by giving ten sections per mile, and I would be willing to grant for the prairie section even twenty sections per mile, on 12,800 acres selected indiscriminately; but when I rise here to oppose a scheme ——

Some hon. MEMBERS. Question, question.

Mr. CHARLTON. I am merely reviewing the position taken by the hon. member for East York (Mr. Boultbee) who accused me of inconsistency. If I am not allowed to say that I am not inconsistent, I will take my seat. I was proceeding to say, when the question is, as between the

granting to the Company 12,500 acres of land per mile, selected indiscriminately, and the question of granting to the road 12,500 acres per mile, selected, by taking the choicest land of the country, and in addition to that, giving $12,500 in cash per mile, on the portions the Company are to build, and besides giving, practically, $31,000,000 on surveys and work handed over to the Company, I hold that, consistently to my utterances in 1878, does not require me to favor a scheme three times as onerous to the country in its requirements as the scheme of 1878.

Mr. TROW. I think this is too serious a subject to be treated with such levity as the hon. member for East York (Mr. Boultbee) exhibits, involving, as the scheme does, an expenditure of millions, and the appropriation of a very large tract of country, 700 miles in length by 112 in width. I think this scheme requires some consideration on the part of the Government, that there should be delay to ascertain if any saving can be effected for the benefit of the country. I was astonished at the experiences of the hon. member for East York, among his constituents. I have held meetings in Perth, and have heard of one attended by 700 electors, only one of whom voted against the resolution passed, condemning the scheme of the Government. Only one at the St. Marys meeting, South Perth, stood up to support the Government, and he was the member for North Perth. The meetings in that district have been unanimous in condemnation of this scheme; and I have received resolutions bearing five hundred siguatures, from a township in that hon. gentleman's riding, condemning the scheme. I think the Government should delay for a day or two action in this matter. If other parties are prepared to perform this work for a much smaller consideration it is our duty to allow them. We cannot afford to lose or spend millions unnecessarily. It is our duty to advance as settlement advances on the prairie region. I have no objection to a line of railway for a 1,000 miles over the prairies, but object decidedly to the section north of Lake Superior and the western section. The Government have monopolized the time of the House the past two weeks in the consideration of this question, to the neglect of other matters and private business before the House. We should therefore have some delay in the present and allow time for other business.

Mr. HESSON. The hon. gentleman who has just spoken has referred to the meetings in South Perth, but omitted to explain how they were conducted. I was telegraphed to by the President of the Conservative Association in St. Marys, to attend the meeting to be held there on a certain evening, when addresses were to be delivered by Messrs. Ross, Trow, Ballantyne and others. I asked by telegraph if it was possible for me to get a hearing, in which case I would attend. I waited till the following afternoon for a reply, and none coming, was obliged to take the train for St. Marys. On my way to the meeting I got a telegram from Mr. Sharp, of the Conservative Association of St. Marys, saying that they declined to let a Conservative speak, but saying come. On the train with the hon. member who has just sat down I expressed the hope we would have a free discussion. He replied he would see, but it was in the hands of his friends who had made the arrangements, and he could not say much about it till he reached the place. I arrived at St. Marys. The President of the Conservative Association produced a letter from the President of the Reform Association, expressing the regret that he was unable to make the arrangement I desired, in consequence of the numbers who were to speak on the Liberal side, and the great distance some of them had come. The Conservative gentlemen with me said, perhaps they had better not go to the meeting as no doubt all preparations had been made to carry it for the Liberals, who would have petitions ready and resolutions cut and dried. I replied you had better go and make a demand at the meeting. The president did

so. Four gentlemen were announced to speak on the Liberal side, the resolution they came to being that the chairman of the meeting, Mr. Harding, should state that it was impossible to grant what the Conservatives required—a fair opportunity of reply. Our friends answered: "We will pay half the expenses of the hall for that privilege." Finally, they kindly offered me an hour, saying Mr. Trow should have the floor first for half an hour; that Mr. Ballantyne would make way for Mr. Hesson; that Mr. Smith, of Toronto, should follow Mr. Trow, then Mr. Hesson would speak for an hour, and Mr. Ross for the rest of the evening. I begged the chairman to allow me to reply to Mr. Ross and I would willingly accept the terms. They refused me that, or to give me the hour and a half I wanted, but would put me in a place where I would have very little to reply to, because the speaker preceding me would not have touched the question on its main point. What was the result? The meeting was called upon to vote upon a resolution prepared beforehand, and though the town is the headquarters of the Grits, with a population of nearly 3,000, the paper bore only 120 signatures. And the petition from an important township containing nearly 400 electors, shows only eighteen names, and I venture to say not one Conservative, and that there are not five Conservatives on all the petitions sent from that district to this House. The meetings turned out, as I predicted, mere party demonstrations, the question being made a mere party question. Though the Liberals declared it one of the utmost importance, they refused their opponents fair play in this discussion. The whole thing has been made an engine of party, with purely party objects in view.

Mr. TROW. I desire to make a personal explanation. I understood the hon. gentleman to say that we treated him unfairly at that meeting. I beg to say that his own statement furnishes sufficient evidence to satisfy any reasonable man.

Some hon. MEMBERS. That is not a personal explanation.

Mr. ROSS (Middlesex). I am sorry for my hon. friend from North Perth. We gave him an opportunity in St. Marys two weeks ago to ventilate his grievances, if he had any, but we found that he had none which he dared to express from a public platform. Now he claims the protection and privileges of this House to ventilate his grievances, and they are very small indeed. We gave him one hour in which to speak, and I really did not know that he was possessed of such exalted ability that he could not in one hour state his views before the public with tolerable clearness. He failed to accept the offer we made him, and though the House has been in session several weeks, and though he has had every opportunity of speaking and clearing away the cobwebs from the minds of hon. members of this House, and of being reported in his own newspapers upon this question, he has never undertaken the task. He has not attempted to answer a single objection which has been urged from this side against the contract before the House—a contract which I was surprised to hear the hon. gentleman say he was obliged to support. In fact, I cannot understand what the hon. gentleman means by saying that he is obliged to support this contract. I thought he was a free and independent member of this House, who was sent here to oppose what was wrong and support what was right, and now he says he is obliged to support this scheme in the interests of his party.

Mr. HESSON. I did not say that.

Mr. ROSS. The hon. gentleman said that we were making this a party question, and, in the interests of his own party, he was obliged to give it his support, so that I spoke the truth of him when I made the remark to which he objects. I know the hon. gentleman too well—I know his sense of justice and independence too well—to believe that he would voluntarily take the course he is now following; but, under the lash of the party whip, he has, like other hon. members, consented to allow himself to be dragged at the chariot wheels of his leaders in this particular instance. But I wish to call attention to the course which is being pursued by the majority in this House. Napoleon used to say that, "God was on the side of the strongest battalion;" but surely a majority is not necessarily right, nor is it necessarily omnipotent. I admit that, if the majority in this House, whose intelligence and ability I sincerely respect, choose to press this matter, they can carry their point; but, if I were a member of that majority, under present circumstances, I think I would take an opposite course. There is no necessity for haste. In fact we met earlier than usual for the express purpose of giving this question calm and deliberate consideration. We all know that if we had met at the usual time members would be getting anxious to visit their homes when the Session extended to June, and that therefore the House was called at an earlier season than usual in order to give the matter proper consideration. We met in December for the purpose of calmly and quietly, during the winter months, discussing a question which is a most serious one to the country. We have not yet been four weeks in discussing this question. We met on the ninth of December, and we did not have the contract brought down until Friday night, but it did not reach the country to any extent until Saturday, and then it was only a digest of it which was sent by telegraph. It was not discussed by the press to any extent until the following Saturday, for we all know that in many country places such intelligence is not received until the end of the week, by the Saturday mails. Why, then, not allow the discussion to go on in the usual course? When we were discussing Confederation we all knew how long and how serious was the consideration which the question received in the Convention, and afterwards in Parliament. How carefully each step was taken in order that the country might be fully informed with regard to that important change in our Constitution. Now, Sir, to my mind, this is a more serious question, in some respects, than Confederation was. I believe that it involves questions which will affect the future of our country just as seriously as Confederation did, and it therefore behoves the majority in this House, not to allow the country to view with suspicion or doubt the steps they may take in the disposal of this question. Some hon. gentlemen have said that this is a matter which has been before the country for several years. I deny that statement. If the contract now before the House was identical with the Allan contract there would be some ground for such a statement. If it were based on the Mackenzie Act of 1874, there would be some justification for such an excuse, but the two schemes are entirely different. This contract brings to us wholly new provisions—provisions such as were never found in any contract which was ever before this Parliament—provisions such as were never found in any contract in the United States or in any of the States. Such a contract as this never found the light of day since the world was made in this Parliament or in any other Legislature. It is a matter which is wholly new to the people of Canada, and it contains such provisions that every member of Parliament who wishes to discharge his duty to his constituents will, instead of hastening it through the House, endeavor to afford the fullest opportunity for consideration. Indeed, I think it would have been better if we had had an adjournment of the House, and calmly awaited the decision of the country. The hon. member for North Victoria (Mr. Cameron) stated that these resolutions were not being hurried through so rapidly as were the railway resolutions of the leader of the Opposition, through the Ontario Assembly, when he was the leader of the Government in that body. But supposing that the member for West Durham did hurry his resolutions through

with undue haste—will two negatives prove a positive, will two wrongs make a right? But I deny that the railway resolutions of the hon. gentleman were unduly precipitated. They were short in number, and provided for granting $1,500,000 in aid to railways, and for the purpose of developing the construction of railways in the Province—a small matter in comparison with the present scheme. That is a simple matter compared with giving $21,000,000 to a railway Syndicate; together with a monopoly of trade for twenty years, and an exemption of their lands from taxation. The two cases are not parallel at all. And yet what are the facts? Even in the matter of haste, I find that ample time was given for the consideration of those propositions introduced by the hon. member for West Durham into the Ontario Legislature. All the facts upon which those Orders in Council in Ontario were based were on the Table of the Legislature from thirteen to twenty-four days, before a single vote was taken. For instance, the proposition to give aid in money to the Canada Central Railway was voted on the 29th of February of that year, and the information upon which that Order in Council was based was on the Table of the House on the 6th of February, twenty-four days before the vote was taken. In regard to the Midland Railway the information was on the Table of the House on the 7th of February, or twenty-two days before the vote was taken. With regard to the Montreal and Ottawa Railway the information was on the Table twenty-four days before the vote; Toronto, Grey and Bruce, twenty-two days before the vote; Toronto and Muskoka Railway, the information was on the Table the 7th of February; Hamilton and South Western, the information was on the Table thirteen days before the vote; Toronto and Nipissing, sixteen days before the vote. So the information upon matters involving the expenditure merely of a few thousand dollars was in the possession of the Local Legislature of Ontario a longer time than the information upon which we are asked to vote upon a measure of the utmost consequence to the future of the whole country. If the hon. member for Victoria blames the hon. member for West Durham for acting with such undue haste, in what position would some of his own friends be? There are hon. gentleman on the floor of this House to-day who were on the floor of that Local Legislature, and who did not think the member for West Durham was acting with undue haste. I find that when it was proposed to give aid to the railways for which my hon. friend from West Durham was so grossly attacked in this House, that Mr. Boultbee of East York, Mr. Fitzsimmons of Brockville and Mr. McCuaig of Prince Edward county, and Mr. Rykert of Lincoln—four hon. gentlemen having seats on the floor of this House—supported these resolutions. What does the hon. member for Victoria say to that? That is the first resolution; the next resolution was voted in a similar manner and was supported by the same gentlemen I have named, and the hon. member for Monck voted against it. The third resolution was supported by every hon. gentleman I have named including the hon. member for Monck—five hon. gentlemen who supported the resolution of the hon. member for West Durham, and who have now seats in this House.

Mr. McCALLUM. Will the hon. gentleman please read the division list.

Mr. ROSS. It was passed unanimously, there was no division on the question at all.

Mr. McCALLUM. For this reason—that the Opposition in that House was demoralized.

Mr. ROSS. Then my hon. friend was demoralized also.

Mr. McCALLUM. We could not get five members to stand up and ask for a division. Only three members asked for one division. Messrs. McCallum, Ferguson and Richards.

Mr. ROSS. I understood my hon. friend from Monck was one of those determined men who would stand by his principles at all hazards, and yet I have found him since this House met taking back some of his objections to the Syndicate. Now, we will have to regard him as the demoralized member for Monck, who would stand as long as he could get anybody to stand by him, but who became demoralized speedily, and supported the hon. member for West Durham. I do not know but, before this Session closes, he may become demoralized again. I should be glad if he would. I think that is the only time when he is right. We have seen hon. gentlemen on the other side of the House who studiously denounced the hon. member for West Durham for precipitating certain resolutions in the Local Legislature, some of them admitting that they were demoralized and others admitting, by their votes in the Local Legislature, that the hon. member for West Durham was right and they were wrong. What does that prove? It proves that those hon. gentlemen, perhaps under influences that I cannot comprehend, are prepared to cast their principles to the winds as did the hon. member for Monck, and support the hon. leader of the Government in his precipitate action. The course of those hon. gentlemen who sat in the Ontario Legislature, if considered in another light, encourages the Opposition to continue this debate for a few days longer with the hope that the hon. members for East York (Mr. Boultbee) and Monck (Mr. McCallum) may become demoralized and support once more the hon. member for West Durham. Is my hon. friend the leader of the Government afraid that unless he rushes this measure through this House, some of his followers may become demoralized? Is he afraid of the new terms which they hear are coming down; afraid that a proposition will be submitted which his supporters will be compelled to support; afraid that the propositions which, perhaps, are in the city at the present moment, will be more favorable to the country; afraid that the country will see that the Government made a great mistake when they did not call for tenders which they should have done; afraid that the country will see that, in violating the Public Works Act, in violating every precedent laid down by every previous Ministry and Parliament, they had committed a heinous crime which the country will call them to account for; afraid that their ranks will be broken, and I venture to say that if only five men on the other side had the courage to break the ranks to-day the Ministerial majority would melt away as snow in June? What are they afraid of? Of public sentiment! They tell us that the dignity of Parliament, in the first place, required that Parliament should know nothing of this matter until the House met. Now I understand the dignity of Parliament in a different way; I understand in a debate like this the dignity of Parliament requires deliberation.

Mr. BUNSTER. Will the new Syndicate include the route on Vancouver Island?

Mr. ROSS. I think the hon. gentleman is wanting to be demoralized too. If I could answer that question in the affirmative, he would be demoralized. I was saying the dignity of Parliament required that we should proceed with deliberation. That is the first requisite—that we should proceed with caution; that we should hasten slowly. We know with what care we discussed the Tariff Bill of the hon. Finance Minister. That policy was a great revolution. Now, let us act sincerely and dispassionately. We have plenty of work with which to occupy our time to-day. The Notice paper is full of motions. Why not get through with these, and at a later stage take up the discussion of this question? Hon. gentlemen opposite are afraid of the dissatisfaction of the public. Such statements as the one I am about to read, from Sir William Howland, are being circulated. He said, in the city of Toronto, a short time ago:

"He had not been connected with any Government for years, and he claimed that he was free from party prejudice, and capable of judging

fairly as to the measures that might be put before the country by either or any Government. On looking at the terms of the present contract it seemed most extraordinary to him, that though they had men in the Government whom they believed to be possessed of good judgment and business capacity, that the measure itself, taken in all its details, as one in which it could not be conscientiously said there was one single condition made in the public interest."

That is the opinion of an hon. gentleman who was once a colleague of the right hon. gentleman, who was his appointee to office as the Lieutenant-Governor of my own Province. He said further:

"There was not one provision in it that was not made specially to serve the interests of the Syndicate, in direct antagonism to the public interests. It amounted to a perfect monopoly with the North-West. The means being furnished to build the road, it would be a monopoly which it would be difficult to compete with. And not only this, but every other person was precluded from constructing any road which could possibly come in competition with it. If this measure became law, he believed it would be one of the greatest calamities that could befall a people."

It took Sir William Howland a few days to consider this question before he came to that conclusion.

Mr. ORTON. Is he a member of the new Syndicate?

Mr. ROSS. I do not know that he is. I would have no objection to see him a member of the new Syndicate, nor would I object to see the hon. member for Centre-Wellington (Mr. Orton) a member of the new Syndicate. What we want is that any hon. gentleman who has means, capacity and energy, should take hold of this thing, should put his means into it and make it a national affair, instead of having it cooked up in the private office of the hon. Minister of Railways. What we want is that the capitalists of this country having an opportunity to invest means should take an interest in the matter. This opinion of Sir William did not come down until a few days ago. What have we received from Montreal? We have received the opinion of the Corn Exchange adverse to this Syndicate. We would expect that the Corn Exchange in Montreal, the great metropolis, would be able to express their opinion without delay, yet it took them considerable time to do so.

Mr. BUNSTER. The hon. gentleman appears to have considerable information about the new Syndicate, and I, feeling a little interest in it, in case it should intend building the Vancouver Island road, would be glad if he would give us positively the names of the gentlemen who compose it.

Mr. ROSS. I think the Government will be able to lay the documents officially on the Table.

Mr. BUNSTER. The Government have laid a solid document before the House.

Mr. ROSS. Whatever information is not contained in these documents which the Government will lay on the Table, I will be pleased to supply. I was saying that the Corn Exchange in Montreal was only able yesterday to come to a conclusion on the matter. That is the important point to be considered. We have not heard from the different parts of the country. Let us have patience. Let us hear public opinion. Why are hon. gentlemen afraid of public opinion? Is it not public opinion that has made them—that has put them in the position they occupy to-day? I remember, very well, when the right hon. Premier, in 1876, first formulated his Protection resolutions. He began some time in April, 1876, and he cultivated public opinion from day to day to that degree of maturity, until, on the 17th September, 1878, it gave him a favorable verdict. He was over two and one-half years forming public opinion in regard to the National Policy. If we had insisted, as he is insisting, in preventing that free agitation of this question, where would the hon. gentleman be? If you interfere with the free course of public opinion you interfere with the rights of the people, who have to pay for the railway, and consequently you interfere with the liberty which is the inherent right of every British subject. I contend that no greater wrong can be inflicted on the people of this country than to oblige Parliament to decide with undue haste on this important question, before public opinion has an opportunity of expressing itself. I have just read the report of this question; the conclusion they arrived at, by a large majority, is that which I have stated. If they were not able to give an expression of opinion before yesterday, how can we expect the rural constituencies to be able to give an expression all at once. We have not yet heard from British Columbia. We have had scarcely time to receive the papers from that Province.

Mr. BUNSTER. I beg the hon. gentleman's pardon. Let me read the resolution sent from British Colombia to this House expressing the pleasure of British Columbia at this arrangement so far as the railway through that Province is concerned.

Mr. ROSS. I am exceedingly anxious to hear from that Province particularly. We will hear from the hon. gentleman frequently during the Session, but we want to hear from his constituents. We wish to have the expression of opinion of the press of British Columbia. We have had some news by telegraph of the opinions of that press. We are not satisfied that they are favorable to this Syndicate by any means. I think the very reverse is the case. Perhaps the hon. gentleman knows better; but, speaking from memory, I believe that in some instances the press of British Columbia has commented unfavorably on this Syndicate. Why not let us hear from that constituency which is represented by the leader of the Government. Has the right hon. gentleman himself heard from his constituents? Have they instructed him that this is the best thing we can do in the interests of British Columbia? Have they any guarantee from him, that when the railway reaches Port Moody, it will not extend any further, but it will be built to Vancouver Island, in regard to which the hon. gentleman, who interrupted me, was very solicitous? Let us know the whole matter. Perhaps, we can get a proposition from some of the men of means of British Columbia, that would be more favorable for the construction of the western section of the road. It is exceedingly desirable that all the propositions should be laid on the Table before proceeding with this discussion. I caution hon. gentlemen opposite that the suspicious look which this matter bore through its being concealed from them up to the hour the House met, is only being intensified by the undue haste with which it is being forced through this House. Then the hon. gentleman from his place in the House said that he believed the people of this country were not a good tribunal to judge of the details of an important bargain like this. That is unfavorable impression number three. I did not expect that the leader of the Government would have cast such an imputation upon the intelligence of the people of this country. After the Christmas adjournment the whole time of the House was taken up, and everything else set aside in order that this matter might be pushed forward; and now we have an attempt to take away from private members the day that belonged to them for the same purpose. Here are five points which hon. gentlemen will have to discuss with their constituents, that we will not fail to press upon them when the day of reckoning comes. And we hope it will come soon; it will relieve hon. gentlemen opposite of their agony of suspense, and place them where an indignant public will be glad to place them, on the opposite side of the House. Sir, if hon. gentlemen only realized that their safety consists in being supported by the people, as the Opposition realize it, they would not have so hurriedly precipitated this matter upon the attention of the House and the country. I appeal to them on behalf of the intelligence of this country, on behalf of fair play, on behalf of free discussion, on behalf of the dignity of

Parliament itself, that they proceed with deliberateness and caution, in order that we may calmly, dispassionately and seriously ascertain whether this proposition—prepared in secret, brought forth at a time when the Government had their followers under their hands, away from public influence, and under the whip of party allegiance and party loyalty—is in the interests of the country. If the Conservative party is the great party it is represented to be, if it has, as is claimed, the confidence of the country, are they going to ruin the party by the action they now propose to take? When the hon. member for Ottawa (Mr. Wright), last night, said this scheme would be disastrous to the Conservative party, I believe he expressed not only his own sentiments, but those of 125 or 130 Conservative members of this House. Are they going to set themselves above the interests of the country? If not, let them wait patiently and see whether we are not going to get a better offer. Let us see whether we cannot save $10,000,000 to the people of this country. Let us see whether we cannot relieve the North-West Territory from the incubus which would be imposed upon it by this Syndicate. Let us see that the future of that country is not jeopardized by a scheme which hon. gentlemen know themselves is not a good one, but which, under peculiar influences, they are pressing upon this House. If we have a scheme by which the material used in the construction of that road would not be exempt from the payment of duty, would that not be worthy of the approval of the Finance Minister, who was so alarmed about deficits, and who put on a grievous tariff to get rid of them? If we get a scheme, the terms of which will not require such a large area of land, would that not be an advantage to the country? If we get a company that will pay taxes on its lands and property forever, would that not be an advantage to Manitoba? If I could show hon. gentlemen a scheme that would give Manitoba the new privilege of taxing the railway property, we should get their support and would be glad of it. We know right well the objectionable clauses in the Syndicate bargain are, first, the exemption from taxation of its lands; second, the exemption of the railway property; third, the exemption from duty of material used in the construction of the road. If we could present a scheme without any objectionable features in it, I am satisfied there would be such a Pentecostal conversion in this House, that if any future individual came to read the Acts of these Apostle railway constructors, he would find a report that 150 Conservatives were converted in a single day. We have an opportunity of presenting such a spectacle, and of calling forth the powers of that sweet bard of Niagara, so well known to his countrymen. If we only give him such a theme as this his name will go down to posterity, not with all the honors of a Tennyson, a Shakespeare, a Milton or a Wordsworth, but with more than all the honors of these names combined.

Mr. PLUMB. I give up to you that chance.

Mr. ROSS. Such a theme would call forth his most melodious hexameters—such a poet, such a theme, and such an opportunity! We have an opportunity of making a new departure in the history of our country. We have had no poet in Canada that you would be disposed to crown with the laurel wreath, but we have an opportunity now of presenting a theme that will draw forth the powers of a genius not known before in this country; and having a bard not known before, and a theme not known before, we should have a poem that posterity will not forget—a wonderful theme, poet and conversion. I press this matter on hon. gentlemen opposite. I know I appeal not in vain. I trust that one or two having been demoralized, now a few more will experience qualms of conscience. We want to give them the opportunity for repentance and conversion. I trust that those who have pledged themselves will not advance such excuses for their course as did the man thus described by the poet:

> "He vowed and protested, but joined in the plan;
> He shared in the plunder but pitied the man."

I trust that the few who squirm a little will find sufficient reason to change their course—to see the folly of their ways and to accept a bargain more in the interest of their own party and decidedly more in the interest of the country.

Mr. WHITE (Cardwell). I do not propose to reply to the speech to which we have just listened, if even by courtesy it can be characterized as a speech. But what strikes me is this: here is a proposition that we should go on with the discussion of this Syndicate contract, and here are gentlemen opposite speaking, if I can say so without offence, against time in order to prevent that discussion. But what is the proposition before us at this moment? You know, and the country knows, that when the First Minister made the motion in the House, that we should go on, *de die in diem*, with the discussion of the motion, it was accepted by the other side without serious opposition, almost without opposition at all. Every one understood that we should discuss this great scheme to the exclusion of other matters till Parliament had delivered its judgment. It turns out now that the motion only covered the procedure in Committee of the Whole. We came out of Committee early, when a motion was made for the acceptance of the report. It was out of order to receive it at that time. But the Order of the House was—I admit it was not binding—that it should be proceeded with at the next sitting of the House—that is to-day. If I mistake not, the leader of the Opposition himself suggested these words as the proper words, when some one cried out: "Now."

Mr. BLAKE. No; I said it could not be received now.

Mr. WHITE. Well, I think the hon. gentlemen suggested, at the next meeting.

Mr. BLAKE. No.

Mr. WHITE. Well, I may be mistaken, and withdraw my statement, but I so understood the hon. gentleman. But I believe it was the understanding of the House, that we should proceed with the report at the next meeting. In order to show how utterly irrelevant a great deal of this discussion has been, I may say that the First Minister put on the paper a motion, that to-morrow he would move that the further proceedings, in regard to this question, should go on *de die in diem*, till Parliament had finally delivered judgment. It is quite clear that this particular motion made to-day could have no effect, but that if this motion were carried and the other was not made, we should simply have to-day, not to-morrow, to go on, and, therefore, the motion, of which notice was given, was to enable us to proceed continuously, day after day, till Parliament decided the question finally. To-day what is done? Why have we all this indignation from the Opposition side? Simply on account of the motion that we should go on with this discussion to its proper termination, in accordance with the decision arrived at by both parties: that this discussion should not be interrupted by ordinary business, but be carried on to its final stage. I ask you to say candidly whether there has been the slightest disposition to prevent discussion on this question? I can remember during the five years that hon. gentlemen opposite occupied the Treasury benches, and when I had the opportunity of looking down upon them from that gallery that I often wish I had the pleasure of sitting in yet, not seldom seeing a disposition to press questions through, and an unwillingness to hear discussion at all. The minority of that day were invariably in such cases prevented from even discussing questions by noisy obstruction from the Ministerial

side of the House. Do hon. gentlemen remember the scene witnessed when the discussion on Lieut.-Governor Letellier's case came up in this House? Not only did the Ministerial party attempt to force a vote on the second day, in the discussion of a great constitutional question, which they all admitted it was, respecting the relations of the different Provinces to the Dominion—not only did they refuse to adjourn, but refused to give an attentive and fair hearing to hon. gentlemen on the other side of the House. That is simply an illustration of their spirit; many similar cases have occurred. What has been the history of this Canadian Pacific Railway question? We have been in session a month. The people have had an opportunity of reading the discussions in Parliament, of discussing it themselves, and of seeing the arguments in the press; and we know that an anonymous memorandum has been distributed throughout the country,so that there might be no failure on the part of the people to appreciate the terms of this contract. I repeat, no attempt has been made to interfere with freedom of discussion in this matter. Hon. gentlemen opposite have spoken without hindrance from the Ministerial side. Even this afternoon when there was a manifest disposition on the Opposition side to prevent the passage of the motion, there was no desire on this side to obstruct discussion. Let us not attempt to put this matter on a false basis; it is simply a question whether, having discussed this question for a considerable time—not whether we should stop discussion, but whether we should go on with it, till its final decision. It is the gentlemen on the Opposition side who are striving to prevent continuous discussion. If the leader of the House, relying upon his majority, undertook to force a vote when many hon. gentlemen had not spoken, as was done many a time by those gentlemen during the five years they sat on the Ministerial side—if the First Minister proposed to force a vote with undue haste or precipitancy—I could understand the action of hon. gentlemen opposite; could sympathize with them and assist them in claiming their rights. But nothing of that kind has taken place at present. We are simply asked to do that which every man in the House and in Canada, who takes an interest in parliamentary proceedings, believes was determined upon more than a week ago—that is, go on with the discussion of this question, no matter how long it should last, till Parliament finally decided upon it. We have had interjected into this discussion other subjects altogether, including references to public meetings held to discuss this question. Every hon. gentleman on both sides knows that any party as strong as either of those now existing can always get up public meetings, and can always have resolutions passed in accordance with their views upon political questions of interest, and obtain the presentation of petitions, and can always get what may appear to be a large outside public sentiment for or against, but particularly against any measure that may be laid before Parliament. Those expressions of public opinion, hon. gentlemen opposite feel in their hearts, have not been anything like the expressions of public opinion, that,in former times, have been given on great questions that have agitated this country. The fact that they have not, the fact that there is no public indignation outside, the fact that public meetings have only been got together with the greatest possible difficulty, and, after being regularly organized at caucuses of the party in this city, is due to this: the exaggerations in which hon. gentlemen have indulged in the discussion of this question. Had they indulged with any degree of moderation, they might have been more successful; but indulging, as they have done, to-day, in an attempt to touch the popular heart with the idea that discussion in Parliament is being prevented—indulging in that kind of discussion they have disgusted the public mind, and many people have come to think that a question which requires that kind of attack, must have very great merits in it, or it would not thus be attacked. I sincerely hope this motion will carry, and I have simply ventured—I do not often do it—to speak for the purpose of recalling the attention of the House to the fact that the amendment is not one to stop discussion, but to enable the House to proceed without interruption with the discussion of this question from day to day until Parliament has pronounced its opinion upon it.

Mr. McCALLUM. Hon. gentlemen on the Opposition side of the House, especially the member for West Middlesex (Mr. Ross), appear to feel very much annoyed on account of the remarks made last night. I never question for a moment, nor do the people of this country question, the eloquence and ability of the hon. member for West Durham (Mr. Blake), but they desire to know whether that ability and that eloquence is to be used in the interests of this country or not. I, of course, having seen his action on a former occasion, undertook in the course of my remarks on this question to show the danger there was to the true interests of Canada, if the people should allow hon. gentlemen to cross to the Ministerial side of the House and assume control of public affairs. The hon. member for West Middlesex undertook to tell the House that I am demoralized. I hurl the assertion back in his teeth. When the hon. gentleman says that I voted for any motion for granting money to railways as proposed by the present member for West Durham (Mr. Blake), he speaks what is not the truth, and, if I may say so, draws a herring across the track in order to destroy the scent. I will again read from the Journals of Ontario for 1871-72, the railway resolutions which I quoted the other night. Before doing so, I may say that the hon. member for West Durham the other night said these were exploded slanders; but I ask the House to examine the records and ascertain whether they are exploded slanders or not. The people of the country know they are not. What are the facts? Why that Ontario to-day is suffering from the demoralization that occurred at that time. The hon. gentleman said the other night that the people of Ontario would remember it with sorrow, for his action on that occasion will have the effect of bringing the Province to direct taxation for Government maintenance. When I voted with the hon. member for West Durham, for delay in considering the Pacific Railway contract, I did not for a moment think they were going to take advantage of it in order to manufacture public opinion; I thought, perhaps hon. gentleman wanted time to go home and consult their constituents, but I did not expect they would go from Dan to Beersheba to manufacture public opinion. The hon. member for West Middlesex says they wanted to hear from Manitoba and British Columbia. Are there not members in this House from those Provinces, hon. gentlemen generally as well qualified to represent ably and honestly the opinions of their respective constituents as is the hon. member for West Middlesex. I am willing that my words to-night should go into the country in direct contradiction to those of that hon. gentleman, or of other hon. members opposite; and I am satisfied that where I am known they will go as far as the words of any hon. gentleman on the other side of the House. Now, I wish to read to the House the following motion, moved in the Ontario Legislature by Mr. (now Judge) Cameron, seconded by Mr. Rykert, as follows:—

"That while the House is willing to make all just provision for railways, and assents to the said resolution, it feels bound to express the opinion that the said Order in Council, together with nine other Orders in Council, involving an aggregate appropriation of one million and a half dollars, having only been placed on the Table of this House at its Session yesterday, and the Government, to repeated requests, having refused to give information as to the undertakings they intended to pass Orders in Council in favor of, till this House had voted an additional subsidy of four hundred thousand dollars, and a further appropriation of one hundred thousand dollars a year, for twenty years. The Government has not given this House sufficient time for the consideration of the Order in Council, to enable it to give an intelligent and just judgment

upon the claims of the several enterprises, and that in future Orders in Council, requiring the ratification of this House, should be submitted at an earlier period of the Session, and should not be taken into consideration by this House until the same had been before the House for, at least, five years.

It being Six o'clock, the Speaker left the Chair.

AFTER RECESS.

Mr. McCALLUM. There appears to be a question of veracity between myself and the hon. members for West Middlesex and West Durham. In my remarks in this House the other day on the Pacific Railway question I said, indeed, I warned the people of this country what they might expect if the present leader of the Opposition was called to power. I know the antecedents of that hon. gentleman, and the speeches made by him and his supporters would afford a strong inducement for me to support the contract, no matter what might have been my opinions formerly. It is disagreeable to have a question of veracity raised. I said the other night that the hon. member for West Durham, by his action on the railway question in the Ontario Legislature, had converted a majority of one into a majority of thirty; but I am accused by the hon. member for West Middlesex with having supported that policy myself. I accept the challenge he has thrown out. I tell the hon. gentleman once for all that if he can find my vote recorded in favor of a single railway resolution of the hon. member for West Durham, I will retire from public life. This is a matter of veracity, and I wish to settle it at once and for ever. Mr. Sandfield Macdonald was defeated on the 15th December, 1871. Hon. gentlemen on examining the records will find that the amendment moved against the Government was carried by 37 yeas to 36 nays, and so it was defeated by a majority of one. I have said that $1,500,000 was not sufficient to control that Legislature, or the Province of Ontario for some time to come. That railway management was still controlling the provincial elections, because, no matter where a railway was to be built if the parties support the Government they would receive a grant.

Mr. ROSS. I ask the hon. gentleman if he did not support a vote of want of confidence in the Sandfield Macdonald Government.

Mr. McCALLUM. I did not.

Mr. ROSS. Will the hon. gentleman look at page 25 of the Journal of Ontario for 1871-72, where the following words occur in the Address to His Honor:—

"And we inform Your Excellency that we have no confidence in a Ministry which is attempting to carry out, in reference to the control of the said fund of $1,500,000, an usurpation fraught with danger to public liberty and constitutional government."

Among the names of members voting in favor of that Address, is that of Mr. McCallum.

Mr. McCALLUM. I will deal with that by-and-bye.

Mr. ROSS. Speak now.

Mr. McCALLUM. I will speak now. On the 21st February the House resolved itself into Committee on the following resolutions:—

"1. That the Legislature having established a scheme for aiding in the construction of railways, it is right that the public funds appropriated for the purpose should be adequate to the granting of aid to proper enterprizes so far as that can be accomplished consistently with the retention of such a proportion of the public funds as may be required to do justice to all sections of the country.

"2. That towards accomplishing the object of the preceding resolution, it is expedient that the sum of four hundred thousand dollars be set apart from, and out of the Consolidated Revenue Fund, established under the Act in aid of railways.

"3. That towards accomplishing the same object, it is expedient that in further aid of railways, a sum of one hundred thousand dollars yearly, for twenty years, should be set apart from and out of the Consolidated Revenue Fund of this Province, and from a fund to be designated and known as the Railway Subsidy Fund.

"4. That no railway company, of which any section is aided from the Railway Fund, shall be entitled to aid from the Railway Subsidy Fund, in respect to such section.

"5. That no railway company that does not come within the terms and provisions, and comply with the conditions of the Act in aid of railways, and any Act amending the same, shall be entitled to aid from the Railway Subsidy Fund.

"6. That the provisions in the Act in aid of railways and of any Act amending the same shall, save in so far as they may be consistent with these resolutions, apply to the authorization and payment of any grant out of the Railway Subsidy Fund.

"7. That the sum to be granted to any railway company out of the Railway Subsidy Fund shall not be less than one hundred and twenty dollars, or more than two hundred and forty dollars per mile per annum, for twenty years.

"8. That scrip or certificates may be issued in respect of any grant out of the Railway Subsidy Fund after payment thereof has been duly authorized."

I think I have shown by these resolutions that $1,500,000 set aside by the previous Government was not deemed sufficient, but that the Liberal Government wanted $400,000 more, which was voted by the House. To the motion that the Speaker leave the chair and the House take up the railway resolutions, Mr. Rykert moved in amendment, seconded by Mr. McCallum:

"That all the words after 'that' be left out and the following words substituted therefor: 'until it shall be more clearly shown to the House that the Railway Aid Fund, consisting of $1,500,000, is insufficient to meet the requirements of all *bona fide* railways already undertaken, and which the Lieut.-Governor has by Order in Council declared to be entitled to participate in said fund, it is expedient to grant an additional sum towards the said fund.'"

What do we find? On 22nd February the majority of one was converted into a majority of thirty-five, and so on through the chapter! The resolutions were brought down two or three days before the close of the Session. The hon. member for West Middlesex says that my vote was recorded in their favor. The vote was unanimous. If he will look at the journals he will find that on the vote before that only three members voted against the resolutions. We divided the House until we found it was useless.

Mr. ROSS. You became demoralized.

Mr. McCALLUM. We desired the House to declare that henceforward, when Orders in Council were laid on the Table, they should be long enough in the hands of members to allow them to read and consider them; and we thought that five days at least was not too long for their consideration. I have no doubt the hon. member for West Middlesex will say they were laid on the Table two or three days before. The manuscript might have been laid on the Table for an hour or two, but it was taken away; and only four hours after they were in the hands of members we were asked to vote the money, and we did vote it. I consider that was irresponsible government, and that the hon. gentleman was striking a blow at responsible government when he acted as he did on that occasion. Even if I had doubts about the contract which is before the House, I feel that, by voting against the Government on this occasion, I would be contributing to the ruination of my country, by putting hon. gentlemen opposite in power. Though the hon. leader of the Opposition may be a Cicero in oratory, or a Solomon in making laws, the extent to which he demoralized the Province of Ontario during the short time he was in office there, would prevent me from aiding him in obtaining control of affairs in the Dominion, however much I may admire his abilities. I am not yet prepared to hand this country over to the Americans. One hon. gentleman said that Sault Ste Marie was the key of the position, but I would ask who will hold that key. When we wished to send troops up to the North-West, to quell an insurrection there, the lock at Sault Ste. Marie was closed against us, and the same thing might occur again. I believe in being peaceable with my neighbors, but, at the same time, I like to have a road to my house through my own land. We are now endeavoring to lay the foundations of an empire in this country, and I, for one, do not believe in building a highway through American territory; and a matter of a few hundred thousand dollars is a small matter to give, com-

pared with having a highway through our own territory, from the Atlantic to the Pacific. If I thought there was not more patriotic feeling in this House, than has been expressed by hon. gentleman opposite, I would weep for my country.

Mr. WHITE (Renfrew). I think the House must have been greatly edified at the lecture which the hon. member for West Middlesex (Mr. Ross) delivered to hon. members on this side. He waxed pathetic and appealed to the majority on this side not to be coerced by what he was pleased to call the lash of the party whip. I dare say the hon. gentleman had a very vivid recollection of the agonies which he, in common with his fellow members who were sitting on this side during the last Parliament, suffered from the infliction of the lash of his own party. I recollect very distinctly that on many occasions these hon. gentlemen winced, and very perceptibly, under the application of the party whip when their leaders were in power. I wish to inform hon. gentlemen that, with regard to the question which is now before the House, there is no necessity for coercion on the part of the supporters of the Government, for the more this question is discussed the better does it appear in the eyes of the people of this country, as hon. gentlemen have found in their meetings which they held during the recess. I had the honor and the pleasure of attending a meeting held by my political opponents in one of their strongholds in my own county, for, though I received no invitation, I thought it my duty to attend, and I found that after a full and fair discussion the policy by the Government was sustained by a large majority. I believe that the supporters of the Government in this House, while they are not to be coerced by their leaders, will find as they bring their judgment to bear on this question, that it is not only in the interests of their party but of the country, that this measure should become law. There is one particular point with regard to this question which seems to be the great stumbling block of hon. gentlemen opposite. They realize fully that when parties were pledged to the construction of a line from the shore of Lake Superior to the Pacific by the year 1890, and that it was the duty of the present Administration to endeavor to carry out as faithfully as they could, the terms which had been deliberately entered into with the Imperial Government by the hon. gentleman for Lambton, they tried to escape by declaring that it was inexpedient to construct the road north of Lake Superior, as it would involve to this country a tremendous liability. Now, let us see what liability will be incurred with regard to that portion of the line by the propositions now before the House. So far as I can make out the resolutions the amount required to be expended for that portion of the road will be $10,000,000—or an amount equivalent to an annual taxation upon the people of Canada of $400,000. I would like to ask if it would be a safe or a wise thing for the sake of an annual expenditure of $400,000 to drive the trade of the North-West into American channels, as the honorable gentlemen propose. If that is their proposition, I, for one, cannot agree to it. We expect that the addition to the population of the North-West Territories by the construction of this road will rapidly cover the annual expenditure required for the construction of that portion of line. We find, upon looking at the returns of revenue derived from Customs and Excise duties, that it amounted to over $18,000,000 from a population of 4,000,000. It would require only an addition of 100,000 people to the present population to provide for the annual expenditure that will be incurred by the construction of that portion of the road. It seems to me that it is a most absurd proposition for hon. gentlemen opposite to say that for the purpose of saving the paltry sum of $400,000, which will be more than made up within two years after the road is opened into that country, this portion of the road should not be built. I believe the more this question is discussed, both in Parliament and out of it, the better it will appear to the people. We have heard eloquent speeches from hon. gentlemen on the other side, and whilst we have been charmed by their eloquence, I, for one, must confess I have not been convinced by their logic. In any case, I think we ought to allow those hon. gentlemen all the opportunity they desire for discussing this question.

Mr. RYAN (Montreal Centre). The hon. gentleman for West Middlesex has alluded to several meetings held throughout the country who have pronounced, as he claims, against the contract submitted by the Government. He has spoken of the Corn Exchange Association of Montreal, but I will remind him that at that meeting, out of 400 active members, there were only 69 present, of whom 42 voted for the motion as proposed and 27 against, giving an anti-Syndicate majority of 15. But the hon. gentlemen for West Middlesex did not refer to a meeting of another body, even more important than the Corn Exchange—I mean the Montreal Board of Trade, which held a meeting on the previous day. He had forgotten to communicate to this House what took place at that meeting. A prominent member of the Board of Trade, is Mr. Henry Lyman, who was chairman of that great meeting held in Montreal a few nights ago by the hon. leader of the Opposition, and where the people were admitted by ticket. At the meeting of the Board of Trade he moved a resolution, taking partial exception in a mild form to the contract with the Syndicate, but the feeling at that meeting was such that Mr. Lyman withdrew his resolution without submitting it to a vote. I have no hesitation an saying that the Board of Trade is a most intelligent body, perhaps even more influential than the Corn Exchange Association, both as regards their wealth and business experience and knowledge of the requirements of that city and of the whole country. Well, what is the nature of that resolution carried in the Corn Exchange Association? It simply affirms that they are in favor of the construction of the Sault Ste. Marie route. If I were to look at this matter from a Montreal standpoint alone, I would say, by all means let us have that route first, because I believe there is a probability that under any circumstances that route will be constructed as a commercial enterprise, without the Government constructing the work, and possibly without the aid of the Government. I believe it will be constructed as a commercial enterprise long before the route north of Lake Superior. But looking at it, not exclusively from a Montreal standpoint. I believe it is in the true interest of Montreal and of the Dominion generally, that the route north of Lake Superior should be constructed also, because it would give us an independent inlet and outlet to the North-West, without going through American territory. I am sure every loyal Canadian looks forward to the day when we shall not be dependent on communication through American territory to reach our great North-West. Before proceeding further, I wish to make a remark upon a proposition of the hon. member for North Middlesex, who said it would be well for the House to adjourn. For what? To afford a set of patriotic capitalists belonging to the Grit party, and who, as public rumors state, are willing to step forward and sacrifice themselves upon the altar of their country—to afford these gentlemen an opportunity of putting in a new offer. This, Mr. Speaker, is marvellous. After the hon. member for Lambton, when leader of the late Government, had carried a law through Parliament, authorizing him to accept tenders for the construction of the Canadian Pacific Railway, where were all these Grit capitalists then that they did not step forward and tender? They must be like the famous Rip Van Winkle who slept 20 years, though these gentlemen had been asleep only 6 years, since the Mackenzie Act was passed, and in all human probability, if this contract had not been submitted to Parliament, they

would have been sleeping still. Much has been said about the propositions contained in the Mackenzie Act. There never was a contract given under those propositions, though advertisements asking for tenders were scattered over this continent and Europe, without receiving a single response.

An hon. MEMBER. People had no confidence in the late Premier,

Mr. RYAN. I will not say that; I must say for myself that I have confidence in him—much more than I have in many of those who are associated with him. I have no hesitation in saying that I look upon him as probably one of the most honest men in that party. He may have made mistakes in the past, but I believe him to be a patriotic man who loves his country well, and that is more than I am prepared to say of many of his colleagues. Let us come now to the Allan contract. That was a contract the Government entered into with a company of which Sir Hugh Allan was president. What has been the result. I will not undertake to occupy the time of this House by discussing whether the contract with Sir Hugh Allan was more favorable to the interests of Canada than the present; but what I have to state is this: that had it not for the unpatriotic course of hon. gentlemen opposite, in 1872 and 1873, Sir Hugh Allan and his associates would have succeeded in forming a syndicate in England. They would have raised the money; that work would have been three-quarters completed to day; we would have had a large population of probably half a million of people in that great North-West, contributing some three millions dollars annually to the revenue of this country, and have been saved from those means of depression which destroyed some of our largest commercial and monetary institutions and reduced to poverty many men who had gained a competency. What has been the result of the unpatriotic course pursued by hon. gentlemen opposite and more particularly by their organ, the *Globe* newspaper? The country has sustained, commercially and financially, more than double the amount sufficient to build the whole trans-continental railway from ocean to ocean. I am free to admit that the whole depression from 1874 to 1878–9 cannot be fairly attributed to their conduct; but what I do state is, that had it not been for their unpatriotic conduct, Sir Hugh Allan would have succeeded in raising the necessary money in England, and the influx of capital and immigration into the country would have saved us from the terrible depression to which I have alluded. Hon. gentlemen talk about their party being the party of purity and of patriotism; they should rather be termed the party of ruin and decay; everything they touched decayed. In proof of this allow me to refer you to the statistics of receipts of Customs duties in the port of Montreal from 1870 to this year. In 1870 the amount collected was $4,766,410.36; in 1871, it was $5,062,766.97; in 1872, $5,362,100.20; in 1873, $5,025,442.53. These were the years of surpluses. At that time the administration of public affairs was in the hands of men who had brains, who did not acknowledge to the world that they could do nothing to prevent depression, who did not declare they were only flies on the wheel, and under their administration the country prospered. In 1874, before the crisis had time to arrive, the revenue still showed an increase, amounting to $6,122,289.51. Mark the decrease which followed: In 1875 the collections only reached $4,806,110.19; in 1877, they amounted to but $3,956,193.53; and in 1878, the last year of the administration of hon. gentlemen opposite, the amount received had decreased to $3,644,385.36. True, that year they had not much time to devote to public administration. They were then devoting their time, especially the hon. Finance Minister, to making provision not to meet the debt which was falling due in London, but to a missionary tour through Canada for the purpose of trying to secure continuance in office for another five years. But the people had a lesson and a sad experience, and the result was that when the 17th September came around those men were sent very quietly to the right about. In 1879, the very first of the administration of the present Government, the collections increased from $3,644,385.36 in 1878, to $4,512,463.31, and in 1880 the collection further increased to $6,349,789.47. The change seemed as if due to a talismanic influence; the season of blight had disappeared—prosperity bloomed in its stead. No better proof could be afforded of the incapacity of the one set of men and the capacity of the other set to govern this country than these figures. You would naturally suppose that intelligent people, men who read and think, would be more or less governed by the feeling surrounding them, would learn something as time passed, but, as far as the Opposition are concerned, they are just as hostile to-day as they were a few years ago, to the policy approved by the people. The hon. member for West Middlesex, a few moments ago, referred to the murmuring of members on this side of the House against the National Policy. Well, I think, eloquent as he is, he will have great difficulty in convincing the great mass of the people that they are groaning under the burden, that the days of murmuring and weeping are not past. These gentlemen have been tried in the scale and found wanting. It is true that, when in Opposition for twenty years, they did succeed in educating the young people of the country to believe that they were the party of purity and reform, and when the Government of my right hon. friend resigned, after the midnight attack of January, 1874, they were returned to Parliament by an overwhelming majority. The reason was simply that the people had not had an opportunity of testing the sincerity of the declaration of the hon. gentlemen, and were willing to try them. Were they true to the professions they made in Opposition? Certainly not. The country had a governmental experience of them for five years, and that experience was a sad one for the people of Canada. The people found them wanting when they appealed to the polls, and hence their appeal to the country now falls on indifferent ears. I stated a few moments ago that they ought to be termed the party of ruin and decay. It is ruin all the time. It was ruin when Confederation was brought about. When this great territory we hear so much about now was purchased for £300,000, it was considered an extortionate price. When the National Policy was brought out two years ago, the farmers were to be ruined by the taxes imposed on them. The artizans were to be ruined by the increased prices they were to pay for fuel, breadstuffs and everything else, and the late Finance Minister told us that in time the manufacturers themselves were to be ruined, so that there was going to be ruin all round. All I can say to that hon. gentlemen, is this—that if he went into any manufacturing district he would find that the people there think differently. He would find that workingmen, instead of working three-fourths time, are working extra time and receiving extra pay, and instead of having to leave Canada and to go to the United States, I am happy to inform the hon. gentleman that many men who had left during the administration of hon. gentlemen opposite, are now returning to Canada day by day and obtaining employment at more remunerative wages than they received on the other side. I have before referred to the Sault Ste. Marie road. I believe that road will be constructed as a commercial undertaking. I would be glad if the Government of Canada could see their way to giving assistance for the construction of that road, as I think, commercially speaking, it would be a vast benefit to the Dominion of Canada to have a second line of communication with the great North-West,

though I should be exceedingly sorry that the Lake Superior line should be sacrified to it. To one remark of the hon. member for Centre Huron (Sir Richard J. Cartwright) I wish to allude, and I allude to it with pain, and I have no doubt he made statements which in cooler moments he would not have made and which he now regrets himself. When called to order by the hon. Minister of Railways, he said he could not expect very much better from the hon. gentleman because he had the $32,000 man on one side of him and the $10,000 man on the other. By the $32,000 man he referred to the hon. Minister of Public Works. Though he has been charged in the Opposition press over and over again with having received that $32,000 corruptly, the hon. member for Centre Huron knows that a public meeting in the Province of Quebec, the hon. Minister of Public Works, while face to face with the hon. leader of the Government of Quebec, the Hon. Mr. Joly, stated publicly that he was prepared to place vouchers for the expenditure of every dollar of that money in the hands of Mr. Joly, with no conditions beyond this, that if he were not satisfied with the correctness of those vouchers, he was at liberty to make whatever use of them he thought proper. Mr. Joly, however, declined the offer. With regard to the Government, no man in the House or country knows better than the late Finance Minister (Sir Richard J. Cartwright) the great statesmanship professed by the leader of the House, and which has been recognised not only in this country but in Europe. I believe myself, and have heard many competent judges declare, that there was not even in the British House of Commons his superior. Yet, great as is his statesmanship, the great hold he has upon the hearts of the people of Canada, is more due to his purity of character than his talents. No man in or out of the House, save perhaps the member for Centre Huron, ever charged him with an act of corruption for personal advantage. If there is an hon. gentleman in this House capable of upholding the honor of the country in this and other respects, it is the Premier. From the past associations of the member for Centre Huron with the right hon. gentleman he must have known his high character and services to the country. Whilst I have occupied a seat in this House I remember when the late Finance Minister was a great supporter of the right hon. gentleman; but his aspirations having been overlooked when a vacancy occurred in the Finance Department, which showed conclusively the Premier's sound judgment of human nature and his attention to the interests of the country, Sir Francis Hincks having been preferred to the post, his feelings towards his leader suddenly changed, he lapsed into Opposition and became the most bitter of all opponents of the right hon. gentleman. I deeply regret having occasion to express my opinion on the member for Centre Huron, but I should not have risen on this occasion but for the remarks of the member for West Middlesex with reference to the meetings at Montreal. I have listened attentively to the speeches made on both sides of the House, I have tried to form an impartial judgment on the question discussed, but have failed to see the strength of the Opposition arguments. I have heard much of the great ruin and misfortune brought upon the country by the present Government by the increase of taxation and otherwise, and the injury to the North-West by this Syndicate, and the exemption of its land by taxation and otherwise. I can cite a striking instance to the contrary. A municipality adjoining Montreal, St. Henri, has decided to give a cotton company $15,000 with an exemption of taxation for 25 years on condition of its establishing a factory within the limits. That does not look much like ruin brought about by the National Policy mentioned by the member for West Middlesex. I have no fear that the people of the North-West or any part of the country will be ruined by the policy of the present Government. With regard to the question of the exemption of the Syndicate property from taxation, and the statement of the emigrants going into the North-West would be likely to change the rod for the scorpion, I can see no such danger. Every settler gets a freehold of 160 acres for a settlement fee of $10 with the right to pre-empt another 160 acres. Even this Syndicate which is to do so much harm has no further claim upon the land when it sells it. There can be no landlord system like that of England, Ireland and Scotland. I may say, in conclusion, that the contract before the House will receive my hearty support.

Mr. LITTLE. If I have not been edified, I have been amused, at hon. speakers opposite assuming to themselves all the independence and patriotism that should exist in this Chamber, from the vacillating leader of the Opposition, the hon. member for West Durham, down to the lowest rung of the ladder, the hon. member for North Norfolk (Mr. Charlton) whose talk was of donkeys. Sir, a person generally speaks most of that subject, and those companions with which he is most familiar, and with whom he most associates. Mr. Speaker, my constituents, in common with others, take a deep interest in the matter before the House. At the very first inception of the construction of the Pacific Railroad, in 1872, we considered that the terms were hard, based on the condition of British Columbia forming part of the Union with Canada. We imagined that the Empire, the Home Government, since it was relieved of a great responsibility and trouble by the Union of that country with the Dominion, should have engaged largely to construct the railroad, at least through British Columbia territory, and it was only to effect and preserve the Union that we supported the Government on that occasion. Mr. Speaker, every member of the Opposition has denounced the contract, the Grit press through Canada has done the same. Members on this side the House have been appealed to, to divest themselves of party lines and party feeling, but have the Opposition members set us the example? They profess independence, but they do not practice it. What were they sent here for, but to criticise and embarrass the Government? What were we sent for, but to support and to stand by the Government, if we can do so honorably. It is true, Mr. Speaker, that I take exception to one or two clauses or sections in the contract. I think them hard, and would wish them modified—but agreeing as I do in eleven points out twelve with the general principles of the Government, do you think, Mr. Speaker, that I could be a party to cause their downfall and let in the member for West Durham as Premier? Sir I consider that at least would be a national calamity. I think it is a calamity that that vacillating, chameleon-like hon. member should have his residence in Canada; he is far better adapted for the revolutionary atmosphere of Mexico, that changes its Government about once a quarter, and whose land is threatened with a live volcano. Therefore, Sir, viewing the ten long years of suspense, expense, extravagance, and trouble, recollecting the various doings connected with the Fort St Francis Lock, the Kaministiquia River corruption, the lavish expenditure of millions of our money, I want to have the question settled, so that we can tell exactly what this construction of the great Pacific Railroad will cost. Comparing the present terms with former ones, I find that the contract before us is better than the Sir Hugh Allan contract of 1873 by $36,000,000; better than the Mackenzie, of 1874, including its branches, by $85,627,500, and better than the parliamentary grant of 1879 by $97,000,000; and seeing there is no other proposition or terms for the construction of this railroad. I shall support the measure, hoping that some of the objectionable clauses in the contract will be modified.

Mr. BRECKEN. I shall follow the example of the hon. gentleman who has just taken his seat, by addressing myself very briefly on the subject before the House. I have sat here for some weeks listening to the able speeches which

have been delivered by hon. gentlemen on both sides of the House, upon this very important question. There is one feature of the debate which has struck me very forcibly indeed, and I shall refer to it now, however, without any desire of raking up national animosities, or importing anything approaching to bitterness into the discussion. I allude particularly to the able speech of the hon. member for Bothwell (Mr. Mills)—a speech replete with constitutional law and parliamentary authorities, and one to which I listened with a great deal of interest. The hon. gentleman is fond of authorities; he is very authoritative, and I, for one, do not find fault with that particular feature of his utterances, for I am fond of authorities; they show that the man who cites them is a hard reader. The hon. gentleman is so strong on authorities that I do not think he would venture the statement that two and two make four, without bringing forward an array of authorities to establish his statement. The hon. gentleman read voluminously from the English *Hansard*, and went back to the days of Daniel O'Connell to show that in a question of such magnitude as the present one, a question so far-reaching in its consequences upon Canada—and I admit its importance, and that once the die is cast our decision is irrevocable—it is quite right and proper and patriotic that hon. gentlemen should vote according to the dictates of their conscience, even if by so doing they should not be able to follow the leaders of their party. Then, again, hon. members have cautioned us and expressed the hope that we would not be a mere mechanical majority, that we would not give a blind and unreflecting vote on this question. We are all party men, and there is no use concealing it, and we do bear an allegiance to a leader that the Opposition do not exactly understand. But while that is the case I recognize with the hon. member for Bothwell the heavy responsibility that rests upon every man that casts his vote on this question. I look upon the success of a road between the Atlantic and the Pacific Oceans as synonymous with the success of the Dominion. But I ask why those hon. gentlemen assume that they are only in a position to call themselves patriotic, as if they were not bound by any past policy, as if they had nothing to forget and nothing to forgive? This matter has been before the country in some form every year since Confederation, and every elector has had an opportunity of casting his vote upon it. I do not acknowledge that the Opposition have a right to assume that they are free and unt ammelled by their past policy on this question, and that they consistently vote against any scheme for building the Canadian Pacific Railway. When the right hon. gentleman the leader of the Government launched his celebrated Allan contract there was not a fireside in the Dominion of Canada that was not inundated with Reform literature to prove that the hon. gentleman and his Cabinet—and it is significant that the *personnel* of that Cabinet to-day is very nearly what it was in 1873, making allowances for the vicissitudes of life—that the hon. gentleman and his Cabinet were not only corrupt but incapable of carrying out a work of such magnitude. If the hon. gentlemen opposite wish to prove their liberalism, they have now an admirable opportunity for doing so by forgetting old animosities, and cordially uniting with their adversaries to carry out this great work. Instead of that they have libelled themselves as Liberal—they are daily libelling the title. In 1874, the hon. member for Lambton placed an Act on the Statute-book providing for the construction of this railway by private enterprise. I may observe here that I have a very great respect for that hon. gentleman of whose ability, of whose industry and knowledge of public affairs, I wish I possessed one-twentieth part. When the former Governor General, Lord Dufferin, went to British Columbia, he staked the credit and the reputation of his then Premier that this great work should be carried out. But that Act provided that this work should be done by a private company, and to this mode of building it hon. gentlemen of the Opposition are fully committed. I regard it almost as a matter of congratulation that the right hon. gentleman was defeated in 1873, and that the great Reform party had an opportunity for five years of trying to solve this difficult problem. I am sure I am expressing the sentiments of the hon. member for Lambton, when I say that that burden was almost more than he could bear. We know the mistakes he made; we know the millions of money he spent in explorations and in public works connected with this line; we know that it has been a quagmire for millions of money. I do not mean to charge the hon. member with corruption or incapacity, but it was a consequence that inevitably followed such a work. Now, we have had six or seven years experience, we have had exploration of engineers and information from all sources. Both sides are pledged to this undertaking. We are bound in honor to carry it out. I recollect when I had the honor of speaking for the first time in this House, I made use of the expression "heavy as the responsibility is, better to be bankrupt in purse than bankrupt in reputation," and I adhere to that still. It is true the hon. member for West Durham has been more vacillating on this matter than the hon. member for Lambton. I am tolerably well acquainted with his antecedents in the matter, and I must say that I do not yet exactly understand what his policy is. If the logic of political events placed him at the head of the Government of this Dominion, it is impossible for any one to tell from his own antecedents what he would do in regard to this question. We have had a shower bath of figures from both sides of the House. I have no doubt that this $25,000,000 and 25,000,000 acres in addition to the $28,000,000 already expended, and to be expended in work under this contract, to be handed over to this Syndicate, are of the most favorable terms that have yet been submitted. One would really think that there were associations, syndicates, and men who were willing and anxious to take up this work. A great deal of time and ingenuity and ability have been expended in making contrasts between the contract now before the House and the terms embodied in the Act of 1874, viz.: $10,000 and 20,000 acres per mile, and the untold sum for which the Government was to guarantee four per cent. for twenty-five years. That Act has been on the Statute-book up to the present day. I believe that advertisements were published in the *Canada Gazette* in 1878, previous to the elections, asking for tenders under that Act. I am not going to question the motive of the hon. member for Lambton in publishing those advertisements; I am not going to question whether, in doing so, he was actuated by a sincere desire to carry out this work, or whether it was an electioneering dodge. Those advertisements have, I believe, been continued in the columns of the *Gazette* up to last year, and nobody has come forward to make a tender. A great deal has been said about the way in which this contract was let; about the tenders not having been asked for. If this contract had been considered for the first time; if the idea of building a great trans-continental line had originated last summer, there might have been some weight in the objections of the Opposition. But in view of the fate of the Allan contract, and the fact that the Act of 1874 has been on the Statute-book, and the advertisements in the *Gazette* up to last May, their arguments lose their force. When the right hon. leader of the Government, the Minister of Railways, and the hon. Minister of Agriculture went to England, I have no doubt in my mind that they addressed themselves to the settlement of this matter in a patriotic and anxious spirit; that they opened negotiations and made every effort to arrange a contract. We are told that they did not succeed, There was a reason for their non-success. There was that ingenious, but, I am sorry to say, unpatriotic speech of the hon. member for West Durham last year,

which he took six or seven hours this Session to answer. The hon. Minister and his colleagues had to encounter the bad effect of that speech. The hon. member for West Durham, unfortunately for his country, in this instance, is a statesman whose personal integrity stands high, and English statesmen could hardly think that a gentleman occupying the position of the hon. member for West Durham would belittle his country for the purpose of serving his party. I think the hon. Minister of Railways said he had been in communication with a very prominent statesman in England who had read the speech delivered by the hon. Minister last year, and was very much taken with the scheme; but as soon as he saw the speech of the hon. member for West Durham, he did not return to the subject and was never seen by the hon. Minister again. It is, indeed, a misfortune that a gentleman of the high standing and commanding abilities of the hon. member for West Durham should torture his ingenuity to the detriment of his country. There is another feature that strikes me. When the right hon. gentleman of the Government made his contract with Sir Hugh Allan, how often was it not repeated that the Government of the day had entered into that contract in a corrupt partizan spirit, reckless of the interests of the country, and solely with the unpatriotic motive of strengthening their hands. The ex-Minister of Finance, in that very remarkable speech of his the other night, threw out all sorts of insinuations, but advanced no arguments; and here I may say you may answer a man's arguments, but you cannot answer his insinuations nor his fears. The hon. member for Centre Huron said that he had no respect for the Government, but had respect for the members of the Syndicate. Let us be thankful for small favors. Let us be thankful that he does not accuse the hon. leader of the Government and his coadjutors of having entered into this contract with the unpatriotic motive of strengthening their hands. You must look at the surrounding circumstances. If it is true—and I suppose I am not unparliamentary in alluding to it—that the political creed of these wealthy men who form this Syndicate is not in accord with the views of the Government, surely it is an evidence that the Government have been actuated by the patriotic desire of promoting the interests of the country in the course they have taken; for it cannot be conceived that they wished simply to strengthen their hands when after spending anxious months of toil over this work they should have given it into the hands of men who were opposed to them. Some allusion was made to a gentleman who figured in a scene that was not creditable to them in this House. We were twitted that he was behind the scenes in this arrangement. This is but an additional evidence that the right hon. leader of the Government and the hon. Minister of Railways care not who the men are, what their political stripe is, and are ever willing to run the risk of its being used as a political engine against their party hereafter, provided that work is entrusted to competent men. A hue and cry has been made in the Province that I come from, about the monopoly of lands, which is compared with a state of things that formerly existed in Prince Edward Island. There is no analogy between the two cases. In the reign of George III. our Island was laid out in 67 townships, and the land was granted in large tracts to favorites of the Crown. Through the liberality of the Canadian Government a sum of money was granted to buy out those landholders. I admit myself that it would be a great defect in this contract if it was the interest of the Syndicate to hold their lands until the Government sections were settled, but I do not think that such a supposition can be entertained in common sense. I look upon the gentlemen constituting this Syndicate as being actuated by the one besetting sin of every man on the face of the earth, and that is self-interest. We have been told that the alternate blocks of land will not be settled, and that the people will not be able to constitute themselves municipalities or have schools or churches, or any of the advantages of a civilized community. Why, Sir, when this railway is constructed, these men are bound to run it for ten years. The cost of running it has been estimated by the hon. member for Lambton at $6,000,000, and by Mr. Sandford Fleming at $8,000,000. Where is the traffic to come from? There is no through traffic; the traffic must be a wayside traffic, and therefore it is the interest of these men to sell their lands and get them settled. Why, Sir, could you imagine a country being laid out in blocks a mile square, with the blocks alternately settled and desolate. The Syndicate could not withhold their lands from settlement without tying up the Government lands also. The poorest man in the world would not settle in such a country. We have heard so many inconsistent statements from hon. gentlemen that we hardly know what to think. I have made up my mind to one thing, and that is, that this trial is too severe for their patriotism. The speeches made by the hon. gentlemen have shown a great deal of research; we have been told the cost of running all the railroads in the United States; but the whole line of their argument has convinced me that they cannot give this contract the support its merits deserve. I, myself, coming from one of the Lower Provinces—and if I introduced sectional feeling into the consideration of this question it would be discreditable to me—would have been better satisfied if, in the first instance, we had hastened a little more slowly. We would have been better satisfied if, at the inception of this great scheme, it had been decided to stop at the foot of the Rocky Mountains. But, Sir, the public credit of this country has been pledged to the completion of this great work. Favorable as are the terms of this contract, it necessarily involves the expenditure of a large sum of money. I hope the anticipations of gentlemen who know more about this contract than I do, will be realized, and that the discontented, starving, struggling people of Europe will find a home in the North-West, where their labor will be remunerated, and where they will increase at such a rate that they will divide with us the public debt that now rests on the people of Canada, and thereby lighten our taxation. I think it is a matter of regret to hear hon. gentlemen belittle our country and its resources. What satisfaction can it give them to assert that the population of Canada is going to the United States? Surely things must have come to a crisis to necessitate talk of this kind. This great trans-continental line will necessarily increase our burdens unless public men on both sides strive shoulder to shoulder to induce the populations of Europe to come to this country and fill it up. Then the lands which last year were worthless, and this year are worth $3.18 an acre, will recoup this country for the great work we are now undertaking. Well, if this is to be accomplished, do not let us have the money markets of England, and every leading commercial house filled with the deprecatory speeches of the member for West Durham. Let us be true to our country, and lay aside political feelings and prejudices and enmities—let us not belittle our resources—but let us do the best we can to induce the tide of immigration into our North-West and make its lands valuable. We hear of land there being worth $4 and $5 an acre. These are railway values What are those lands worth now to the Provinces of Quebec or Ontario? Their value will be created by the railway which will open up great sources of wealth to the Dominion, more beneficial in their results than the gold mines of California to that State. For that reason I intend to support the Bill of the Minister of Railways; and whatever agitation is got up, I have an abiding faith in public opinion and the sober second-thought of the people. We have an evidence to-day of its beneficial operation in the present position of political parties. Only a few years ago public opinion overwhelmned the Conservative party, but after five years of trial of the opposite

party, the people have had time to reflect on their course and the merits of the Conservatives returned them to power, in the interest of the country. This gigantic undertaking has been before the country for years, and when the people returned the right hon. gentleman to power, they desired, not only changes in political administration, but the completion of this great work. The country knows this great undertaking can be safely entrusted to the present Ministers, who do not mean to steal a march upon the people. They have done the best they could, and if every document asked for were placed on the Table, I do not think it could injure the Government or strengthen the Opposition.

Mr. McCUAIG. I would not, perhaps, have spoken on the present occasion, but for some offensive remarks made with regard to the member for Monck, while a member of the Ontario Legislature and supporter of the late John Sandfield Macdonald. I have heard the member for Lambton pay a high compliment to the hon. gentleman and, on the other hand, the member for West Middlesex charged him with having betrayed his leader. I was a member of that Legislature at the time, and think it only proper that an answer to that charge should be made. For this purpose I shall quote from the Votes and Proceedings of the Ontario Legislature of 1872. The question arose on the motion of the member for Durham (Mr. Blake), in amendment to the answer to the Address, and which was as follows:—

"We are gratified in being assured by you that during no period in the history of Her Majesty's North American possessions can there be found recorded of any one of them a condition of prosperity which can at all approach that now almost everywhere exhibited in this Province; and we receive with pleasure the congratulations of Your Excellency on so favorable an aspect of our country's stride in the path of material advancement. But we feel bound to take the earliest opportunity of informing Your Excellency that we regret the course taken by the Legislative Assembly last session, under the guidance of your present Ministers, in reference to the large powers given to the Executive as to the disposal of the Railway Aid Fund; and to state that, in our opinion, the proposal of the Government to grant aid to any railway, should be submitted to the approval or rejection of the Legislative Assembly, so as not to leave so large a sum as $1,500,000 at the disposal of the Executive, without a vote of this House appropriating the same to particular works. And we inform Your Excellency that we have no confidence in a Ministry which is attempting to carry out, in reference to the control of the said Fund of $1.5 0,000, usurpation fraught with danger to public liberty and constitutional government."

There can be but one opinion at this day, of the duty that devolved upon the late John Sandfield Macdonald. He should have resigned office when that resolution was carried; but he thought proper to embrace it in the Address presented to the Lieutenant-Governor at the time, and my hon. friend, the present member for Monck, so far from being censured by the member for West Middlesex for his action, should be commended for his chivalrous feeling in following his leader, and fell valiantly by his side. He did what very few men would have done under similar circumstances. In addition the member for West Middlesex thought proper to refer to a vote given by me during that debate. I opposed the railway grant from the beginning to the end, and moved, on the 23rd of February, seconded by Mr. Giffard:

"That all the words after 'that' be struck out, and the following words substituted therefor: 'until the excess of the debt of Ontario and Quebec over the $62,500,000, of their joint debt assumed by the Dominion, viz. $10,500,000, has been apportioned between the said Provinces, and the debt of Ontario thus definitely ascertained it is inexpedient for this House to entertain any proposition towards granting $400,000 to the Railway Aid Fund in addition to the $1,500,000 already appropriated by the Railway Aid Act of last Session, or to pledge the credit of the Province to the extent of $100,000 a year, for twenty years, as proposed.'"

Among other charges preferred against the late John Sandfield Macdonald was this: at the time that his Government appropriated $1,500,000 of the funds of Ontario, for the purpose of opening up railways to the free grant lands —a very commendable act—his opponents charged him with extravagance, arguing the Province was unable to give that amount. When I found that the leader of the then Government, Mr. Blake, proposed to give $400,000 additional, making $1,900,000 and $2,000,000 more, viz., $100,000 a year for 20 years, for railway aid, I moved that resolution in condemnation of that policy. That does not justify my hon. friend opposite in saying that I supported the resolution granting the further sum of $400,000 and $100,000 per annum for the following 20 years. Mr. Rykert again moved in amendment, as follows:—

"That all the words after 'that' be struck out, and the following words substituted therefor: 'while this House will cheerfully consent to such further aid in favor of the Railway Fund as may be necessary to keep faith with all *bona fide* enterprises undertaken and carried on in anticipation of receiving aid from such Fund, provided it be shown to this House that upon a careful investigation of the merits of several applicants for aid, it is found insufficient for that purpose, it feels bound to express its dissatisfaction that the public credit of this Province should be pledged for the further amount of $2,000,000 for railways, while no appropriation is made for the older counties which have already pledged their credit in the construction of railways, and expended large amounts in the gravel roads and other public improvements.'"

My name is recorded in favor of that resolution in amendment to the proposal to grant that large amount. As regards my motion, I felt that so long as the question of the debt of Ontario and Quebec, involving the $10,500,000, remained unsettled, as it had since Confederation, we should not adopt the policy of the Government. At Confederation the joint debt was fixed at $62,500,000, which proved at the final adjustment to be $10,500,000 in excess, and of which sum Ontario was to pay nine-sixteenths, and was properly considered in my opinion a debt owing by the Province of Ontario; and then that the assumption of a surplus of four or five millions was an erroneous one, and I believe so to this day. I was aware that Ontario had no sources of revenue except the sale of her timber limits and the eighty cents per head of our population, which we drew from the Dominion, and that by imposing this obligation upon ourselves and upon our children the Government were doing something which justified me and other members in supporting the amendment. The amendment of Mr. Rykert was, however, lost and the appropriation was carried. The hon. member for West Middlesex (Mr. Ross), has charged me with inconsistency because on the 29th of February I voted for an appropriation to a particular railway. I felt that once the scheme was carried I was perfectly justified in voting aid to two railway enterprises which I believed to be deserving ones. After these votes I did not support any of the subsequent grants, for the simple reason that I did not know the circumstances of the companies which were applying for money, or the nature of their enterprises, and I felt that if I voted at all I would be voting blindly. I think my hon. friend the leader of the Opposition, as well as the member for Lambton, will agree with me, that owing to those resolutions having been brought down and voted upon so quickly, there was ground for the suspicion—I do not say it was done unfairly or for an improper purpose —that there was not sufficient time allowed for a careful examination of the proposed appropriations.

Mr. GILLMOR. I was under the impression that the question before the House was whether we should go on with the motions which are upon the paper, or continue the discussion on the contract before the House in order that the gentlemen of the Syndicate might be able to get out their sleepers and other material. But, instead of discussing the amendment before the House hon. gentlemen have been speaking upon almost everything that could possibly occur to their imaginations, including the reading of the journals of the Ontario Assembly of several years ago; and among other things the contract with Sir Hugh Allan and the Pacific Scandal have been introduced. He is a very bold man who at this time of the day will court a discussion upon that subject. I trust that the Opposition will not introduce that question, it is a story of the past, and its discussion cannot redound very much to the credit of the gentlemen who figured in that transaction. I do not think it speaks

very highly for the political morality of any hon. gentleman that he would attempt to endorse that transaction at this day. The people have never condoned that transaction. It was one that astonished the world at the time—not only the Dominion of Canada, but the press and the statesmen of both Great Britain and the United States. I think that, in some respects, the contract with Sir Hugh Allan was very much better than the one before the House, but at its inception there was proof positive that the Government and the contractors had combined to corrupt the constituencies; that was proved to the satisfaction of the people of this country, and, therefore, I say that, if the Opposition feel disposed to let the matter rest, the supporters of the Government should not venture to introduce it into the House. With regard to the present contract, I say that it is in almost every respect entirely novel; nobody knew anything about it before it was brought down. Hon. gentlemen opposite pretend to say that the people knew all about it; that no capitalists undertook to tender for the road in past years—that, like Rip Van Winkle, they took a sleep for twenty years. But just as soon as the terms of the contract were known, and its enormous concessions published to the world, they come forward by scores and by hundreds from all over the Dominion. And now we are asked not to delay in order that the Syndicate may get out some sleepers. The hon. member for North Renfrew (Mr. White) says the longer this question is discussed the more the people will favor this contract—they only wanted time and there would be an unanimous consent to the bargain. It appears to me if the people regard this scheme so favorably it should be delayed till the close of the Session. This enterprise has been justly described as the most important that has ever been introduced into this Parliament. If it is so important as that the tax payers of the Dominion who will have to support the costs should have ample time to consider it and instruct their representatives in regard to it. I contend that no time has been given for the people to understand this matter which will involve so much of their money. This contract ought to receive the sanction, not only of the majority of the representatives here but of a distinct majority of the electors of this Dominion. If the hon. gentlemen feel that this is a good contract, and that the people are in favor of it, why not give them more time to consider it. I have not the remotest idea that the hon. gentlemen opposite really believed that the people are in favor of this contract. If they do think so why did they not make the contract known sooner? It is more generally known, but it takes a long time to make such a large question well known to the electors of this Dominion, and it takes a long time for the people to make known their views to their representatives. Instead of calling Parliament for the 9th December the conditions of the contract should have been made publicly known, and the meeting of Parliament postponed as long as possible, so that the people might have made up their mind on this question. It has been said that the country has pronounced in favor of the Pacific Railway. I deny that. This question has never yet, as a distinct proposition, been submitted to the people at the polls. It is true that Parliament many years ago committed themselves to this undertaking, but the people have never pronounced upon it at the polls. If the absurd compact entered into with British Columbia had been submitted to the people they would surely have pronounced against it. The majority of the electors never would have consented to burden this Dominion with such an enormous undertaking. Every man shrinks from it, every man shirks the responsibility and tries to throw it off on somebody else. My hon. friends opposite talk of the glory of this achievement, but at the same time they try to fix the responsibility for it upon gentlemen on this side of the House. They want us to take all the responsibility but they want all the glory for themselves. I do not see what glory will result to them for having heaped up such an enormous debt in order to carry out an undertaking that is not necessary. They talk of patriotism! Is it necessary to prove our patriotism by undertaking works of such an extravagant character? It may be desirable to have that railway when we are able to build it, but it is folly to mortgage our country and run the risk of losing it in order to have something grand and glorious. In my humble opinion, it was a mistake from the beginning, but it was a mistake fastened on the gentlemen on this side of the House, contrary to their votes and arguments, and contrary to their protestations. There was no remedy left for them, and they have tried to make the best of a bad bargain. If it were possible, I would like to have seen the whole thing repudiated—not that I want to break an obligation, or do anything unjust to any part of this Dominion, but it was an obligation assumed by the Government without authority from the people. Hon. gentlemen talk about millions. The hon. member for North Renfrew (Mr. White) talks in the same way. What is $10,000,000! Only $400,000 a year. What is that? It is a mighty large sum. But we have talked about millions and hundreds of millions; we have run up our debt to hundreds of millions, and we are losing all idea of the extent of these vast sums. Is there any limit to our ability? Is it necessary, in order to be patriotic, loyal and great, to burden ourselves, for all future time, with debt? Patriotism! Whenever hon. gentlemen want to cover up an extravagant bargain and get the people to sanction it, then they resort to the cry of patriotism. If you undertake to build a railway, and go anywhere near the American frontier, then you are not patriotic, then you want to be annexed. The idea has been to go on, build railroads as long and as expensive as possible without any regard to their commercial value. I do not want to carry out this absurd idea. It is not loyalty and patriotism. It is flunkyism, is is toadyism, it is Imperial toadyism, and we are getting it into the Dominion just as fast as we can. I have great respect for British institutions, but I do not think, whether the railroad is built or not, it affects our loyalty and our patriotism. I do not like my country any better, when $200,000,000 in debt, than when it is out of debt. I do not like British institutions any better, when we have a railroad running through our country, or when we have not. This sentimentality, this toadyism, is just what has brought us to the position in which we are. It is my opinion that this great undertaking is a great mistake. I think a great injustice has been done the country in not giving them an opportunity to consider this matter. The Conservative press have shown, if they were not ashamed of the contract, a great reluctance to make it known to the country. In my county there are two papers, both supporting the Government. They have published the hon. the Minister of Railways' great speech, but they have not yet published the contract. All the contracts the people there had were the few that I sent down to them. Why did the Government keep back the contract so long, and now try to rush it through the House? The object is very transparent. They are afraid the people are opposed to it. I am opposed to it, not because I would not like to get rid of this undertaking and get it out of the arena of politics if possible, but we cannot do that under the terms and conditions of this contract. This contract is important to the North-West upon which we have spent so much money. We have invested a great deal of money in the North-West. Taking into account the railways we are now constructing, the amount that this contract compels us to pay, the purchase of the North-West, the Mounted Police, the rebellion in the North-West, and all these difficulties, the amount will reach 70 or 80 millions of dollars. The people of this country have been taxed and their money has been employed in opening up and trying to do something for the North-West. But now I say we ought to give

the people time to consider this contract, which, if adopted, will affect the North-West in all the future. I believe that this contract is calculated to retard the progress of the North-West materially, to prevent the North-West from making in future years adequate return to the older Provinces which have so generously contributed their money in order to open up that country. Therefore, I think, we ought to have time to consider the question in reference to the best interests of the North-West. Without wishing to censure too severely the gentlemen on the Government side, I must say that they are only like myself, the representatives of the people, that they have not the power of autocrats, that they are here to express the wishes of the people, and that they should give the people time to look into this matter in order that they may form a mature, fair, candid opinion upon it, and that we may have the benefit of that opinion in discussing and disposing of this great measure. I am a little amused at the compliments which my hon. friends opposite are so ready to heap upon the hon. member for Lambton. During the five years in which he led the Government I did not hear a compliment passed across the House to him, though I presume he had then about as many virtues and as much ability as he has since. I suppose he has grown wiser as he has grown older, but I never knew hon. gentlemen to be so generous with their compliments and so magnanimous in their appreciation as they are since he happens not now to be the leader of the Opposition. No hon. gentleman in this House has a higher opinion of the hon. member for Lambton than I, but I would not insult him with compliments so big that they would choke an ordinary man. I believe that what they say is true. I believe that the hon. member for Lambton is what they say he is now. I do not believe that they ever had a bad opinion of him. But with regard to the hon. leader of the Opposition, they depreciate him in one breath and exalt him in the next. They have their schemes formed and matured, and they tell us that they are going to succeed in England. They start for England as soon as the House adjourns, and on arriving there they find that an extract from Mr. Blake's speech has got there before them, and that it has more influence than their Acts of Parliament, than their whole delegation, than the High Commissioner, and they come back and employ the time of the country in telling the people that Mr. Blake's speech, by hook or by crook got to England before them, and their mission is a failure. The hon. member for Queen's, (Prince Edward Island), says that the hon. Minister of Railways went to England, that his great speech of last year had got there, that he had a great scheme and was sure to succeed, that he met a gentleman there who was delighted with his speech, and thought his scheme was one that would result in great success; but that shortly after, an extract from Mr. Blake's speech got there, and the man who was so satisfied that my hon friend's arrangement would be successful, changed his mind as soon as he read that speech, and my hon. friend never saw him again, and the scheme resulted in a failure. Well, my hon. friend's speeches are so important that they had better get him to make a speech on that side, and stay at home themselves. I think this is a humiliating confession. It is a confession he would not make if it were true. But in all seriousness, I think the Government might, at least give the country as much time as they possibly can afford for the consideration of this important question. I do not think the interests of the Syndicate are equal to the interests of this whole Dominion, and the people who have to find the money and the land ought to have an opportunity to thoroughly understand this matter. Besides, the people now know what the Government were willing to do, which they did not know before, therefore I think the subject ought to be commenced *de novo*, so that we might see whether the capitalists of this country would not make a better offer. For these reasons, it is my opinion that the best interests of this country will be served by delaying this matter.

Mr. ROSS (Dundas). I do not rise for the purpose of prolonging this already long debate, but having in a former parliament taken an active part in this great question, I feel called upon to justify my course and give the reasons for the vote I feel it my duty to record on this occasion. When the Pacific Railway question was brought before this House in 1871, it was proposed to construct it as a Government work. I then considered it so far beyond the financial ability of a young country like this, that I thought it would be acting against the best wishes of those who sent me here to give a vote in favor of that plan. I was then opposed to the work, and now I am strongly in favor of it; and as I desire, while a public man, to be consistent, there must be some reason for this change. I then said to my hon. friends whom I was supporting, that if they would adopt the American system of constructing and running this railway by a private company, they would get my support; and other gentlemen expressed the same view. I also voted against the resolution to bring British Columbia into the Union, and in this my hon. friend from Monck (Mr. McCallum) joined me. A resolution was afterwards introduced by the Government, and accepted by the House, that this work should be performed by a private company, and not by the Dominion Government. But that was not sufficient for the Opposition. The leader of the Quebec Liberal party moved to add the words, "and not otherwise." Though that motion was not carried it bound that party to that policy. We all know that a company (Sir Hugh Allan's) was chartered for the purpose of constructing the railway upon the plan agreed upon by Parliament; but it collapsed. When my hon. friend from Lambton (Mr. Mackenzie) was called upon, in 1873, to assume the responsibility of carrying on the Government of this country, with the confidence I had in him as a practical man, a man of strong common sense and great ability, I believed he would strictly carry out what he promised when in Opposition. But I was disappointed. After committing himself to carry out this work by a private company and not otherwise, he declared, in a speech delivered by him after he became leader of the Government, that he believed that was all wrong, and that the Government of the country was the proper body to carry on the work, as he would thereby save to the country the profit that would otherwise go into the pockets of contractors. I believe the hon. gentleman made a great mistake by so acting. In this case we had another illustration of punishment always following error. The member for West Durham should guard against political mistakes. He may be called upon to take a different position in 1883. The new Syndicate, foreshadowed, may be more a Syndicate for 1883 than 1881. If the Opposition want power, and also to retain it, they must adhere to the principles they enunciate out of office. We all know the result of the working of this scheme by the Government. I have felt it my duty to say since my election to this House that it would be better, rather than carry out this scheme as a Government work, to let British Columbia go, and remain out of the Union till we were able, financially, probably with English aid, in order to the building up of a great power, to proceed with it—that till then we should stop all extravagant expenditure in the North-West, and avoid heavy claims for interest or principle. I, therefore, thought it honest to say I could not and would not support such a policy. That policy is changed, and I am glad of it. I approve of the plan, because it is more in accordance with the principles first advocated, namely, construction by a private company, with reasonable land grants and money subsidies. I said that I would heartily support such a scheme and company which we now have got. I believe it is our duty as Canadians to complete this great

work—the scheme of Confederation—by securing a road wholly through Canadian territory. I am sorry to see we are not more unanimous in the House on the subject. In a sense the bargain may be considered rather extravagant. But has it not been stated in and out of the House that we want that country settled, which we can only have by securing a great inlet and outlet? Is the land very valuable? If so, I am glad we have reached a more hopeful mood and prospect in this connection. We have discovered our ability to construct this road without increasing the burdens of the people, as contemplated by the first scheme. One of the strongest points in favor of the bargain is, that some of the members of the Syndicate are owners of the railway in the United States, lying adjacent to our North-West. Instead of apprehending injury from this state of things, I think it will amount, in a business and commercial sense, to the annexation of so much of the United States to our country. Every interest points to it. It is most important we should have the road, no matter what the cost. If necessary at some time to have another outlet from the North-West, for commercial purposes, commercial considerations will furnish it. We have, however, first to complete what we undertook, honestly and honorably, and let the results follow. I believe the Premier, the Minister of Railways and the Minister of Agriculture have, in this matter, done their duty to the country faithfully, and in a way they considered in the public interest. Whether the bargain looks extravagant or not matters little so long as we have the ability to construct the work without increasing the taxation. The Government are entitled to thanks for their action, and I have assurances from both parties in my constituency that their action is approved of. I, therefore, feel it both a pleasure and duty to support this scheme. I must, however, add my opinion that the omission of the word "forever" from the 16th clause would be an improvement. This would remove much dissatisfaction with the scheme on account of that word. I think the Syndicate ought to voluntarily expunge that word. If the country be as good as I believe it will prove to be, and this railway proves a great success, they ought not to ask a standing or position different from their fellow-citizens, but should consent that taxation for the support of the country should rest equally on every man's shoulders, no matter what his position. I am strongly of the opinion that there should be no exemption from taxation in a country like ours. I think that one man should bear equally with another the burdens of our country, and I think the contract is objectionable in the exemptions which it provides. I do not say I cannot support it, but I only ask what is just and fair, and I think both the contracting parties for the sake of Canada should see that that word is obliterated from the contract.

Mr. PATERSON (Brant). I think the First Minister will have seen by this time how factious and obstructive his motion is, and will consent to withdraw it, so that we may proceed with the business of the House, but if he does not consent it will be absolutely necessary to offer another reason or two why his motion should not pass. There are several points upon which I think it is desirable that certain members should be allowed time for consideration. Last night one speaker on this side of the House raised the objection that there really was no resolution or Act of Parliament of this House directing the Ministry to enter into the contract. That, on the contrary, we are flying in the face of an Act of Parliament. The hon. Minister of Railways, in the absence of the First Minister, was asked by what authority he made the bargain. I think that is a question of vital moment at the present time. We want to know whether the document on the Table we are now considering has come before us in a right and legitimate manner. When the Minister of Railways was asked under what Act he consummated the contract, he said under the Act of 1872; but he was told that that Act was repealed. He then mentioned one or two other Acts, and when he was told that they were in direct conflict with this contract he was unable to say anything more. I think hon. members will agree with me that it is an absolute necessity that time enough should be given the Minister of Railways to hunt up the Statute or resolution under which he entered into this contract. The First Minister says that the reason why he asks us to go on with this business, to the exclusion of other business, is that this Company may be in a position to get out their ties. The hon. gentleman has forgotten a remark he made in one of his speeches, but I have not forgotten, because I read the hon. gentleman's speeches, because I like what he says, though I do not always believe it to be true. He told us that he made a bargain in the interest of the country, and that the Syndicate was so persuaded that it was in the interest of the country and not in their own, that they were willing to enter upon the work at once, expend money by the million, and trust to Parliament to ratify the contract. There really is no reason why we should definitely consent to the contract in order to enable the Syndicate to take out a few ties. I could understand why there should be a necessity to go on if, peradventure by our delay, we were endangering the interests of the country. But I have only to remind the First Minister and those of his supporters who may have some misgivings on this point, that we are running no risks whatever; that if the Syndicate should get angry with us and throw up the whole bargain, the country will not be irretrievably ruined, because I have the authority of the First Minister, and the Minister of Railways, speaking only nine months ago in this Chamber, that we could ourselves build and own the road, and have $20,000,000 in pocket beside. The First Minister told us nine months ago that, in ten years, he would have $60,000,000 in the Public Treasury, out of the sale of the lands. The hon. the Minister of Railways said that it would only cost $48,000,000 to build those portions of the railway which the Syndicate is to build, so that we could do all their work and have $20,000,000 cash besides. And, I think the Syndicate have convinced the hon. gentleman, judging by a remark he made, that they were willing to go on and construct the work. What would they lose if they were to throw up the contract? Perhaps it would not be much. Perhaps they are willing to throw it up, because, if we take the estimate of the land, as given by the hon. the First Minister nine months ago, they are only to get $100,000,000 to do the work which would cost $48,000,000. Now, if these gentlemen have only a trifling profit of $52,000,000, really we can quite understand why they should be careless whether or not they should proceed with the work. The matter looks ridiculous. I think the hon. the First Minister should not have proceeded in the way he has proceeded, because he made the initial mistake of keeping back from the Canadian people that he was prepared to receive offers from capitalists for the construction of portions of the railway. I think he will see it to be his duty, instead of still more closely shutting the door, to allow a remedy for the evil he has done. I am not in a position to say if other offers would come in or not. I am simply in the position of the First Minister or any other hon. member who reads the newspapers, and we know that since it was made public that the Government was willing to enter into contracts for the construction of portions of this road capitalists were only too ready to snatch at the opportunity. We know, if public prints are to be believed, that some of the best monied men in this country are ready at a moment's notice to step in with an offer to construct this road with a saving of tens of millions of money to the people of this country, wiping out the exemption and the monopoly clauses.

Mr. KIRKPATRICK. Have they made a money deposit.

Mr. PATERSON. So we are told. I am reciting what the newspapers tell us.

Sir JOHN A. MACDONALD. Hear, hear.

Mr. PATERSON. The hon. the First Minister utters an ironical "hear, hear." They might not be able to do it; but still, there are reports in newspapers that fifteen or twenty excellent names, as far as financial ability is concerned, are upon paper, waiting to build the road, and it certainly behoves the Government not to press this matter forward. It behoves them as custodians of the interests of the Canadian people, as guardians of the country's weal, and of the country's rights to give every opportunity to Canadian capitalists, and other capitalists for that matter, to tender for this work. They cannot constitutionally, they cannot legally, proceed in any other direction. There is an Act in force on the Statute-book that enables the Government to invite tenders for the construction of this work, and it is their duty, and that is the course that should have been pursued, and if they had done so they would have found all the capital required and the work would have gone on.

Mr. KIRKPATRICK. Would it be legal for the Government to accept the tender of the new Syndicate?

Mr. PATERSON. I suppose it would be quite as legal to accept one as the other. I suppose it would have been perfectly legal to have accepted the tender of the new Syndicate if the Government had done what it was their plain duty to have done, viz.: invited tenders, and the tender of the new Syndicate would have come in as a consequence. But we are at this point—and that is the point we should insist upon—we want authority to enter into that contract. If there is no authority, then Parliament has a perfect right—more than that it is the duty of Parliament—to cast it aside, and we can then proceed in a legal manner to ask for tenders, if we want the work to be constructed in that way. It has been thrown at us that, simply because we object to the motion introduced to-day by the hon. the First Minister, a charge of factiousness will lay against us. I think in a rather heated moment the hon. gentleman made that statement. He would not now insist upon it—he cannot do it. The motion so introduced has been used by many of his followers and supporters to give their views on this question. If we were disposed to be factious in regard to this matter, the Committee need not have risen last night, nor for three months. We are but a miserable body in numbers, miserable in intellect from the point of view of some hon. gentlemen; but, few as we are in numbers, shrivelled as, in their estimation, we are in intellect, the First Minister is cognizant of this fact, that the House, being once in Committee on the resolutions, which gave every hon. member the right to speak on them as often as he pleased, we, though few in numbers, and miserable and shrivelled in intellect though we might be, might have kept the House in Committee for three months. If it had been necessary, we might have kept the House in Committee until the parliamentary life of hon. gentlemen opposite terminated, and they had to go before the people, whose opinion they feared. There is no desire to do that. The hon. First Minister did not contemplate doing any arbitrary act at an early hour this morning. He gave notice of a motion for Monday, that the discussion on the railway question shall proceed, day by day, and a charge of factiousness did not lie against the Opposition. When the arrangement was made with the hon. Minister of Railways, with respect to the resolutions passing through Committee on a certain night, it was done by conference with the leader of the Opposition who, I believe, left his place, in order to expedite business, crossed the House and consulted with the Minister of Railways. It would have only been proper that the same act of courtesy should have been returned by the First Minister when he proposed to make the change and ask the House at once to proceed with the railway resolutions. But the hon. gentleman sprung it on the House, and when the member for West Durham, speaking on behalf of private members, who had important business on the paper, endeavored to maintain their rights to have this one day, he was met with the charge of the First Minister, that we shall have to stand the consequences and that some action will be necessary, because we are following the course of the Obstructionists in the Imperial Parliament. No one can believe that. But what we say is this: having got so far in the consideration of this subject, the Opposition giving all the aid they could possibly do, the Government should not press their measure any faster, especially in the light of the revelations made in the public press that if time were given, a short time at that, any number of capitalists would agree to do what the present contractors have agreed to do, and to carry out the work for much less money and a much less land grant, and also without the objectionable clauses in the present contract. We have been told there is no sentiment and feeling in the country against the proposed Syndicate agreement. We have been pointed to meetings held; we have been told that if the leader of the Opposition had met the Minister of Railways on the public platform, the hon. member for West Durham would have been utterly routed and discomfited. It is a difficult matter for some of us to believe that, when we see the leader of the Opposition battling with the Minister of Railways and other Ministers, supported by a vast majority of the members of this House ready to do his bidding and record his wishes, and when we see the hon. member for West Durham not afraid to maintain his views and express opinions adverse to those held by the Minister of Railways—I venture to say if the hon. gentleman with a small following is not afraid to fight the Ministerial body, led by able leaders, none will believe the charge preferred against him, that he is afraid to meet on a public platform any of the hon. gentlemen whom he meets here. I grant that when the hon. member for East York (Mr. Boultbee) says that in the Toronto meeting the leader of the Opposition dared not meet him, there may be some truth in it. But that is not a fair comparison. We can well understand that the leader of the Opposition would shrink from meeting a gentleman of the legal knowledge and the tremendous power of argument possessed by the hon. member for East York; but it does not follow that the leader of the Opposition would not dare to meet the Minister of Railways in fair and open discussion. The Minister of Railways certainly cannot say then any one has been afraid to meet him. We have had meetings in all parts of the country, attended by both Conservatives and Reformers, and what has been the testimony? The hon. member for Cardwell (Mr. White), speaking through the columns of his paper with reference to the Montreal meeting, that has been described as a packed meeting, says that one-half of the meeting, if not more, were Conservatives. Where then was the packing? If there was admission by tickets, it must have been for some other reason than to pack it, and yet resolutions were carried there. Then we are told by the hon. member for Montreal Centre (Mr. Ryan) that the resolutions passed by the Montreal Corn Exchange is entirely devoid of significance. Well, we are hardly able to understand that. We have been accustomed in my part of the country to regard the Montreal Corn Exchange as an influential body of men, a body as well versed in mercantile matters, and in political and in national affairs, as it would be possible to select anywhere in this Dominion. We considered that a resolution adopted by these gentlemen should have some weight. But the member for Montreal Centre tells us it was a very small meeting. The resolution, he says, was only carried by a majority of 42 to 27, out of 400 members belonging to that body. The hon gentleman dwelt upon the fact that there were only 15 of a majority out of 67 present, and that consequently the expression was not worth

much. Well, Sir, if the hon. gentleman will enter into a slight calculation he will find that if you can get a majority of 15 out of 67, if the whole 400 had been there in the same proportion the majority would have been 87. If this meeting had been called to discuss the Pacific Railway Syndicate, if the chairman had been in league with the Opposition, then something might have been said. But what was the reason of the gathering of the Corn Exchange. You can read an account of it in the Montreal papers. It was the annual meeting of the Corn Exchange, the meeting that will always bring together the largest number of men; and after they had discussed all other matters pertaining to their interests, they entered upon the consideration of this Syndicate contract. And one of those gentlemen said that he was so much alarmed at the monopoly clause that he could not feel justified if he did not present a resolution condemning that clause, and calling upon the Ministry to have it taken out of the contract. He further stated that the price of wheat to-day in the North-West is worth 15 cents a bushel less than it is in the neighboring State of Dakota; and why? Because our wheat can only get out over the line controlled by the men who compose the Syndicate, and to whom the Government desire to hand over our Canadian North-West. He said that that was a serious state of affairs that no commercial man, that no patriot who cared for his country, could sit still and see it continued. Therefore it was that he moved this resolution:

"That in the opinion of this Association the contract between the Government of Canada and the Pacific Railway Syndicate should not be ratified unless amended in several important particulars, especially in that which gives the right of constructing railroads and the monopoly of the carrying trade of the North-West for 20 years."

Hon. gentlemen tell us that the country is not aroused; that petitions have not come in here to the extent they should have come; that public opinion has not been found responding to the cry of alarm with which that contract has been greeted. Who is it that scorns public opinion? Why should we be condemned because we called meetings in our own counties to ascertain the sentiments of the people? Where are the Conservative members who called their constituents together, in order to ascertain their opinion? Is it anything to the discredit of Reformers that they have taken the opinion of their constituents on this question, or to the credit of Conservatives, that they have not ascertained the opinion of their constituents? I was under the impression that the hon. member for North Renfrew was an exception, and that he was entitled to great credit for boldness, in that he discharged his duty of calling his constituents together in order to ascertain their views. But I was rather surprised and sorry to hear, on his own account, that to him was not due the credit of that meeting, and that his political opponent had called it, and that he only attended it because he was forced to do so in self-defence. If the public opinion of this country is in favor of this contract, why was not every Conservative member found seeking to elicit that opinion? Not one petition has been laid on the Table of this House praying the Government to construct this work in the manner in which they propose to do it, but there have been dozens of petitions with thousands of names, that might have been swelled to hundreds of thousands, against the proposed Syndicate contract. I sit beside an astute man, a wise man, who, when he speaks knows whereof he speaks—I refer to the hon. member for the County of Ottawa (Mr. Wright)—what was his plaintive moan in the House last night? That if this contract goes through the Conservative party is doomed, political death is theirs. But they are willing to sacrifice themselves for the sake of the loyalty they bear to their chief. If that hon. gentleman spoke the truth, are we not doing a kindness to gentlemen opposite when we endeavor to save them from the impending doom that is coming upon them if they pass this contract? Shall we be charged with factiousness because we are endeavoring to do that? It does not lie in the mouth of hon. gentlemen opposite to make that charge. All we ask is that there shall be ample time given to Canadian capitalists to tender for the construction of this work. We ought not to appeal in vain to the men who made "Canada for the Canadians" their battle cry in 18.8, when we ask them to cast aside their American-German Syndicate and give to Canadian capitalists an opportunity of constructing this great national highway so that it may be run and maintained in the interests of Canada. The Government however, cast aside the offer of capitalists and are now endeavoring to choke off any possibility of an offer on the part of these members, and forcing us to pass the contract entered into with certain gentlemen whose interest lie in the United States almost exclusively, and who, we have the greatest reason to fear, are seeking as one of the advantages to be derived from getting this contract the means of further enriching their American lines. If the First Minister said what was true that this Syndicate were ready to go on and build this work and take the risk of Parliament ratifying it, why the necessity then of going any faster than required to give ample time to the people of the country to understand this contract? If the worst comes to the worst and you say that if the contract is not ratified at once it cannot be completed. No member need hesitate on that point if what the First Minister said nine months ago was true; and who will say it was not true. If what the hon. Minister of Railways said nine months ago was true, we can, should this contract fall through, go on and construct the road as a Government work, as I have said before, without costing us one cent, but put $20,000,000 into the Treasury, and leave us a railway which will not only be run without loss, but pay interest on the cost of construction. There is no reason for this haste. When we look to the circumstances, when we see that everything is to be gained, and nothing possible to be lost by delay, we must conclude, if the Government force a vote on these resolutions, that they have a sinister purpose in view, and that this work in its nature will not bear light. I would say that this motion is extremly factious, that the Government are retarding the legitimate business of the House, that they are injuring public interest, by precluding the possibility of offers being made, which will save this Company millions of dollars in capital and interest, and I would ask them to withdraw this resolution. I would ask the members of this House to speak out frankly, and claim delay of another day or two, and I have reason to believe every member who takes that course will find his justification and reward in the saving of millions of dollars to this country.

Mr. CASGRAIN. Mr. Speaker, I cannot allow the question now before the House to pass without saying a few words. When the iniquity that is in this contract is discovered, I say that is time enough to judge of it, and I say that it is an illegal act added to the illegal acts committed since the Pacific Railway has been a part of the policy of the present Government. This Pacific Railway has been since the beginning, and will be to the end, an apple of discord. We did not wish, on this side of the House, to recriminate in the least. So far, we have abstained from alluding to what the hon. Minister of Railways called penal subjection. For my part, I do not want to submit to what I consider an abuse of the power and the pressure that the Government is trying to bring to bear upon the Opposition. I hold that we have the right to discuss this question at length. We have discussed it in the most parliamentary manner possible on this side of the House; we cannot be accused of having made a single speech to gain time, and now gentlemen on the other side seek to take us by the throat, as it were, and force us to rush through the discussion as rapidly as possible. Well, that system cannot prevail. It may be imposed upon us, but we have the right

to oppose it, and, for my part, I will oppose it with all my might to the end. The hon. member for Frontenac (Mr. Kirkpatrick) has raised a question of law; he asked whether it was legal to admit a new contract, when the Government was already bound, and in asking the question he answered it. I am also going to give my opinion upon this matter. I consider that this contract, if it is placed in the hands of the Government, will be quite as good, if it is approved and ratified, as the one now submitted; one is not more legal than the other, but if one is legal the other must be also. The contract now before the House, being in contravention of a Statute, is absolutely null and void, and the legal consequence is that the present contract will not hold good before the ordinary courts of law. Now, Mr. Speaker, since gentlemen opposite seek to completely invert the order of the business of the House, I say that I am interested in maintaining the Order paper as it now is. I have before the House a Bill to better prevent fraud with respect to expenditure of public moneys. This Bill has a direct bearing on the question now discussed, and will materially affect the contract now before the House, and will have considerable influence on the *personnel* of the Syndicate. When I have the opportunity of bringing this Bill before the House, I shall explain the different clauses affecting the present contract, and that will prevent the renewal of certain subscriptions to a general election fund.

Mr. DESJARDINS. Mr. Speaker, I raise a question of order. The subject that the hon. member for L'Islet is now speaking of does not in any way relate to the motion now made by the hon. leader of the Government.

Mr. CASGRAIN. I shall answer the question of order. The subject I am now speaking of is the question under discussion at the present moment, and it is important that this Bill should pass before the debate on the main motion is continued. We have an interest in its coming in the first place, and the reason I have to give is that we must prevent a great number of abuses that are likely to grow out of the present contract. The Syndicate has powers so enormous that it is not the Government we have before us that governs the country, but the Syndicate that rules the Government; and the reason given by the Prime Minister is that the Syndicate want to get out ties for the road. That is convincing proof that the Government do not enjoy that freedom which they should enjoy to pass this contract. A mere wish on the part of the Syndicate compels them to force the Opposition to remain here, and to sit at undue hours, as it were. I cannot submit without warning my country of what I have before my eyes. This state of things appears to me so extraordinary that I am glad to be able to put on record the declaration that the Government is compelled by the Syndicate to push on this measure. Ministers see in the new contract a sword of Damocles hanging over their heads threatening to prevent them from carrying through the contract they want to carry through. Well, why urge us in this way to adopt this contract, conceived in darkness and hidden in profound obscurity till the last minute, this contract with which the public has been gulled until it was put before this House; of which the seconder of the Address was himself ignorant, so much so that he admitted that it was not at all the one the Government had proposed. There is something rotten in Denmark. I maintain that the Government have not the right thus to cast suspicions on themselves, for our sakes as well as for their friends' sakes. Like the wife of the Roman, they should be above suspicion. I maintain that this conduct on the part of the Government is unworthy, and the people of this Dominion will necessarily see in this contract some iniquity, because they will not be able to understand why the Government proceeds thus in darkness and prevents light from being thrown on the subject. This deed of darkness will have its effect; and I can say in all sincerity and in all truth that this is the most unmistakable proof of the weakness of the Government's cause. The hon. member for Portneuf (Mr. Valleé), with the skill of a lawyer, has arguments cut and dried; his pockets are full of them; now he takes one from his right hand pocket, now one from the left hand, according to his requirements. He stated that at a meeting held at Quebec by the Liberals, resolutions had been passed by people that were entirely ignorant of the contract, whilst his friends on the other side of the House maintain strenuously that the whole country is acquainted with the contract. In presence of such arguments whom are we to believe? Is it the member for Portneuf of yesterday, or the member for Portneuf of to-day. When we see our opponents thus contradict one another, what are we to conclude?

Mr. LANDRY. Nothing at all.

Mr. CASGRAIN. True enough, nothing at all, as my hon. friend on the other side says. Well, I say that the Government gives no reason whatever for urging the passing of this contract; they only give a mere desire on the part of the contractors to secure railway ties, and I say that this reason is absolutely futile, entirely illusory, and there is no sensible man who would pay any attention to it. But there must be some kind of a reason, and this reason, it is painful for me to mention it, but I am obliged to do so, for it is in the people's mind. My intention is not to wound any one, but I say that the example of the past should be a warning for the future. What has happened with respect to this same Pacific Railway may well happen again. I say that the people, in spite of themselves, and with the best possible intentions, cannot but suspect there is something ill-omened, something sinister in the conduct of the Government since the 9th of December, 1880. I say that it is useless for these gentlemen to try to dispel this cloud from the public mind; they will only be able to do so with great difficulty. They will not redeem themselves, as they did in 1878. I do not say that the same things will be repeated, but that they open the door to legitimate suspicion, and that in the interest of the country, in the interest of our public men, in the interest of the independent and honest men of the country, we have the right to protest; we are justified in asking that the Government should be above suspicion. Gentlemen, why do you not follow the motto of one of your colleagues who is no more: *Franc et sans dol.* I do not mean to say that he always followed it himself; he committed faults like others, and if hon. gentlemen who interrupt me want to compel me to mention them I will do so. Mr. Speaker, there was in this country a man who had shone, in his day, with great splendor, who was a remarkable political personage. The first part of his career was not as fortunate as the middle part, but perhaps more fortunate than the latter part. Nevertheless, to begin his career he found nothing better to do than to take part in what is called a little revolutionary movement.

Mr. VALLÉE. I call the hon. member to order, for he is entirely outside of the point at issue. The hon. member for the county of L'Islet is referring to a revolutionary movement which took place in this country. This has no connection whatever with the question before the House.

Mr. SPEAKER. I do not see how the hon. member for L'Islet can connect the revolution of 1837 with the question now before the House, and I declare the hon. member out of order.

Mr. CASGRAIN. Sir, I bow to your good judgment, and I will state as a justification for what I was going to say, that hon. gentlemen provoked me to say things that are probably not agreeable to these gentlemen, nor agreeable for me, in order to prevent me from speaking. But the opportunity will be afforded me perhaps before this House in Committee of the Whole of giving them a sample of what they want to know.

Mr. LANDRY. Mr. Speaker, in rising to reply to the hon. member for L'Islet (Mr. Casgrain), I must remark that for a long time past people were enquiring what had become of the leader of the Liberal party in the Province of Quebec; for a long time past people were wondering what had become of this star.

Mr. CASGRAIN. Mr. Speaker, I ask permission to be heard on a question of order.

Mr. SPEAKER. The hon. member for L'Islet has the right to be heard on a question of order.

Mr. CASGRAIN. I want to explain why I left my seat. I left it merely to get a glass of water; I had asked a little page to bring me one, and as he delayed, I went and got it myself. No one will say that I left my seat when I only went to get some water.

Mr. LANDRY. The hon. gentleman admits that he left his seat to get some water.

Mr. CASGRAIN. I have the right to speak from no matter what part of the House. I have even the right to speak from the gallery if I chose.

Mr. SPEAKER. No. If the hon. member will allow me, I will read the rule:

"Any member wishing to speak, must do so from his seat, and address, uncovered, the Speaker."

The hon. member, having left his seat, has lost the floor.

Mr. LANDRY. For some time past, people were anxiously enquiring what had become of the hon. member for L'Islet; for some time past, people were anxious to discover what had become of that star, I do not say of the first magnitude, but, at any rate, that star that shone so resplendent in the Liberal heavens. The important questions of the country have been discussed, and the hon. member's lips have remained as silent as the grave. In Quebec, Sir, there has been held one of those mass meetings which the Liberal party conjured up in different parts of the country, and what did the hon. member for L'Islet (Mr. Casgrain) do there? He came forward, as he does to-day, as the leader of his party, and this assumption on his part was sufficient to empty the hall of three-fourths of those who had come. Upon seeing the disastrous result of his utterances to the public, the speaker changed his tactics. He closed his lips, but grasped his valiant pen, and—oh wonderful production!—he brought forth that precious manifesto which is a glory that is to eclipse all other glories and illuminate even the bed of the River St. Lawrence. He brings forth this manifesto whilst we thought he was resting, whilst we imagined that he was absorbed by his studies and that, similar to an anchorite, he was praying heaven from the depths of his soul to preserve its people. He brought forth in the sweat of labor, and such a sweat!—that child, that simple sheet that was being distributed, it is true, by thousands throughout the country. Here, Sir, is the child of his patriotic pains; I hold it in my hand. What name shall be given to it? It is not yet known who is the good woman who is to carry it to the baptismal font; it is not yet known who is to be the godfather of this, I won't say scientific, but at any rate natural document. Here, Sir, is the child of his pains. See the joy of that fatherhood which to-day shows itself to the House in a document that cannot be enough appreciated. He speaks to the free and independent electors of the county of L'Islet: "You remember," he says, "the Pacific contract with Sir Hugh Allan"—perhaps they do not remember it, but it is a polite fashion of telling them that they ought to remember it—"well, here is a new contract made by the same Ministers." What says the hon. President of the Council to this; what the hon. Minister of Militia, neither of whom were at that time in the Cabinet; but whom the hon. member includes in the same perfidious accusation? "I at once caused it to be distributed as much as I could in the county, so that the people might become acquainted with it." Let us admire the paternal solicitude of the hon. member for L'Islet, who circulates thousands of specimens of his child in the county of L'Islet! "And," he goes on to say, "I have caused it to be largely circulated, so that the whole population, not only that of the county of L'Islet, but the whole population should become acquainted with it." It is time to say with the French poet:

"Cieux, écoutez sa voix, Terre prête l'oreille.
Ne dis plus, O! L'Islet, que ton membre sommeille,
Conservateurs fuyez! P. Casgrain se réveille."

I will not, Sir, take up everything which the hon. member for L'Islet has just said in his speech. He made a pitifully weak speech yesterday, but to-day he seems to have mustered some strength. Whence, must I ask, has he derived this seeming new vigor to-night? Has he returned from a dinner party? Has he met some illustrious person? Whence did he get his stimulus? Has he met on his road the child to which he has just given birth? Has he derived from his paternal caresses a strength which he had not yesterday? To use his own expression, "there is something more behind." Well, Sir, I cannot help expressing my unbounded admiration for the poignant grief which he brings even into this House. His first words are these: "These men take me by the throat, to stab me in the back." What a picture, Sir, is that of a man who takes his adversary by the throat to stab him in the back! With so lively an imagination, with talents so well known and made such good use of, I must, in all sincerity, admit that the Liberal party did well to call the hon. member for L'Islet to the rescue. When a battle commences, the vanguard commences fire; but there comes a time when the general calls up fresh troops, and these troops break through the enemy's ranks; thus, Sir, did we call the hon. member for L'Islet to the rescue; he came and brandished his dagger, shouldered his musket, he did more, he found adversaries who took him by the throat, whilst at the same time they stabbed him in the back. Another discovery made by the hon. member for L'Islet, is, he pretends that he has on the Orders of the Day a motion, the gentlest, the prettiest, the most paternal of motions, and that had the hon. Premier not brought in a fallacious amendment, he, the member for L'Islet could have exhibited the noble Bill which he also brought forth perhaps previous to the time when he took the opportunity of sending forth his manifesto to his electors. But, Sir, he forgot one thing, and he would not have made such a mistake if he had looked over the various paragraphs entered on the Orders of the Day; he forgot that he was related to his Bill five degrees removed, because his Bill is No. 5 on the Orders of the Day; and even had not the hon. leader of the Government presented his amendment, the hon. member for L'Islet would not have had the chance of bringing forward first the Bill about which he talks so much to-day. And what has he to say about his proposed Bill? He says that he framed it with the sole object of protecting the people against men who extorted considerable sums of money in 1873. He says that he framed it to secure the people against certain subscriptions that were made towards election funds. Sir, the hon. member should be the last to complain of subscriptions made towards election funds. He knows himself that in 1872, when he abandoned a lucrative situation in Quebec and solicited the votes of the electors of L'Islet, he only did so and could only do so because he depended on a certain election fund. I have seen the hon. member come on a certain day to oppose me in the county of Montmagny, and the only trace he left of his visit to my county was a promise of corruption, that of offering $30 to an elector to secure his adherence to the Liberal party. And to-day, the hon. member holds over our heads that famous sword of Damocles which he is so fond of invoking, and which he

likes to keep suspended over the heads of the Ministry. Last night the hon. member revelled in another figure of speech; it was no longer the sword that was suspended over our heads, but he asked for the lantern of Diogenes to look into our consciences and find there, what?—those convictions which science lacks. The member for L'Islet adds that the present contract has been conceived in the dark, that it is not desirable to show it in broad daylight. If the hon. member would only remove, I will not say the bandage from his eyes, but the spectacles which he generally puts on, when he wishes to examine something closely, he would see that the contract was not conceived in the dark. But, Sir, had even this contract been conceived in the dark, there would be nothing extraordinary in this conception, and the hon. member for L'Islet should be the first to find that this was the most natural of conceptions, if he considers that he and his party have scattered broadcast the densest darkness; it is probable for that, instead of treating the question seriously, instead of looking at it in its true aspect and of saying why he wishes to register his vote against the measure, he has incidentally attacked the hon. member for Portneuf (Mr. Vallée), saying with regard to him—I do not remember his expressions exactly, but the subject was about "the arguments he kept in his pocket," and these expressions remind me of the proverb: "the barrel always smells of its contents." After having heard all the speeches of the hon. member for L'Islet, and especially that one of last night and that of to-day, we are still in the dark as to why the hon. gentleman really intends voting against the contract. Really, Sir, I agree with him on that point; I cannot find any, and he has no doubt been unable to give us one, as none existed. If you will, Sir, excuse this somewhat rapid digression, I can explain why the hon. member is so prodigal of himself. The hon. member for L'Islet was called upon to speak at that famous meeting held in Quebec, where the Liberal party tried to get the public to condemn the Pacific contract. What did the hon. member say? If the chronicles are consulted, one does not find any of the reasons that the hon. member may have adduced. The other day, *L'Electeur*, the accredited organ of the Liberal party in Quebec, gave an account of the meeting, and I do not know why, but it did not even mention that the hon. member had spoken. And when the hon. member for Bellechasse (Mr. LaRue) rose the other day and pronounced in this House the eulogium of the leader of the Liberal party in the Province of Quebec, he committed the same omission, and whilst lauding the talents of the hon. member for Quebec East (Mr. Laurier) and those of the hon. Senator Pelletier, he quite forgot the hon. member for L'Islet. With the French poet I enquire:

> "Comment en un vil plomb l'or pur s'est-il changé!
> Quel est dans ce saint lieu ce pontife égorgé?"

It is for that that the hon. member tries to-day to make good the failings of his own friends; and although he emphatically declares that it is not his intention to speak against time, nevertheless his speech amounts to that. Why did the hon. member, since he is so certain of his facts, not take the train for L'Islet, where his free and independent electors are? Why did he not hold a meeting in his own county, when he could with the authority of his words and with the simple eloquence of his hands condemn all these transactions, which, at the very least, he to-day characterizes as malevolent? Why did he not call together those who have confided their interests to him, who elected him and who sent him to the House? Why did he not say there, in public, before his friends as before his foes, that he would vote against the Pacific for such or such reasons? No, Sir; he preferred to sit in the solitude of his study, perhaps in the solitude of his library, perhaps in some other place that I don't know—or, to use his own expressions, he preferred to conceive and bring forth that child of his patriotic labor, and to send to the electors of the county of L'Islet that production of his literary and political genius. Just now, Sir, I did not give you all the qualities of the child of the hon. member for L'Islet. I did not tell you that at its birth it had 24 teeth. Yes, Sir, it has 13 upper and 11 lower teeth. This is perhaps an anomaly, but at any rate it is the fault of the hon. member for L'Islet. If one looks through this document, which he has given to the public, and which, in his humble opinion, is destined to produce a torrent that will sweep away the Conservative Government, there is no doubt that one sees at once that he has forgotten to read the contract before him; and on simply reading the twenty-four reasons that he gives to explain his vote, one finds that he has not the first notion of the subject that he wishes to treat. His twenty-four reasons might have been summed up in one, and the hon. member might simply have said: "I vote against the contract because, in my opinion, I find it ruinous for the country." If he had said that, Sir, and proven it, then the electors of the County of L'Islet would have been proud of their member, and they would have had nothing else to think of but to return him at the next General Election. I have not the intention of going through the whole of that document; I will content myself with quoting one of the reasons:

> "2. Because the Government has refused to produce all the other offers, tenders for, or correspondence relating to, the construction of the road."

Well, Sir, the contract which we have before us to-day, is it good or bad? If it is good, why does the hon. member for L'Islet not vote for it? If it is bad, I understand that his patriotism and his conscience should make it an imperious duty for him to vote against it. But to conclude that a contract is bad because the Government has refused to produce the other tenders, is an incomprehensible conclusion for any mortal to come to, incomprehensible in the case of any lawyer, and especially incomprehensible in the case of a man who is "the member for L'Islet," and the "leader of the Liberal party in the Province of Quebec." I think, Sir, I have said enough to reduce to nothing the pretensions of the hon. member for L'Islet. At any rate, if I have not said enough, I am afraid the hon. member for L'Islet is persuaded that I have said too much.

Mr. CASGRAIN. Not a bit.

Mr. LANDRY. Well then, he is nevertheless convinced, if he is not persuaded, and persuasion soon follows conviction. In closing, the hon. member asks his people, for the hon. member sets himself forth as a judge of Israel, as a patriarch of the olden times, he asks his people to petition His Excellency the Governor-General and the two Houses, in order to avoid the consequences of a contract which, when once it has been sanctioned, will be irreparable; and the hon. member signs: "P. B. Casgrain, member for the county of L'Islet." The date of the birth of this child is not given. The place is known,—'tis Ottawa; the month is known,—'tis January; the year is 1881. But the day remains a profound mystery. The light is still under the bushel.

Mr. MACDONELL (Lanark). When we consider how serious a matter this question is, when we consider for one moment the serious consequences that may result from it, and when we consider how impatient this country is waiting to hear the votes of the people on this motion, the members of this House should uphold the rights of their constituents to have an opportunity of pronouncing their opinion on this question. There has been a taunt thrown against the Opposition that they are obstructionists. I believe that three-fourths of the people have not a correct idea of this contract, which requires legal gentlemen to construe it properly. We have been told that this question has been under consideration for ten years. I remember when a young man studying the question that was under consideration ten years ago. We remember the terms of the last contract—$30,000,000 and 50,000,000 acres of land. We remember

the strong opposition that was given to it in this House. The terms of that contract were not vague and indefinite as those embodied in this contract, nor did they contain the exemptions and conditions of this agreement. It simply said that $30,000,000 and 50,000,000 acres of land would be given to build this railroad. I can conceive the people understanding that contract, but this contract contains terms and conditions which make it entirely different from the previous one. When the right hon. Premier and the hon. Minister of Rail ways held out to their followers that we were going to have a railroad without costing the country a cent, every lover of his country, irrespective of his politics, rejoiced at that announcement and no one would have given them more hearty support than I. I regret the right hon. gentleman did not tell the people the true meaning of the contract, that the Ministers so far forgot the duty they owed to this country, that they only told the people the most favorable part of this contract, and allowed the people to suppose the rest was just as favorable. What prevented the right hon. Minister telling the people the whole contract and everything connected with it. If he had, the people would have been in a position to judge fairly and squarely its merits. The people of this country and the followers of hon. gentlemen opposite, would then have been in a position to urge their objections to this contract. But, Sir, I regret exceedingly that that course was not taken. I remember being in London two years ago when Earl Beaconsfield came back from Berlin, when the people gave him ovation after ovation; there was no more popular man in England than Earl Beaconsfield at that time. Did he conceal the terms of the treaty he had made on behalf of England? Are we a greater nation than England? Is there anything in this contract of greater importance than the treaty with which Earl Beaconsfield was entrusted. Why, I believe, if these hon. gentlemen dared in any European country to tell the people one part of a contract and not the whole, there would be a revolution. Probably hon. gentlemen have reasons for their course which they have not expressed to us. If their reason is, that it would be compromising to the Syndicate, I believe the people of this country will judge whether that is a valid reason or not. When they tell us that the people know the terms of this contract, I beg to differ from them. When we heard the hon. member for Provencher (Mr. Royal) the other night taking a position contrary to that taken by the Legislature of Manitoba, we must consider that the Legislature of Manitoba does not understand this contract.

Mr. ROYAL. Hear, hear.

Mr. MACDONELL. Now the hon. gentleman reiterates that statement. I always had the opinion that the members of the Manitoba Legislature were reading and intelligent men, and I believed from my personal acquaintance with gentlemen in that Legislature that they could give a legal interpretation to that contract. But I regret to learn from my hon. friend that they have altogether misconstrued this contract. If the people of Manitoba, who are most directly interested in this contract, do not understand it, what is the inference? The inference is that the people of this country from one end to the other do not understand it. Is that not a sufficient reason why we should delay its consideration for some time longer? Now, let us see what the people of Manitoba think of this contract. They are in political sympathy with hon. gentlemen opposite, and I believe if they could do anything to assist them politically they would be most willing to do it. When we see them doing everything they can to further the interests of hon. gentlemen opposite, when we see them sending almost a solid phalanx to support hon. gentlemen opposite, we can judge whether their motive in opposing this contract was patriotic or not. I believe the people of Manitoba were acting in their own interest in passing the resolutions which they did on the 27th of December, as follows:—

"Whereas an agreement has been entered into by the Government and certain capitalists to build the Canadian Pacific Railway upon certain terms and conditions which have been submitted to Parliament for ratification, and, whereas the people of Manitoba and the North-West are deeply interested in this subject and the stipulations entered into, the citizens of Winnipeg, therefore, in mass meeting assembled, do endorse the action of the Dominion Government by entering into a contract with private parties for the construction of the Canadian Pacific Railway, and while we believe that it is to the interest of this country and the Dominion to establish railway connection with Ontario and other eastern Provinces through Canadian territory at the earliest possible time, yet we view with apprehension the powers proposed to be vested in the Company as to the location of branch lines and their power of running their lines to any point on the international boundary, and that it is the opinion of this meeting that no branch line should be run nearer the boundary line than fifteen miles until the eastern section is completed.

"That the unlimited power proposed to be given to the Canadian Pacific Railway to build branch lines of railway from the main line to any point in the Dominion, without the consent or control of Parliament or the Executive, affords an unfair and unjust advantage over other companies, and will tend to prevent the formation of new companies to build lines connecting with the Canadian Pacific Railway or any portion of the North-West Territories, and will thereby paralyze private enterprise and prove disastrous to the best interests of the country.

"That in the opinion of this meeting a tariff of railway rates cannot be efficiently regulated without the Government retaining the power to grant charters eastward, giving independent outlets to competing lines, and that the Parliament of Canada should not by any agreement with a private company divest itself of its sovereign right to authorize the construction of any railway lines when and where it may consider the interests or necessities of the country require or will be served by them."

There is no uncertain sound about these resolutions; there is nothing vague about them; and hon. gentlemen can have no doubt about their meaning. The people of the North-West may have misconstrued the contract. I have a letter from one of my former constituents, now residing in Rapid City, stating that it had passed resolutions condemning this contract. Probably the member for Provencher may say its citizens are not intelligent. But the portion from my constituency are an intelligent and reading people. Indeed, I am sorry we have lost so many of them. I regret the hon. gentleman did not take the pains to visit his constituents and learn their sentiments on this question. If the people of this country understand this contract, it is only from a party standpoint. The speech of the Minister of Railways has been circulated among them, but the people, being readers, desire to know both sides of the question without which they cannot form a safe opinion as to the merits of the question. The people ask delay, and why should we not give it to them to enable them to study and understand this contract? As the Canada Central Railway—now part of the Canadian Pacific Railway—passes through my county, I may be said to have an interest in it. This county has given $300,000 to the Canada Central Railway. I consulted the opinions of my constituents on this question, going to the Conservative end of the riding and town that gave a strong majority against me at the last election, and which never gave a Reform majority. If I could take its expression of opinion as a fair index of the sentiment along the route of the Canada Central, I would be satisfied in saying the people of the whole Ottawa valley are strongly against this contract. After a fair and full discussion, the people, by a majority of two to one, pronounced against the contract. There was no uncertain sound about that decision, notwithstanding the taunts from Ministerial members that the political meetings held by the Opposition were not successful. If hon. gentlemen on this side are sincere in their protests against the contract; if we are to believe what the member for Ottawa (Mr. Wright) said the other evening, that it would be the death of the Conservative party, is it not right the Government should take warning, and give some consideration to the popular feeling? Hon. gentlemen opposite a few years ago, felt the popular pulse and tested the popular feeling and we knew the result. Are Ministers now going to turn their backs on the people who placed them in power? I do not believe

the people ask who are in power, but whether the affairs of the country are economically and honestly carried on. I believe the people will cast party aside in this matter. I regret that hon. gentlemen opposite are truer to their party lines than to their country's interests. I hope party ties may be cast aside, and that hon. gentlemen may vote on this question on its merits simply. If so, I dare say a different contract will be proposed and accepted. We hear a new Syndicate is being formed. If that be so, are we not proceeding with undue haste? If we are likely to get a better offer, are we acting in the public interest to accept the present? I think Ministers should pause to see whether there be any truth in the rumor that a new proposition will be laid on the Table of the House. I do not think they would sacrifice fifteen or twenty millions of the people's money simply to award the present contract. They may say the new contract is a bogus one; but let us investigate the matter, and see whether the parties are competent to execute their offer. Let us advertise for tenders. What is the necessity for this precipitate haste? A year ago hon. gentlemen opposite stated they would construct this as a Government work. If they had the ability then, they have it now. I do not believe emigrants are waiting at Quebec or in England just now to be taken to the North-West. If they were, there might be some need of this railway. At present we have more railroads constructed than in 1879. I can, therefore, see no reason why, under present circumstances, this contract should be signed instanter. It is said the Syndicate may require ties and may have to locate the road before they begin their work. These are not sufficient reasons for undue haste. They may also require emigrants to settle along the line, but they are not likely to have any to send forward before June or July next. I suppose June or July is quite sufficient time for it, so I do not see the necessity for such great haste under the circumstances. When we conceive that the Government did not bring this contract down until two or three days after Parliament met, and that they had no direct authority to enter into the contract, I think that delay should be allowed. If the Government do delay, and if they should receive a better offer, every hon. member in this House will, I am sure, give them his hearty support in carrying it out. Hon. gentlemen on this side will be quite prepared to sink their party allegiance and do all they can to render this great national work successful. I do not believe that the country care very much which party carries out this great undertaking, so long as it is done cheaply and economically; and, if the Government would only delay a few days until we get this other offer—if another is to be submitted—they will receive the thanks of the country, and many of their misdeeds will be forgiven, and, perhaps, forgotten. For the reasons I have stated I move that the House do now adjourn.

House divided on the motion: "That this House do now adjourn."

Motion negatived on the following division:—

YEAS:

Messieurs

Anglin,	Gillies,	Paterson (Brant),
Bain,	Gillmor,	Pickard,
Bechard,	Glen,	Rinfret,
Blake,	Gunn,	Robertson (Shelburne)
Borden,	Guthrie,	Rogers,
Bourassa	Holton,	Ross (Middlesex),
Burpee (St. John),	Killam,	Rymal,
Burpee (Sunbury),	King,	Scriver,
Cameron (Huron),	LaRue	Skinner,
Cartwright,	Laurier,	Smith,
Casey,	Macdonell (Lanark),	Sutherland,
Casgrain,	Mackenzie,	Thompson,
Charlton,	McIsaac,	Trow,
Dumont,	Malouin,	Weldon,
Fiset,	Mills,	Wheeler,
Fleming	Olivier,	Wiser—49.
Geoffrion,		

Mr. MACDONELL (Lanark).

NAYS:

Messieurs

Allison,	Gigault,	Mongenais,
Arkell,	Girouard (Jacq. Cartier),	Mousseau,
Beaty,	Girouard (Kent),	Muttart,
Beauchesne,	Grandbois,	O'Connor,
Benoit,	Hackett,	Ogden,
Bergeron,	Haggart,	Orton,
Bergin,	Hay,	Ouimet,
Bill,	Hesson,	Patterson (Essex),
Bolduc,	Hilliard,	Perrault,
Boultbee,	Hooper,	Pinsonneault,
Bourbeau,	Houde,	Platt,
Bowell,	Hurteau,	Plumb,
Brecken,	Ives,	Pope (Compton),
Brooks,	Jones,	Pope (Queen's),
Bunster,	Kaulbach,	Poupore,
Bunting,	Keeler,	Richey,
Burnham,	Kilvert,	Robertson (Hamilton),
Cameron (Victoria),	Kirkpatrick,	Rochester,
Carling,	Kranz,	Ross (Dundas),
Caron,	Landry,	Rouleau,
Colby,	Lane,	Routhier,
Connell,	Langevin,	Royal,
Costigan,	Lantier,	Ryan (Montreal),
Coughlin,	Little,	Rykert,
Coupal,	Longley,	Scott,
Coursol,	Macdonald (Kings)	Shaw,
Currier,	Macdonald (Sir John)	Sproule,
Cuthbert,	McDonald (Cape Breton)	Stephenson,
Daly,	McDonald (Pictou),	Strange,
Daoust,	Macmillan,	Tassé,
Dawson,	McCallum,	Tellier,
Desaulniers,	McConville,	Tilley,
Desjardins,	McCuaig,	Tupper,
Domville,	McGreevy,	Valin,
Doull,	McInnes,	Vallée,
Drew,	McKay,	Vanasse,
Dugas,	McLennan,	Wade,
Elliott,	McQuade,	Wallace (Norfolk),
Farrow,	McRory,	Wallace (York),
Ferguson,	Manson,	White (Cardwell),
Fitzsimmons,	Masson,	White (Hastings),
Fortin,	Massue,	White (Renfrew),
Fulton,	Merner,	Williams,
Gault,	Methot,	Wright—132.

PAIRS.

MINISTERIAL.		OPPOSITION.
Baker,	and	Huntington,
Jackson,	"	Brown,
Cimon,	"	Cockburn (Muskoka).

Sir CHARLES TUPPER moved the adjournment of the debate.

Motion agreed to; and (at 1:25 o'clock, a.m.,) the House adjourned.

HOUSE OF COMMONS,

FRIDAY, 14th January, 1881.

The SPEAKER took the Chair at Three o'clock.

PRAYERS.

PETITIONS FOR PRIVATE BILLS.

Mr. DREW moved that the time for receiving petitions for Private Bills be further extended to 1st February.

Mr. BLAKE. Would the hon. gentleman say whether, from enquiries or sources of information, the Committee on Standing Orders are enabled to judge that the proposed extension is necessary, and that there are a large number of petitions to be presented which have not yet been presented.

Mr. DREW. Yes. From the notices there are about sixty petitions which have appeared in the *Gazette*, and will likely be presented. Those which have yet to come in will probably not be received before the end of January.

Motion agreed to.

BILLS INTRODUCED.

The following Bills were severally introduced and read the first time:—

Bill (No. 24) respecting the Berlin and Galt Branch of the Grand Trunk Railway Company of Canada.—(Mr. Kirkpatrick.)

Bill (No. 25) respecting the Ontario and Pacific Junction Railway Company.—(Mr. Williams.)

PROPOSALS BY ANOTHER SYNDICATE.

Mr. BLAKE. Before the Government Notices of Motions are called, I desire to enquire whether the Government will at once lay on the Table the proposal for the construction and operation of the Pacific Railway which was received by the hon. Minister of Railways to-day; and whether they would, if they are not prepared at once to lay it on the Table, adjourn the discussion on the motion for concurrence in the resolutions until they do lay it on the Table.

Sir CHARLES TUPPER. I beg to say, in reply to the hon. gentleman, that just before this meeting of the House, since two o'clock, I had placed in my hands a paper purporting to be a tender for the construction of the Canadian Pacific Railway. I have not had time even to read the document up to the present time, and it is quite impossible to say what course will be taken until I have an opportunity of reading it. In the meantime we propose to go on with the discussion as before.

PRECEDENCE OF GOVERNMENT BUSINESS.

Sir JOHN A. MACDONALD moved that from this day the motion for concurrence in the resolutions reported from the Committee of the Whole House relating to the Canadian Pacific Railway shall have precedence every day, next after Routine Proceedings.

Mr. BLAKE. Mr. Speaker, of course, Sir, this motion is unnecessary for this day because this is a Government day. The Government have the right in the regular order to proceed with the consideration of the question to-day—in fact, I see it stands first in the Orders of the Day—and the motion will only be applicable for future days in its practicable operation. Had it been proposed to deviate from the accustomed procedure of the House to-day I should have opposed any interruption in the regular course, even on the ground of the announcement made by the Minister of Railways above; but of course we must deal with that subject when the Government comes as it will, presently come in the course of the procedure of the House, to the motion for concurrence. With regard to the proposal in its future effect, I have to say, in the first place, that I observe the hon. gentleman, I hope not intentionally, has departed from the slight concession he made to us a while ago. I hope it is not his intention to recall that concession, under which we are enabled to ask questions before the House went into Committee on the railway resolutions. I do not see why we should not be allowed to ask questions before the resolutions are taken up.

Sir JOHN A. MACDONALD. I do not intend to deprive the hon. gentleman of the right to ask questions.

Mr. BLAKE. I understand, then, that the motion will be modified, as was the former one. On receiving that assurance I do not intend to trouble the House with any repetition of the arguments I formerly advanced. I will merely say that in my opinion those arguments, valid then, have been intensified and made much more forcible by subsequent proceedings and by the present position of this business. I do not doubt that the House, whatever it may do at the critical stage at which we shall have to decide on the merits of this measure, will be disposed to support the hon. gentleman in his proposal now before it; and, therefore, I will not trouble the House with discussion; but I record by speech, as I did on a former occasion, and for the same reasons, accentuated as they have been by subsequent events, my protest and dissent from this mode of expediting this business.

Motion agreed to on division.

QUESTION OF PRIVILEGE.

Mr. PATTERSON (Essex). Mr. Speaker, before the Orders of the Day are called I wish to correct a remark which is attributed to me in the rough draft of the *Hansard*. I would not have thought it of sufficient importance to direct attention to this trifling matter were it not that it has formed the basis of a jest on the part of the hon. member for Lambton (Mr. Mackenzie), and my literary friend from Ottawa County. It was very unkind of my hon. friend from Lambton, in the interests of domestic peace, to have referred to this clerical error on the part of the printers. I have not the honor of the acquaintance, in private life, of the hon. member for West Durham (Mr. Blake), and of the hon. and gallant knight for Centre Huron. I have never had an opportunity of examining their phrenological development; I have no knowledge of their private life or habits either at the seat of Government or elsewhere, and if I had it would have been most unparliamentary on my part to have called attention to it. I am credited with calling these hon. gentlemen "amative Radicals;" the words I used were "amateur Radicals." What I said in regard to those gentlemen applies more to the hon. member for Centre Huron than to the hon. member for West Durham. The hon. gentlemen may be amative, and it is creditable to them if they are, because unless a man is amative he does not amount to much. However, I do not intend to discuss the subject, but in the interest of domestic peace, publicity having been given to that epithet by the hon. members for Lambton and Ottawa county, I venture to rise in my place and disclaim any intention of applying such epithet to the hon. gentlemen. I think they have sufficient crumpled rose leaves in their political couch without adding anything which might tend in any way to disturb their domestic felicity.

Mr. LANDRY. Before the Orders of the Day are called, I wish to draw the attention of the House to an article that appeared in a paper this morning, and which reads as follows:

"*The bleu leader.*—A SCENE.

"Mr. Casgrain spoke in French. The dose proved too much even for so patient a knight as Sir Richard Cartwright, who appeared to sleep soundly, while his leader seemed to enjoy the fun which was general while Mr. Casgrain labored with his oration. Sir Richard woke up during the remarks of the Speaker, calling the hon. gentleman's attention to the fact that he was not discussing the motion before the House, but finding the *Bleu leader still* at it he again leaned forward on his desk, and soon became oblivious to his surroundings—but only for a few minutes, for he soon looked up again, and, taking his hat in hand, left the Chamber, leaving Mr. Casgrain to continue his contributions to the mental delectation of his highly amused audience."

And further on it is stated:

"A certain amount of mischievous satisfaction was displayed on both sides at the sudden collapse of the *Bleu leader's* harangue."

Mr. Speaker, I do not think that when the hon. member for L'Islet assumed the attitude of leader, it was not as the *bleu* leader, that is to say, the leader of the Conservative party. I consider the paper is entirely wrong when it represents him under this color. On hearing this article read, the hon. member for L'Islet may well repeat with the poet:

"Vous me donnez des noms qui doivent me surprendre;
Messieurs, on ne m'a pas instruit à les entendre.
Et les dieux contre moi, dès longtemps indignés,
A mes oreilles encor les avaient épargnés."

I protest, therefore, against this name, and I draw your attention, Mr. Speaker, and the attention of this House, to this epithet that does not at all apply to the hon. member

for L'Islet. In the interests of the party, of our party especially, I request that this name be not applied to the hon. member for L'Islet, and I hope that the paper which has thus led the public astray will make a rectification. It is known that this paper represents here the Conservative party, and it has probably taken a dislike to the hon. member for L'Islet, and I will add with the poet:

"Sa fureur de sang avide
Poursuit partout l'innocent."

But, addressing hon. Ministers and you, Mr. Speaker, I would say:

"Rois, prenez soin de l'absent
Contre sa langue homicide."

Mr. BLAKE. I understand the hon. gentleman to be engaged in calling attention to some error in the report. He has no right, however, to make a speech.

Mr. SPEAKER. The hon. member, I understand, protested against the hon. member for L'Islet being called the leader of the *Bleu* party. He was perfectly right so far, but it was irregular on his part to provoke a discussion.

CANADIAN PACIFIC RAILWAY.

Sir CHARLES TUPPER moved that the first resolution be now read a second time.

Mr. ROBERTSON (Shelburne). For days past Parliament has been engaged in a discussion on the contract now before the House, the terms of which have not been defended by any members of the Adminstration or their supporters. Since the day the terms of this contract were made known, it has been met with a storm of opposition. Commencing in the Government caucus room, it was re-echoed from the editorial chair of the Ottawa *Citizen*, and we have since witnessed an uprising against the terms throughout the length and breadth of the Dominion which has no parallel in the history of this country. For the past few days this contract has been submitted to searching criticism at the hands of Parliament and the press of the country, and the enormous concessions proposed to be given in that contract to the Syndicate, have attracted the attention of capitalists in the Dominion. We have the announcement made in this House, this afternoon, that the Government have received a proposal from other gentlemen for the construction of the Pacific Railway. We have no information as to the terms of that proposal. We simply depend on the rumors which have been circulated in the corridors of this House and the press during the past few days. One reason given why this contract should be hurried through was, that no matter what monopolies were created, and what the cost was to the country, it was the very best offer that could be obtained. Now, we are asked to concur in the report of the Committee. I think it would be unfair to ask Parliament to proceed with the discussion of this question until we know the terms of the offer—whether they are more favorable to the country than those of the contract. Holding that view, which I believe to be entertained by this House, I beg to move:—That in view of the fact that another offer for the construction and working of the Pacific Railway, has been received by the Government, this debate be adjourned in order that the Government may lay the said offer on the Table of the House.

Mr. BLAKE. I do not know who was "nay-ing" just now. I can hardly conceive that those sounds of uproar and dissent which have greeted the motion of my hon. friend will be re-echoed by the second sober thought of this assembly. The subject to which our attention is now attracted, is confessedly, as has been stated in every speech of every hon. member who has approached the question, the greatest and most important that has ever been submitted to this Parliament. It surpasses, in importance and interest, in its immediate and future consequences, any conceivable question within the pale of practical politics at all. In our immediate condition, its effect upon the finances of the country, upon the development of the country, upon the future of the country, upon the great territories in respect to which we are legislating, it is impossible for the mind to grasp the far-reaching effects of this measure, if it should be adopted. We have heard numerous speeches from many hon. gentlemen, supporters of the Administration, upon this question. I do not at this moment recollect a single speech which was one of unqualified approval. If there be such a one, it has passed from my memory. I am sure I am correct in saying that the very great majority, if not all, of these speeches have been speeches damning the contract with faint praise, and indicating that the terms were objectionable and injurious. We have heard from one and the other side of this House these statements. It has been said by some hon. gentlemen, in the course of these discussions, that the objections first entertained in the country had, upon further review, been disappearing; that it was liked better, that the country which at first might have been alarmed a little was calming down, that the agitation and excitement upon the subject were subsiding. Well, so far as the utterances of hon. gentlemen who, I am sure, in their loyalty and fidelity to their party and their leaders cannot be surpassed, can show, they prove that the statements to which I have referred are not well founded, because the strongest expressions of disapprobation on the floor of this House from supporters of the Administration, have been those which have fallen from them within the last day or two, even in the last stages of the debate. Yesterday and the previous day, we heard these expressions. We heard the hon. member for South Simcoe, who addressed to me certain epithets on which I do not wish to comment, who informed me that it was a great calamity for this country that I happened to be born and to live in it, and proposed to exile me to revolutionary Mexico—even from this Conservative, who assumes that the calamity of my again taking a place in the councils of my country would be so great that he would rather swallow this contract than see a recurrence of that calamity, even he said more than once that it was a hard bargain; a bargain so hard that if it were not a choice of evils between seeing us cross the floor and the contract being adopted, the former, that greater evil, as he conceives it to be, is the only thing that reconciles him to the adoption of the contract. I would say to my hon. friend that the way to avert the calamity which he deprecates, is to persuade the Government to withdraw the contract, and that the way to accomplish the calamity which he deprecates is to support the Government in maintaining the contract. I will say to my hon. friend that what he is about to do is to saddle his country with two great calamities, according to his view, instead of one—the calamity of the contract first, and the calamity of a change of Government afterwards. The hon. member for Ottawa (Mr. Wright) took something of the same tone. He told us that the contract was going to be disastrous to the party; that it was a bad business; that the policy of the Government was a mistaken policy, that a retired dry goods merchant and an ex-hunter of musk rats in the North-West were not, in his opinion, more competent to build and work the Canadian Pacific Railroad than the Government; that, in his opinion, the whole thing was a mistake. Other hon. members have pronounced themselves in the same direction, but those who most reconciled themselves to the contract did so on the ground that it was the best thing, after all, that could be done. They persuaded themselves into the belief that no better arrangement was possible; that if this were not accomplished we would be obliged to spend more money, to give away more lands, to submit to more onerous conditions—if more onerous conditions are conceivable—than the conditions which are to be found in this fatal paper. And,

therefore—although my hon. friend from Dundas, with almost tears in his voice, wanted the extraction of that word "forever," which, he said, was unworthy of his country, inconsistent with the genius of our institutions and the freedom of our people, and would have to be removed by some means or the other; and if he did vote for its maintenance in the contract, it was because he believed it would be removed at some future day—he justified himself on the ground that bad as this contract is, yet, in his belief, it is the best thing for Canada yet presented. All of them who have spoken justify themselves in their position on the ground that, bad as this thing is, it yet, in their honest belief, is the best thing they could do for their country in this matter. I could point to no more unfortunate proof of the fatal policy which dictated the agreement to the terms of Union with British Columbia than this common consent on the part of ardent supporters of hon. gentlemen opposite as to their twice condemning this contract, and declaring that it is a bad contract, declaring that it contains clauses which ought to be omitted, and the Government themselves acknowledging that it contains clauses which they would gladly have out of it. The Minister of Public Works stated there were clauses in the contract which he would gladly have seen excluded, pointing out, however, that the Government had to agree to those clauses in order to give the contract at all—that it was the only means they could adopt to accomplish the work. I say that those hon. gentlemen who, with one common consent, not in so earnest terms perhaps, or at so great length, but with a deliberation of purpose and reluctance of heart which gives double weight to their modest words, condemned the contract—condemned by that very condemnation the mad act of stipulating in the way and form in which it was stipulated that this railway should be built—for upon that basis rests the whole superstructure. Nobody pretends, no man is bold enough to rise and say that this contract would be agreed to or proposed were this country free. But hon. gentlemen say it is bound, and, being bound, in order to meet the obligation and complete the railway, we will agree to these hard terms, which we believe are the best which can be possibly accomplished. Reference is made by the Minister of Railways himself, in support of this view, to the general character for astuteness, for ability, for success in negotiations of the Government and its chief. He said, do you suppose that a man so able, so devoted to the interests of the country, having so much at stake, would not have got the very best bargain possible? Take it on trust—trust us we have got the very best thing for the country. Now, the Government having before them another proposal for the construction of this railway, a copy of which is placed in my hands, and is signed by, I do not hesitate to say, the strongest combination of Canadian capitalists ever witnessed in combination at all, in terms which I am not now about to describe, but which are infinitely better than the terms of this contract, removing many of the objections which have been taken to it, it is not right that the hon. gentlemen on the Treasury benches should propose to their supporters that they should concur in this resolution. A call was made upon the second reading of the resolution being put from the chair, by the cry "carried," "carried," that their party should proceed to pass this resolution without seeing the new offer. Have you eyes and see not, have you ears and hear not? Are you determined to close your eyes and shut your ears? Are you determined that you will not have light? Will you enclose yourselves in an artifical blindness and deafness, so that by that means you may justify the vote you proposed to give a moment ago? Is that the attitude you are about to take before your country and your constituencies? Why, Sir, it cannot be—it cannot be that in a transaction of this tremendous magnitude, weakly defended, as the best that could be done—defended on this bad principle by its friends—inspiring but the just contempt of those who sit on the other side of the House—that the majority of the House will be found prepared to concur in the resolution to adopt this contract—that it will commit itself to its terms without seeing what the other offer is, and finding out whether it can do better for the country. Sir, I repeat it cannot be. Surely it were better to proceed with the other business with which this Order paper is encumbered—to use the few hours available in the discharge of this business, and let the hon. gentlemen, if they will not now lay the paper on the Table, wait till they are prepared to do so and give to the House that information which shall enable it to decide whether it will concur in this resolution intelligently and with a choice before it which the other offer gives. I do not propose to protract this discussion. I have stated in as plain terms as I could the responsibility which, to my mind will rest upon those hon. members who determined that they will ratify this contract—that they will proceed to vote these resolutions without knowing what alternative is open to them—and with that statement, for my part, I am content to leave the fate of this motion to the House first, but to the country afterwards.

Mr. MACDOUGALL. I confess to a feeling of surprise in the first place, and of regret in the second place, that on a motion of so great importance as this, we do not hear, from the hon. gentlemen who are responsible for the conduct of affairs in this House, any answer, any sufficient explanation or justification for pressing this House to a vote upon such a question as this, under the circumstances which are now known to exist. Sir, I have formed an opinion with regard to the propriety of the course which has been proposed by the Government of this country in dealing with this great question—the construction of the Canadian Pacific Railway. I confess, as an independent member of this House—as a friend to the Administration as individuals, as a friend to it as regards its policy with respect to another matter of great public importance, in my judgment, the Tariff—as one who endeavors, from his own standpoint, and having regard to his own antecedents as a public man, to justify himself to his country for preferring these hon. gentlemen, or rather the leader of these hon gentlemen, with the policy which he propounded, to hon. gentlemen on the other side of the House, with whom, in former times, there was a nearer accord in political ideas and principles than with hon. gentlemen on this side of the House—I do not, as a Canadian and a public man, regret the course I felt it my duty on that occasion to pursue. I believe it will be admitted—I know it has been admitted by the leader of the Government and some of his colleagues, and many of his supporters—that I rendered them very considerable service in the discussions that took place prior to the last General Election. Now, Sir, I find myself standing before this House and country in this position: I am called upon to justify the vote which I may give, and not only the vote but the use of that influence, shall I call it—it has been so regarded in the past—that I happen to possess with some of my fellow-countrymen who are not usually, but have been on some questions, in accord with hon. gentlemen on this side of the House. I will have to justify myself for precipitating the decision of Parliament upon the greatest question, the most important in its effects upon the future of our country, in my judgment, which has engaged the attention of Parliament or the people of this country since the great question of Confederation itself. Sir, I cannot do so. I see no occasion for precipitancy; and I believe that the hon. gentlemen who are responsible for the conduct of business in this House are not pursuing a course which is likely to be advantageous to themselves or their party. The people of this country are excited. We see evidences of that fact in the public press on both sides of politics; we see it in the meetings which

have been held, and the large audiences which have been assembled at these meetings; we see it in the petitions which have been presented, or are in course of signature and will be presented in the future. I think, Sir, under these circumstances it would have been prudent, it would have been respectful to Parliament, it would have been respectful to the public sentiment of this country, if we had had the whole thing placed before us before we were called upon to decide. I understand that a proposition has been made which it was perfectly competent for any Canadian capitalists to make, according to my view, to this Government and this Parliament, and that it is now in the hands of the Minister of Railways. I do not know the terms of that proposition. We have seen in the newspapers some details with respect to the names of the persons who have made that proposition, and the terms of the offer itself. Certainly, at first view, it is a very much more advantageous offer than the one we are now considering; it is much less, in respect to amount, and it is free from some of the objections which I have felt most strongly and which I expressed—not here, but in the proper place, as I think—before my constituents. And, Sir, I had the advantage, which I believe it would have been proper for other hon. members to enjoy—the advantage of receiving the assent of my constituents, assembled in a great public meeting of both sides of politics, to the acceptance of this offer, if no better could be had, with the amendment of some of the objectionable conditions which it contains. I came back to this House to take that position. I came back to this House, satisfied that under all the circumstances, if that first proposition were established, it would be my duty, as I believed in the importance of this work, to support the placing of the railway in the hands of a commercial company, rather than to disturb, as I think it has done, the ordinary course of the administration of affairs, rather than disturb the executive departments by drawing off the attention of the heads of these departments from those subjects and those matters which properly belong to Government. For these reasons—which I need not elaborate or detail—I came to the conclusion that it would be to the advantage of Canada to transfer the construction of the Canadian Pacific Railway to a commercial company, if the terms and conditions were in the public interest. I have no doubt that it will be to our advantage to make that arrangement, and to pay $25,000,000 and assign 25,000,000 acres of land on proper terms as regards the disposal of the lands, and on proper conditions as regards the management of this great work after it is constructed. I am prepared to sustain the Government in that course. But at this stage and with this offer—a better offer as it is said—in the hands of a member of the Government, I cannot, in my position, at all events, consent to ignore such an important fact, and proceed to treat it with contempt by voting for concurrence in the resolutions which are now in your hands; because, Sir, in my view, if we concur in these resolutions, we are precluded from considering any other offer. It would be inconsistent, it would be illogical, it would be contrary to the rules and practice of Parliament to do so. For these reasons—and I will not ask the attention of the House on the general question at the present time—I urge the Government in their own interests and in the interest of their supporters, not to place them in the position in which they will be placed, by forcing concurrence in the resolutions. If this new offer is a mere political arrangement—a dodge, to use a common expression in this House ——

Sir CHARLES TUPPER. The hon. gentleman has got the right word.

Mr. MACDOUGALL. If it has been got up to have an effect on the public mind; if it is not *bond fide*; if these men are not prepared to deposit money to prove their *bona fides*; if it is got up merely for the purpose of enabling the leader of the Opposition to take advantage of the Government and its supporters, that fact will soon be developed. That fact, if it be a fact, will soon be established; but I for one prefer to vote after it has been established rather than before.

Sir CHARLES TUPPER. I was reminded yesterday, by the ebullition we witnessed from the other side of the House, of a story I once heard of a polemical discussion which took place in the city of Glasgow, between two celebrated divines. A person who was known to be deaf and dumb, was found wending his way to the hall where the meeting was to take place. He was asked through the medium of the slate which he carried with him, what could possibly take him to such a place, seeing that he could not hear a word that was spoken. He replied: "Oh, I will find out which is the better cause." He was asked how he would discover that, and he replied: "I will see who gets angry first, and I will know that his cause is the wrong one." I will not discredit the hon. leader of the Opposition by supposing that he really felt the ebullition of temper which we witnessed yesterday at the motion which was made, because I assume that it was entirely feigned. I assume that an hon. gentleman acquainted as he is with parliamentary business, and knowing the position in which that question stood, could not really have felt any great amount of indignation when that motion was made. But I know what has made these hon. gentlemen unhappy, what has brought them back to Parliament in this rather disturbed mental condition. It is that they have failed in their endeavors to excite the public mind outside, as they failed in their attempts upon the floor of Parliament. I say there never was an instance in Canada, or in any Province of Canada, in which so labored an attempt to excite the popular mind on any public question failed in so ludicrous, and to them so disastrous, a manner. And the reason of their failure is just this: that however great their party necessities may be, they have to deal with an intelligent and well informed people. They are not able to spring a midnight attack on the people and bring on suddenly the discussion of a question that was not understood as they did in 1873. They are not able in 1880, or 1881, to reproduce that successful *coup de main* which they accomplished before the people of this country understood the question thoroughly. What is the reason that the best efforts of these hon. gentlemen, united as they are on this question, have completely failed? There is no great public question that has been so well discussed and that is, to-day, so well understood by the people of Canada, of all classes, as the question of this Canadian Pacific Railway. It may suit hon. gentlemen here to feign an entire ignorance of what every intelligent man of this country knows has been taking place for eight years in Canada; it may suit them to entirely ignore their own position on this question. The memories of some of these hon. gentlemen appear to be short and very defective. The hon. member for Westmoreland (Sir Albert J. Smith), the late hon. Minister of Marine and Fisheries, in his exhibition here, the other night, speaking of the terrible disaster that was to be inflicted on Canada, forgot two or three little things, which I suppose he considered of very small importance. The hon. gentleman forgot that if this terrible disaster had been brought upon the people of this country by the Government of my right hon. friend committing this country to the construction of the Canadian Pacific Railway in 1871—he forgot that, after that great burden was placed upon the people, he deserted the party with which he usually acted, and united himself to this side of the House. The hon. gentleman forgets that in 1872, after this Parliament had committed itself and declared its readiness to proceed with the construction of this railway, by a resolution which still stands unrepealed upon the journals of the House, proposing to give a larger amount of public aid than it seemed desirable should

be expended in the construction of this railway—I say the hon. gentleman forgot that, in 1872, the then Government brought down a proposition to vote $30,000,000 in money and 50,000,000 acres of land for the construction of the Canadian Pacific Railway. Well, Sir, the hon. member for Bothwell thought there ought to be some restriction. He thought Parliament ought not to place on the Journals of the country a declaration that it was prepared to authorize the Government of the day, whoever they might be, to spend $30,000,000 of money and 50,000,000 acres of land. The hon. member for Bothwell is always ready to scrutinize these matters very closely, when he is looking at them from an Opposition standpoint, but he entertains much broader and more statesmanlike views when he with others has charge of the administration of public affairs. That hon. gentleman seconded this motion moved by the Hon. Mr. Wood, in amendment. The hon. member for Bothwell thought there should be some check, and he recorded his opinion in a constitutional manner by putting a resolution on the Journals. It was moved in amendment, seconded by Mr. Mills:

"That all the words after 'be' to the end of the question be left out, and that it be recommitted to a Committee of the House in order to amend the same so that so large a sum $30,000,000 of money, and so large a quantity of land as 50,000,000 acres, shall not be at the disposal of the Government of the day; and that the said money and land shall only be disposed of by special annual votes of Parliament, from time to time, as shall seem to Parliament right and proper, so that Parliament shall not be divested of its most important conditional functions, namely, control over the public expenditure of the country."

Where was the hon. member for Westmoreland? He voted down the resolution, and in addition went back to his constituents and there, in the face of the whole country, recanted his past political position, and said that he was prepared to abandon the Reform party and support my right hon. friend. He secured his re-election on that declaration, and if there is any force or value in the statement he makes he must wipe out his past record and show that the relative positions he has occupied are consistent. The hon. gentleman wondered very much what authority this Government had. He denied that this Government had any authority. The hon. gentleman had much better have confined himself to the line taken by his hon. and learned leader. He will find no statement made by that hon. gentleman that this Government has exceeded its powers or the authority of Parliament with reference to the contract. The hon. gentleman was induced by hon. gentlemen opposite to leave this side of the House, but they could not get him back until they provided a seat for him in the Cabinet, which was the great object of the hon. gentleman's ambition. I say it is trifling with the intelligence of the people of this country for the hon. gentleman to stand in such a position and to feign this absurd indignation. What did the hon. gentleman do? When he found himself in the Cabinet, arrived at the goal of his ambition, he came down as a member of the Government, and put on the Statute-book an Act which stands there with all the authority of law to-day. He wants to know where we get the authority to make this contract. Let him look at the Act to which he was a party. Let him look at the Act of 1874, and he will find that his hon. leader, true to the opinion he had held for years, and which he did not hesitate to express, that $30,000,000 in money and 50,000,000 acres of land was utterly inadequate to secure the construction of the Canadian Pacific Railway, and he asked his friend the Minister of Marine and Fisheries to come to his aid in getting an Act put on the Statute-book authorizing any Government while the Statute remained law to secure the construction of the Canadian Pacific by a subsidy of $10,000 a mile in money and 20,000 acres of land a mile. If you count the number of miles of the road including the branches, you have over 56,000,000 acres of land. The hon. gentleman voted for that when he was sitting on the Treasury benches, and yet, in the year 1881, relegated back by the people of this country to the Opposition benches, the hon. gentleman discovers that this was a frightful undertaking, and that there was no authority for it. Why, what does that Act provide? It provides that any Government while it remains law may contract with any person or co-partnership or company incorporated or hereinafter to be incorporated for the construction of the Canadian Pacific Railroad—that Act authorizes the Government of the day, whoever they may be, while that Act stands as it is to-day, to expend $10,000 cash per mile, 20,000 acres of land per mile, and such further sum in addition as the lowest tenderer might ask, in accordance with the other provisions of the Act. The hon. gentleman may find it convenient to forget all this; his hon. leader may find it convenient to forget all this; but with that law standing on the Statute-book of the country he will not make the people of this country believe this Government had not authority to make the contract. But, what did hon. gentlemen do at a time when the revenue of the country was altogether inadequate to meet the expenditure, at a time when the Finance Minister of that Government was coming down, Session after Session, and asking for $3,000,000 additional taxation, of which he himself stated $2,000,000 was for the purpose of constructing the Canadian Pacific. Those hon. gentlemen came down to the House the same Session and put this Act on the Statute-book. When they came back a little more than a year afterwards they said: "We have not enough with the $3,000,000 we asked for last Session, we must have half a million a year more." Did hon. gentlemen draw back and say we must stop the contract for the Canadian Pacific Railroad? No; they went on and the Finance Minister met the House Session after Session with deficits until the amount of the deficiency between revenue and expenditure was over $7,000,000 during four years. And with that condition of things——

Sir RICHARD J. CARTWRIGHT. No, no.

Sir CHARLES TUPPER. Yes; had not the hon. gentleman been dismissed by an indignant public from the position he held he would have found himself on the first of July, 1879, with a deficiency of over $3,000,000. And in that position of things, with a deficiency rolling up year by year between revenue and expenditure, what did they do? Instead of saying, "Stop, do not let any more contracts," they went on Session after Session, taking power to let new contracts down to the last hour. The hon. leader of the Government declared it was their intention to build the Canadian Pacific from the shores of Lake Superior to the shores of the Pacific. What more did the Government, of which the hon. member for Westmoreland was a member, under the authority of this Act, and in the face of these enormous and annual deficits? They advertised to the world asking on what terms parties could be found who would come forward and construct the Canadian Pacific Railway. I have heard something about the cost of advertising in my department since. I do not think they can find any occasion in which we spent over $10,000 in three months in my department. I think we will all come to the conclusion that no better result having followed that expenditure, it would have been just as well to have diverted the money to some other purpose. At all events, the fact remains that, down to the end of 1878, hon. gentlemen advertised publicly to know on what terms parties would come forward and construct the whole of this road, from the shores of Lake Superior to the shores of the Pacific. Now, I challenge any gentleman to say, which the hon. leader of the Opposition has not ventured to say, that we have exceeded the powers Parliament has authorized for the construction of the Canadian Pacific Railway. On the contrary, the hon. gentleman says things have all changed, and declares that the 25,000,000 acres of land is worth $3.18.

Sir ALBERT J. SMITH. You said it was.

Sir CHARLES TUPPER. I do not say that it is not, but I am prepared to say that if you will allow me to select 1,700,000 acres of land in the North-West, I will undertake to say it will be worth $5 an acre. The inconsistency alluded to by the hon. gentleman is only a specious and fallacious one, and the statements I have made in the House and out of the House is the opinion I hold to-day. If, under a more successful administration of public affairs these lands have increased in value, then I say the hon. gentleman is bound by that declaration to admit that those terms by which this contract was secured are infinitely below any terms ever proposed in this House and within the authority of the Act or Parliament of 1874, and the resolutions of 1872, which received the support of the hon. member for Westmoreland—and that was that Government should have uncontrolled power over $30,000,000 and 50,000,000 acres of land. The hon. member for Westmoreland forgets himself when he endeavors to insinuate that we have not only the authority of the Government of which he was a member, in the most specific and decisive manner, to make this contract, but to far exceed the powers assumed by this contract. This Act provides how that contract shall obtain the authority of law.

Mr. ANGLIN. Hear, hear.

Sir CHARLES TUPPER. I see the hon. member for Gloucester brightens up with a "hear, hear." Let me tell that hon. gentleman, and he will be perhaps surprised to learn, if his memory has been as treacherous with reference to the contents of the Act as that of the hon. member for Westmoreland, that there is no word in this Act about public tenders. The hon. member for Lambton made his point, not by reading anything from the Canadian Pacific Act, but the Public Works Act, which cannot contravene the Canadian Pacific Act subsequently passed.

Mr. BLAKE. It says after tenders have been obtained.

Mr. MACKENZIE. The hon. gentleman (Sir Charles Tupper) is mistaken. I had no Public Works Act to read from at that moment.

Sir CHARLES TUPPER. What did you read from?

Mr. MACKENZIE. I read from the Act you have in your hand.

Sir CHARLES TUPPER. The hon. gentleman did not read then that it was necessary to advertise for public tenders.

Mr. MACKENZIE. Surely the hon. gentleman will not contend that the Act that requires tenders to be called for means private tenders.

Sir CHARLES TUPPER. I will undertake to give several instances in which the hon. gentleman accepted private tenders for the construction of the Canadian Pacific Railway, notwithstanding this Act. The hon. gentleman knows that, again and again, under the authority of this Act, both the former and the present Government accepted private tenders. There is nothing in this Act about public tenders, and if there was, I want to know whether an advertisement published in the papers of England and Canada for six months did not give authority for the granting of a contract to anyone who was willing to construct the railway? The hon. leader of the Opposition goes back four years; but I will not permit him to go back four years to find his opinions on this question. I say he was bound by the statements of his colleague, the hon. member for Lambton (Mr. Mackenzie), who only eight months ago declared that if we had received tenders under that advertisement for the construction of the railway, we would have been justified in accepting them and going on with the work. A good deal has been made out of the fact of our having proceeded with the railway as a Government work. What else could we do? The hon. member for Lambton had put an Act on the Statute-book, providing for constructing it by a company or as a Government work; and Session after Session he acted on this, declaring to the House that his policy and the policy of the country was unchanged, and that so soon as a company could be obtained, the works done by the Government would be handed over to the company, and the whole responsibility of constructing and operating the Canadian Pacific Railway would rest upon the company and not on the Government. So that when we came into office, and for six months after the publication of that advertisement, we received no tenders. We were not only obliged to prevent the expenditure already incurred from being wasted, but we were obliged to show to the capitalists of the world the faith and confidence we had in the construction of the Canadian Pacific Railway. Now, Sir, these hon. gentlemen are obliged to admit, first, that we have the authority of the law, and the law put on Statute-book by themselves.

Sir ALBERT J. SMITH. Has this contract been made in accordance with the law? The Statute requires that when a contract is made, it be laid on the Table for one month.

Sir CHARLES TUPPER. I am coming to that directly.

Sir ALBERT J. SMITH. If it is laid on the Table for a month, why insist on proceeding with this discussion?

Sir CHARLES TUPPER. I thank the hon. gentleman for his suggestion. The Act provides that tenders may be received. Tenders have been received.

Sir ALBERT J. SMITH. Then the contract is ratified.

Sir CHARLES TUPPER. Yes; so far as the law and the policy of the hon. gentlemen are concerned, it is ratified. The law of the hon. gentlemen has provided that no contract shall be let without tenders. Tenders have been made. The parties who receive the contract shall not be allowed to go to work until it has been ratified by Parliament. And what ratification does the Act provide for? It provides that the contract shall lie upon the Table of the House for one month without being disapproved. The hon. member for West Durham has made the strongest case which is possible in favor of this contract. He has shown that the 56,000,000 acres of land set apart by the Government of which he was a member, will alone cover every dollar of expenditure, past, present and future.

Sir ALBERT J. SMITH. They did not take all the best land.

Sir CHARLES TUPPER. The hon. gentleman will find that a very small criticism. The very fact that these hon. gentlemen have based their whole argument relating to the land upon a misstatement of what the contract contains, is the best evidence that they could not challenge the terms of the contract itself. It provides that, instead of having the choice of all the best land in the North-West, the Company shall have their lands in alternate blocks of a mile square along the line of the Canadian Pacific Railway through the fertile belt.

Mr. ROSS (Middlesex). Or elsewhere.

Sir CHARLES TUPPER. The hon. gentleman had better read the contract again. "Or elsewhere" does not apply to the fertile belt at all. It applies to the outside of the fertile belt. The Company may have their lands within parallels 49 and 57 north latitude, or elsewhere at the option of the Company. That is outside the fertile belt altogether. But where else may they have their lands? They may have them along the branches. How constructed? Constructed with their own money. We want them to carry those branches to the most fertile districts in the North-West, because for every square mile that they get along these branches, the Government own the alternate square mile. Suppose the Syndicate

do not build the branches, can they choose the best lands in the North-West? Not an acre. If they do not build the branches, it is provided they shall have their lands on front lines designated by the Governor-in-Council. Is it to be wondered at that hon. gentlemen opposite should resort to the extraordinary process of holding indignation meetings, to which admittance was obtained only by ticket—indignation meetings to which were only admitted men who were prepared to howl against this contract? The intelligence of this country is too great, and the memory of the people too vivid, to allow them to be misled by the misconstruction put upon the terms of this contract. The contract was brought down and laid upon the Table of Parliament, and we were in a position to ask not only the hearty acquiescent support of every hon. gentleman supporting this Government, but we were in a position to demand at the hands of hon. gentlemen opposite that they should give that hearty, generous support which the slightest regard to their own public character as statesmen compelled them to give us. They stood pledged by their action in this House and out of it for the five years during which they were in office to come forward and say: "We congratulate the Government and the country." What did the hon. member for Lambton say to me eight months ago? Why, he said, you expect out of your great immigration scheme to build this railway with 100,000,000 acres of land; I tell you, you are mistaken, it is a fallacy. He said: "You will find by experience that it will cost the Government just about as much to settle and to administer the lands as they are worth." I have only made reference to the calculation, but I believe that on all the millions of acres which have already been disposed of the Government stand with a profit received of something like 16 cents an acre. The hon. gentleman, knowing what it had cost him to administer these lands, and how hard it was to get the money out of it after they had been opened up by railway communication, told us it was a fallacy. The hon. member for Middlesex (Mr. Ross) counted on his fingers two or three times the same things, again and again, as if by repetition he could give them importance and weight. He said, first, the Company have the lands free of taxation; second, you give them this exemption for twenty years, or until sold or occupied; third, you give them the road-bed and the right of way, and the railway stock free of taxation, and you give them freedom from duties; you take off something like $100,000 of duties on the materials imported to be used in the construction of this work. But hon. gentlemen opposite forget that when the Government had, not only 25,000,000 acres of land, but all the lands in the North-West at their disposal for the construction of this work, that when Parliament placed at their disposal 100,000,000 acres, all the objection they had was that this land was not sufficient to build the railway. We had then all these exemptions of which the hon. gentlemen opposite complain. We could not only bring in free the bolts, nuts and spikes, but in addition to that, every locomotive, every steam shovel, every spade, and everything required in construction could in our hands be brought in free. Did they forget that when we had exemption of duty on everything brought into the country, when we had exemption of our lands forever from taxation, when we had all these particular advantages, as on the Intercolonial Railway, they said: "For God's sake do not go on." They were startled; they said the country was going to be ruined. If, with all these exemptions and not 25,000,000 but 100,000,000 acres, the construction of the road was going to ruin the country, how will the Syndicate, with but a paltry 25,000,000 acres and $25,000,000, enrich themselves so that they are going to be gigantic millionaires? I refer hon. gentlemen, who say these conditions are unheard of, to the Statute-book of Quebec, where he will find that the property of railways subsidized by Government is free of taxation. Then refer to the laws of New Brunswick, and they will find that the ex-Minister of Customs got a concession of 10,000 acres of land free of taxation by the Government of New Brunswick for a number of years.

Sir ALBERT J. SMITH. For ten years.

Sir CHARLES TUPPER. Very well. If through an open, rich, cultivated country, the hon. gentleman could obtain such a concession as that, what would he ask if he had been making a contract to construct a road through an uninhabited country? He was in the company before, and what would you suppose was the amount of exemption these gentlemen wanted, when they asked Parliament to give them a charter for this very work? It was that for fifty years all the property of the company should be exempt from taxation. That stands on the Statute-book to-day. I tell hon. gentlemen opposite, before they can pump up much excitement with all the energy and labor they can exert outside of this House in relation to this question, they have got to answer the question, how $25,000,000 and 25,000,000 acres of land would enable a company to build and operate the Canadian Pacific Railway for ever, free from any liability. It was thought a ruinous scheme to the people whereby hon. gentlemen opposite had 100,000,000 acres at their disposal and which they said were worth $3.18 an acre—at least a large portion of it; yet the leader of the Opposition so far forgot himself as to come down to Parliament and ask it to be guilty of a gross violation of the faith of this country. He was a member of the Government that pledged themselves to British Columbia to build its section, and to take two millions out of the treasury therefor; and now he professes to be much startled at the utter ruin of the country supposed to be threatened by this contract. If he had had one inch of ground to stand on a year ago it was that with these 100,000,000 acres Canada was to be ruined forever by the building and working of the Canadian Pacific Railway; and yet, with that as the postulate, what did he do? He came and said: "So disastrous will that be to Canada, your going on with that work, that I ask this Parliament to violate the public faith and go back on the pledges which the Government, of which I was a member, gave to the Imperial Government and the Government of British Columbia, and stop at the foot of the Rocky Mountains." Yet, when we came down and showed the people that for the paltry price mentioned, when we showed we were going to accomplish this great work, insuring all the magnificent results so eloquently painted by the member for Lambton and other hon. members, securing a progress and prosperity that could be attained in no other way for 25,000,000 acres and $25,000,000, hon. gentlemen opposite denounced our scheme, but were astonished to find they could produce no excitement, in the country or House, against it. Except in the case of some hon. member who, for some reason of his own, who may be desirous to make common cause with hon. gentlemen opposite—there does not appear a single man on the Ministerial side who is not prepared to sustain the Government on this great question. Still hon. gentlemen opposite want more time. Time for what? To play the game of obstruction. What did they do before? Those hon. gentlemen, by precisely such a course as the present, killed the Allan contract and prevented Canada from having, as she would have had to-day, the railway well under construction and fast advancing to completion. They think they can return to those tactics. It is too late. We have had eight years of solid discussion on this question. The people in two General Elections declared by overwhelming majorities that the Canadian Pacific Railway should be built, and that $30,000,000 and 50,000,000 acres was not too great a price for that work. Under these circumstances, I say it is not only a violation of public faith, but of party duty, not to oppose this scheme and policy at the present day. Hon. gentlemen opposite say the

question was suddenly sprung on the people. How sprung? We have heard Parliament again and again declare it would be too glad too give much better terms to secure the construction of this work. Surprised are they? Why, the hon. member for Lambton must forget the Speech from the Throne, when he asked: when were we informed that it was for the consideration of the Syndicate bargain that we were called together? We were informed in His Excellency's Speech that the contract, and papers therewith, would be submitted to Parliament for its earnest consideration.

Mr. MACKENZIE. The hon. gentleman is mistaken; his hon. leader said, long before Parliament met we were informed of the calling together of Parliament, and the hon. gentleman now reads from the Speech, what took place after Parliament was called together.

Sir CHARLES TUPPER. Perhaps I mistook the hon. gentleman, if he did not say we were not informed why Parliament was called.

Mr. MACKENZIE. The First Minister stated why it was called.

Sir CHARLES TUPPER. I accept the hon. gentleman's explanation. The paragraph in the Speech on this subject I will read:

"With this view I have summoned you before the usual period, as no action can be taken by the contractors to prosecute the work, and no permanent arrangement for the organization of a systematic emigration from Europe to the North-West Territories, can be satisfactorily made until the policy of Parliament with respect to the railway has been decided."

I ask is not this sufficient reason for urgency in this case, why Parliament should not be asked, in a question not new to the House or country, to sanction delay? Parliament has pronounced upon the case again and again with terms more onerous involved. Is there, then, any hon. gentleman prepared to say that the reasons given in His Excellency's Speech are not valid, intelligent, and intelligible? Do hon. gentlemen not know that while they have been obstructing this measure—which, as statesmen, they were bound, by everything that could bind public men, to give hearty support to—that a great rival line, a favorite, it appears, with hon. gentlemen opposite, the Northern Pacific Railroad has forestalled the market and secured it, and is now in the commanding position. What more? Those people not only forestalled the market in floating their bonds and going on vigorously with their work, but entered the field for emigration to their lands. Our hands meanwhile are tied. Hon. gentlemen opposite have gone back on their conduct and policy, not being able to present the first argument against this scheme until they had turned on themselves. Those gentlemen who occupy the high position of a constitutional Opposition have lowered it down to a mere factious Opposition in order to prevent the Government proceeding with the public business in any way favorable to the public interest. Every one knows that the high hopes that Canada has entertained of bringing the great tide of emigration into the North-West depends on the early period at which these gentlemen of the Syndicate shall be in a position to take the field all over Europe, and adopt that course which alone can make the contract they have undertaken a successful one, by peopling rapidly that great country. These hon. gentlemen say you not only allowed a few paltry articles to come in free—and that is a terrible infringement upon the National Policy—but you exempt the lands from taxation. I referred to one of their own ex-colleagues who only was too glad to stipulate for the same condition in regard to a railway in which he was concerned; and the country wisely gave them the power of exempting the lands until they were in a fair position of realizing from them. They say we allow the Company to build branch lines wherever they choose. Why, Sir, when their Government was in power they were prepared to give 10, or 12, or 20 sections per mile of the finest lands of the North-West to anybody who choose to build branches. The leader of the Opposition says the Syndicate will strike for the best lands in the country; but in the Manitoba Land Bill of the late Administration, brought down by the late Minister of the Interior, the railway companies have power to build their branches in any and every direction, and secure sections of 10, or 12, or 20 miles, according to location, or $10,000 per mile in cash. These gentlemen stand pledged to build every mile of the road, and if they cannot get lands within 24 miles of the railway, they have to build another thousand miles before they can get the 25,000,000 acres. But, says the leader of the Opposition, we have only 11,000,000 acres of land between the western boundary of Manitoba and the foot of the Rocky Mountains. Now, if that is the case, where are the Company to get the other 14,000,000? They must either take it away outside of that region, where the land is not nearly so valuable, or build branches at their own cost and locate the lands alongside. But the present scheme is different from the Allan contract, and from the Act of the last Parliament, in this respect: that we reserve alternate sections along the line of this road to recoup the country for the comparatively insignificant amount which we have to expend on the railway. What did the Government of New Brunswick do in reference to the European and North American Railway? They not only gave the company a charter and aided their road, but gave them the right of way for 200 feet from the centre of the line, and power to build branches to any part of the Province. So far from our policy, with regard to exemption, being at all novel, it is in accordance with the policy and the law of every Province of this Dominion as well as of the United States. I have detained the House longer than I intended, but I thought the time had come when I should make these statements—not so much for the information of my hon. friends, who are perfectly well aware of the facts—but that they might go to the country side by side with the statements of hon. gentlemen opposite, who are endeavoring to create a feeling in the public mind at entire variance with the facts; who are prepared to forget their own past record, and what has been customary in parliamentary practice, in order that they may suit the exigencies of their party. I admit that the exigencies of their party are great, but they will find as they found in regard to another great national question in this country—the fiscal policy—that they have not an inch of ground to stand upon. They found that they came to a fatal determination when they resolved to nail their colors to the mast of a one-sided Free-trade policy. I admit that they find it necessary to excite the public mind on some new topic, but, as before, they will find themselves mistaken. I have too much faith in the intelligence of this country to believe otherwise. I am satisfied that upon this great question, as upon the other great national question, they will find themselves completely overwhelmed by the antagonism of the intelligent public sentiment of the country. A number of hon. gentlemen on the other side of the House have made themselves merry over the statement of my right hon. friend the leader of the Government, that it was necessary that the contractors should be in a position to put men into the woods to get out the ties. I am satisfied my hon. friend the member for Lambton, knowing that the road is to be built from one end, will not say that it is not of vital consequence that the contractors should be in a position to get out the enormous number of ties that will be required, and that they should get to work at them in the coming summer. These other hon. gentlemen have no objection to losing the entire summer. The hon. leader of the Opposition has stated to the House, that unless he can defeat what is the settled policy of

Canada—for it is not the policy of our party alone, but it was the policy of the leader of the late Government—the country will suffer a great national loss. And what course does the hon. gentleman take now? When we had 100,000,000 acres of land placed at our disposal for the purpose of building the road by a vote of this House, he said: "Stop, in Heaven's name, the country is going to ruin; stop at the foot of the Rocky Mountains." That, Sir, is what we are not going to do. We can get a thousand Syndicates that will build a road from Winnipeg to the foot of the Rocky Mountains at a small charge. But to do that would be to do something which would make the hope of a Canadian Pacific Railway, either from Nipissing to the North-West, or from the foot of the Rocky Mountains to the Pacific Ocean, an idle dream. The hon. gentleman knows very well that the hope of Canada of obtaining such a road will be an idle dream the moment that the construction of this easily built, and, when built, profitable portion of the line, is handed over to a Syndicate. I can quite understand that a number of the hon. gentleman's friends outside, who are just as intense in their party feelings as his friends inside the House, would like to get a soft thing of that kind—to use a rather slangy expression—but they will never get it from this Government. Our policy—and we have nailed our colors to the mast—is a through line for the Canadian Pacific Railway. But we do not want any Syndicate to have the work on terms which would be ruinous to those engaged in it, and render the undertaking a disastrous failure. The hon. gentleman, by the policy he is now declaring, is carrying obstruction to the very extreme limit of faction. Knowing that an overwhelming majority of this House, representing as they do an overwhelming public sentiment, as again and again recorded, are determined to sustain themselves and pass an arrangement better than the most sanguine man in Canada believed possible six months ago—finding it impossible to shake the allegiance of a single man supporting the Government, the hon. gentleman has gone so far as to threaten the Syndicate. He says if the day ever comes when we get into power, we will yet crush you. We will be as regardless of the public faith pledged to you, as we were regardless of our faith pledged to British Columbia. With regard to this great work, I wish to read the speech of the hon. leader of the Government, in proposing the motion to go on with this question, *de die in diem*. The hon. member for West Durham did not divide the House——

Mr. BLAKE. I dissented,

Sir CHARLES TUPPER. The hon. gentleman did not divide the House, and the statement of my right hon. friend covered the whole case. He said, speaking of the suggestion of the hon. leader of the Opposition, to allow an opportunity to be given for questions to be put to the Government:

"I shall accede to that, and I would say that the right of no private member is affected. It simply provides this: that this being a question of the greatest importance, requiring an immediate settlement, should be discussed first. After it is disposed of, Parliament will have every opportunity of discussing and deciding upon every question which is submitted to it."

So that the hon. gentleman stated frankly to the House, that what he wanted was not merely a suspension of the Orders for that period, but that, until that question was finally disposed of, he asked the House to go on with it, seeing that it was a question upon which so much depends in the interests of the country, and which would place those gentlemen, by the ratification of this contract, in a position at once to take the field, and to make those arrangements involving the enormous expenditure of millions, to be at once expended by them in connection with immigration, and obtaining plant and everything else, for the rapid prosecution of the work. But the hon. gentleman says: No; I have got a better scheme. Throw away your national line of railways, abandon that which I and every man on both sides of this House have been pledging themselves to vote for; throw all that away and make a connection with the Northern Pacific Railway. That is the policy of the hon. gentleman. I have no objection to any railway connection which the commercial interest of Canada demands, but I say it would be treating the people of this country, as they have no right to be treated, if we were to turn back, after all that has been pledged by hon. gentlemen on both sides of this House, and say that we intend to seek another line of communication with our great North-West; that we intend to leave Canada at the feet of the United States; that we intend to leave Canada and her commercial arrangements all subject to a stroke of the pen in a bureau at Washington. The position I take is, that if the line was to be built by the Sault Ste. Marie—and I was ready and prepared to support the construction of that line—if it was the only means, for the next twenty years, of having communication with the North-West, when we believed we had it in our power to secure the construction of a through line of railway, I opposed it because I wanted a national line. When the time came that, under the management of hon. gentlemen opposite, the conditions of this country became such that we could not hope to grapple with the work for a long time to come, we thought that if we were to be deprived of any railway communication with the North-West, if there was no other means for the next twenty years of filling up that fertile plain with a large and industrious population, we were willing to attempt the Sault Ste. Marie line. But now we have the means in our grasp of constructing a national line on terms such as the most sanguine man in this country did not believe possible a few months ago, and it would be treason to our country not to carry out that national line which is required, even if the Sault Ste Marie line were built to-morrow. If that line were built to-morrow, we would be independent if we had a national through line of our own, and we would not be in a position to have the trade of Canada convulsed and the greatest interest of the country imperilled by being dependent on communication through a foreign country. A year ago the hon. gentleman opposite was prepared to take the estimate of the hon. gentleman for Lambton of the value of the land in the North-West, and holding that estimate of their value, how can that hon. gentleman say that that great fertile country, capable of being made the very heart and soul, as it were, of Canada, is to be left dependent for communication with the older Provinces upon a line through the United States? Did he not hear what the ex-Minister of Finance told him the other night, who got two pages to hold up a map before this House in order to excite the horror and alarm of hon. gentlemen. Why, he says, I have discovered a most frightful thing—it turned out, I believe, to be a mare's nest—I have discovered that it is positively designed that we shall have a line pushed down from Crookston to Devil's Lake, and a connection made from the Canadian Pacific Railway to that! And what do you suppose was to be the frightful disaster that was to happen to Canada? Why, Sir, instead of Canadian traffic and the Canadian North-West being developed through Canadian channels, it was absolutely going to bring the trade and business of that country through the United States down to Duluth. It so happened that that was exactly the policy that his hon. leader was fighting for. His hon. leader says: "Throw away your national line, I can develop the North-West better through the United States than in any other way." But if that be true, where the horror, where the alarm, where the danger that convulsed the ex-Minister of Finance, and threw him wonderfully off his balance for the nonce? I say that there has not been one argument offered against our scheme, that has not been answered by one of the hon. gentlemen opposite. There has not been, to this hour, a single proposition propounded

that is not revolting to the common sense of hon. gentlemen and the judgment of the people of this country. And yet we are to have delay while they make a dying though ineffectual struggle, not to kill the Canadian Pacific Railway, but to hold us back until another and a rival line takes possession of the market.

Mr. ANGLIN. After the extraordinary speech to which we have just listened, it is necessary to call the attention of the House to the fact that the question before us is simply this: that a proposition has been placed in the hands of the Government of this country, signed by a large number of the most respectable, influential and wealthy men of this Dominion, in which they propose to construct this railway from Lake Nipissing, or Callendar Station, to Linkoping and from Selkirk to the Pacific—if that be the desire of Parliament and the country—on terms incomparably better for the country than the terms which we are now asked to accept. The hon. Minister of Railways wished to divert the attention of members from the consideration of this most important question. He did not attempt an answer to the plain statement made by the hon member for West Durham. He did not attempt to make the slightest reply to the able and intelligent speech of the hon member for Halton (Mr. Macdougall), who, while he acknowledges that he is bound by party ties to hon. gentlemen opposite, that he has been sent here to sustain them in carrying out what is called the National Policy, and that he is in sympathy with them on general matters of policy, yet, Sir, manfully, frankly, and to his infinite credit, declares that he is not prepared, until due time has been given for the consideration of the new offer, to say that the terms we are now asked to approve of should be approved of. To that speech, Sir, so creditable to that hon. gentleman, so moderate in its tone, and so frank, the only reply vouchsafed was the insulting insinuation hurled at the member for Halton. We do not ask delay for the sake of delay. We believe that the circumstances have been so altered by the submission of this proposal, that it is the duty of every hon. member of this House to demand from the Government that time should be given for consideration. If, as the hon. member for Halton remarked, this is a mere political dodge and not a *bonâ fide* proposition, if the men who are said to have signed it, have not signed it, or if, having signed it, they do not intend to fulfil the obligations they have there incurred, all that will soon be known. Let the Government put them to the test; let them demand that this million of money shall be put up, not in mere securities, but in hard cash, and so test their offer. I am not prepared to say that we should accept this offer, but I am prepared to say that this whole country should have time for the consideration of this great question; and this is the only question that now comes before the House. The hon. Minister of Railways has afforded us an opportunity of determining for ourselves the kind of reply he would make. The other day I had the pleasure of spending a day in Montreal with some friends, Conservatives and others, and from them I heard that the speech of the hon. Minister of Railways in Montreal was not an answer to the speech Mr. Blake delivered two days before, but that he proceeded to attack Mr. Blake and to pour torrents of vituperation upon him, until the great majority of the meeting, who were determined to see fair play, compelled him to abandon that line of argument and to make some effort to deal with the very important question for the consideration of which they had been invited to attend that meeting.

Mr. WHITE (Cardwell). Will the hon. gentleman mention the name of one Conservative who made that statement to him?

Mr. ANGLIN. Mr. Speaker, I stand before this House, known to it for thirteen years, and I make that statement on my personal honor and veracity, and not having the liberty to use the name of the gentleman with whom I happened to meet, I am not prepared to violate all the courtesies of private life. The hon. gentleman believes me himself; he knows he believes me; he knows everybody in this House believes me; and every one who reads the reports in one or two of the Montreal papers will see that they sustain that statement. It was out of place to discuss a large number of the topics discussed by the hon. Minister of Railways, unless we are to give him the credit of merely striving to occupy the time of the House. While claiming to deal with the question before the House, he chose to launch out into a general discussion, and I therefore feel it my duty to notice cursorily, at any rate, a few of the remarks he made. He began by telling us that the course of this debate reminded him of a story of a controversy between two ministers whose audience was a deaf and dumb man. Did he mean to convey the impression that his audience in this case are deaf and dumb, and that they are willing to do the bidding of the Ministry? This deaf and dumb man was able to observe the result of the controversy by seeing which lost his temper first. We are willing to accept that evidence in this case. While the hon gentleman made an exhibition of temper that perhaps was not real, we certainly have not lost temper. We feel that we are discharging a great public duty in discussing this question fully. The hon. gentleman says we have not now the opportunity of making a midnight attack on the public opinion of this country. Who has made the midnight attack upon the public opinion of this country? Who has endeavored to steal away the public opinion of this country like a thief in the night? Who has endeavored to create a false impression as to the terms of this contract? Surely not we on this side of the House; for we ourselves had only the slightest idea of what the terms of this contract were before it was laid before the House. Some of us were no doubt suspicious, for we had experience of "the ways that are dark and the tricks that are vain" of gentlemen on the other side of the House. The gentlemen opposite say that the country know all about the contract and that public opinion is now thoroughly informed. Although the hon. gentlemen opposite have done all in their power to misinform the people, yet they now declare the people know all about the question and are now fully prepared to pronounce upon it, and that Parliament should now be fully prepared to deal with it. The people of the country are not even now fully informed of all the monstrous features of the contract. To this day there is scarcely an hon. gentleman who rises on this side of the House to discuss the contract who does not discover in it some new and grave objection. Hon. gentlemen opposite laugh, but they perhaps think we are more astute than we really are. We have endeavored to analyse it and criticise it. But, notwithstanding all that, I assure the hon. Minister of Railways, and all the hon. gentlemen opposite, that even at this moment I am not satisfied that we know thoroughly how objectionable this charter is. We have not succeeded yet in finding a single redeeming feature or a single clause which we can say should commend itself to the public or the majority of hon. members The very fact that, within a few days, so important a body as the Montreal Corn Exchange has expressed an opinion upon the subject, is in itself evidence that the people at large are not thoroughly acquainted with all its bearings. I, myself, am receiving every day letters from persons to whom I have sent copies of the contract, sometimes with my own comments on it, and I find that some of the most intelligent persons in our Province are not properly acquainted with the character of the scheme. So it is not right to say, it is not in accordance with the facts, that the public are thoroughly informed and have had a fair opportunity to pronounce an opinion on this question; and let me add that it is still less in accordance with the facts to say that, in so far as public opinion has been pronounced,

it has not been so hostile to the measure as we on this side of the House had reason to expect. Hon gentlemen opposite talk a great deal about our public meetings. They pretend to say that there is something very wrong because they were not allowed to reply at all our meetings. Take for instance, the meeting at Montreal. There the hon. member for West Durham (Mr. Blake) addressed a crowded audience and held their attention spell-bound until after one o'clock in the morning in merely describing the outlines of this charter, and the effects it must produce if it were ratified. What time would there have been after that for the hon. Minister of Railways to have addressed the same audience, for we know he is always able to occupy five or six hours if necessary, and we have seen this afternoon even, how the hon. gentleman can occupy a couple of hours without embarrassment, if he were, at Montreal, to have followed the hon. member for West Durham, and made a speech. That hon. gentleman must have replied, and they might thus have continued the game. But I think hon. gentlemen must be satisfied that it would be a matter of impossibility for audiences to remain during all the time that would be thus occupied. Those present at the first meeting in Montreal complained very much indeed of what they suffered from being crowded together for so many hours. Not a soul who was in thought of getting out, all were willing to remain and hear the explanations of the hon. member for West Durham; but human nature can only endure a certain amount of pleasure and pain, and on that occasion the pleasure and pain were combined, because the heat was very great and a large number of people were suffering from being crowded together, and it would therefore have been absurd to expect those people to remain to hear the Minister of Railways. That hon. gentleman called another meeting which was not so largely attended; a great number of persons went to hear him, and a great many went, hoping to hear a satisfactory reply to the statements of the hon. member for West Durham; but even some of the Minister's warmest friends came away disappointed, and we need not wonder, if, on that occasion, the hon. gentleman made such a reply as he did this afternoon in reply to the hon. members for West Durham and Halton.

It being Six o'clock, the Speaker left the Chair.

AFTER RECESS.

Mr. ANGLIN. I will not attempt, Mr. Speaker, to follow the hon. the Minister of Railways through the devious course he chose to take this afternoon, nor comment at any very great length upon the statements he chose to make and the charges he chose to prefer against some hon. gentlemen on this side of the House, because I do not wish to assist him in distracting the attention of hon. gentlemen on the other side of the House, or diverting their minds from the consideration of the very serious question upon which we will all have to pronounce by-and-bye. But so extraordinary a speech as that cannot very well be allowed to pass entirely unnoticed. The hon. the Minister of Railways asserted, in the first place, that the public are sufficiently informed on the subject at issue, and yet in the next breath he asserted that we who alone have attempted to convey any information on the subject to the public have deliberately misled them with regard to the terms of the contract; that whatever public indignation—and the hon. the Minister of Railways has alone spoken of indignation—has been manifested through the country; wherever the people have expressed disapproval of the terms of this contract, they have been moved to such indignation and led to express such disapproval because we have misstated the terms of the contract. Those two declarations of the hon. Minister are directly contradictory. If the people were well informed, as he has alleged, we could not have misled them; if we have misled them to the extent alleged, then further time is required by them to obtain information, and it is the duty of hon. gentlemen opposite to place themselves in communication with the public, not merely by speeches delivered in this House, but by appearing before their constituents face to face, with this contract in their hands, and so counteract the mischief we have done Such a charge as that, of deliberately misstating the terms of the contract and deliberately seeking to mislead the public on this subject, would be a very serious charge, indeed, if made by any other hon. gentleman, or even when made by the hon. the Minister of Railways, were it sustained by the slightest shadow of evidence or proof. The hon. the Minister of Railways has asserted that we have misrepresented especially that portion of the charter which relates to the selection of lands in the North-West. In his speech this afternoon he asserted that the Syndicate or Company will have no right to select lands anywhere, except in the North-West Territory, beyond the 57° of north latitude. He afterwards admitted that they will have a right of selection, but only where they build branch railroads which will be of rare benefit to the country, and as the Government will there also be entitled to the alternate square mile blocks, the Company would have no such right of selection as was asserted. He went on to argue that the late Government, under the Mills' Bill, provided that branch lines might be built in that country and subsidized out of those very lands; and he asserted that under the provisions of this bargain, the interests of the country were much better protected than they were under the Mills Bill. We are not obliged to discuss the merits or demerits of the Mills' Bill, and it would be a waste of time to pay any particular attention to that part of the hon. gentleman's statement; but I wish to point out, because I have seen it asserted elsewhere with the object of misleading the public, that on this point we are in error, that the contract gives to the Syndicate the right to select all the lands not within the 24 miles, to select where they please, to lay outlines of railway where they please, and obtain possession at once of alternate lots of the 24 miles on each side of the lines so laid out without having built a single mile of any one of the branches. It is not provided in any portion of the charter that before obtaining possession of those additional lands they shall be required to build the branch railways. They are merely required to lay out a line where they please, to fyle a plan in the office of the department here, and thereupon they acquire the right to take possession of the alternate blocks of 24 miles on each side of the line so laid out. I do not believe the Minister of Railways would attempt before an intelligent audience to repeat the allegation he has made in this House, provided that some one was on the platform beside him having in his hand a copy of the charter and able to understand and interpret it intelligently. But the hon. gentlemen says the right of selection is only beyond the 57° of north latitude. There is a provision that if the Company are not satisfied with the character of the lands along the line of railways, if in any of these there is a material portion unfit for settlement, they may go into the North-West Territory and select other lands there with the approval in that case, and in that case only, of the Governor in Council. That is my reading of that section, and I believe it is the common-sense reading, and that no great acumen is needed to understand it. We have not misled the public with respect to that or any section, or any other of the terms of this extraordinary contract. What we have said in the House we have repeated in the country. What we have said face to face with the hon. gentleman and his colleagues in this House we have repeated to the people in different parts of the country, and, so far as we have been able to reach the people, we have convinced the people, and a strong feeling of disapproval of the contract has been manifested. The hon. gentleman says we did not arouse much enthusiasm. Under the strange circumstances in which we now find ourselves we

do not ourselves possess much enthusiasm. We are rather sad and dispirited at the contemplation of this act of the Government and the strong probability of the contract being sustained by a large majority in this House. We sought to enlighten the public mind; we sought to convey to the public an accurate idea of what the terms of charter are, and we are satisfied that when the people understand them they will, in all cases where partizan feeling does not interfere, express their disapproval of the scheme. And they have done so. Large meetings in Toronto, Hamilton, London and Montreal, Halifax and Quebec have done so. The Legislature of Manitoba has expressed its disapproval. The corporation of Toronto and the Montreal Corn Exchange have adopted the same course. On the other side what do we find? The Minister of Railways appeared before a sympathetic audience in London, and afterwards delivered addresses in Toronto and Montreal. I do not know what the attendance was at Toronto, but I believe the London meeting was as large as that addressed by Mr. Blake; but it was not so in Montreal. With the exception of those meetings and one we have heard of in North Renfrew, we have hardly heard of an instance in which hon. gentlemen opposite have obtained a declaration of public opinion in favor of the contract. They have complained very much of not being allowed to address meetings held by the hon. gentlemen on this side of the House through the country. But it was open to them to call meetings themselves. If they had confidence that the public would approve of the measure, a party commanding so large a majority in this House should have courted an expression of public approval. They should themselves have gone before the people. They should have been the first to submit the contract to the people, and ask the people for their opinion thereon. They should have said: "Here is the bargain, the best ever made, and the best that is possible under the circumstances. Its terms are most advantageous. Accept it, for it is to your interest. We take our stand upon it, and tell you it is a good bargain; that if the road is to be built (and all parties are pledged to build it) this is the best possible mode of doing it. We have done all we could and have not sacrificed your interests, or made the bargain in a corner, but openly and in the light of day. So soon as the negotiations were completed we laid them before the public; we maintained the dignity of Parliament by consulting the dignity and self respect of the people by laying before them all the facts, and asking them to express their approval in any way they pleased." I think they should have taken some such course as that. Instead of doing so, they carp at the action of hon. gentlemen on this side of the House, and assert that they endeavored to excite public indignation in regard to the contract, and that their efforts have resulted in lamentable failure. We do not so regard it. We, on the contrary, are quite pleased with the results of our efforts so far. We think we have to-day the moral sympathy of the great majority of the people. A dissolution has been talked of. I do not know that any of us have insisted on a dissolution, but if hon. gentlemen opposite will go to the people, we will gladly accord our support to any motion to that effect. We will gladly meet them before the people of the country, and there, in what even they must admit is a constitutional mode, and without any insult to the dignity of Parliament, we will ascertain the wishes of the people. If they choose to relegate us to obscurity, or decide that we shall remain on this side of the House, we shall bow respectfully to that decision, and of course cease our opposition to this extraordinary measure. Although we know the people have sometimes been mistaken, we have never lost our confidence in their integrity, honesty and intelligence. We have never shown any fear or apprehension with regard to them. We are of the people and with the people, and by-and-bye, I trust, nay, I am sure, when we appear before them at the polls, we shall find the people with us. For eight long years, the hon. gentleman says, this question has been before the people; that there is nothing novel in it—nothing extraordinary—nothing of which the people have not already expressed their entire approval. The people have never yet been asked to express their approval or disapproval of the Pacific Railway scheme in a direct way. One Parliament about to expire was asked by the hon. gentleman opposite to enter into that most onerous bargain with British Columbia, and a large majority assisted them in imposing its terms on Canada. The elections occurred soon after, but there was then no time, chance or opportunity of getting rid of those terms.

Sir CHARLES TUPPER. Does the hon. gentleman deny that his present leader stated in this House that the contract question had been referred to the people and fully considered, and that the people had decided in favor of it, and that we had received no mandate to reverse it—that it was not reversible by us?

Mr. ANGLIN. I do not remember that he uttered such words.

Sir CHARLES TUPPER. I can show he did from his speech.

Mr. ANGLIN. It does not matter whether he did or not for the purpose of this argument, and for this good and sufficient reason—that before we had any chance of addressing the people on this subject we were bound, fettered and manacled by the bargain, which had become part of the constitution of the country, had been embodied in a royal proclamation, and become as binding upon us as the British North America Act, under which we meet and make laws here. We could not set aside those terms if we would, and we would not, because we had too high a regard for the faith and honor of Canada. Although we resisted by every means in our power the imposition of those terms, and strove for their modification ineffectually, we recognized, in the majority of both Houses of Parliament, the right to bind the country to even a disadvantageous bargain, and felt it our duty to give effect, so far as the circumstances of the country would permit, to an undertaking of which we still disapproved. When the member for Lambton went before the country, he had a railway policy, it is true, but the people did not, so far as I recollect, pass any decided opinion on the policy of constructing a railway across the continent, which we were bound to do. He did very fully admit and recognise the liability that existed, stating very expressly the mode in which he proposed to fulfil the obligations of the country. That, I admit, did meet with the approval of the people. But the question as to whether the railway should or should not be built within a very short time, was never submitted to the people, for the very good reason that hon. gentlemen oppposite had put it out of the power of any party to reopen that question. This question has not been before the country for eight years or eight weeks even. True, the idea of building a Canadian Pacific Railway has been before it for eight years and various projects have been mooted; but this is entirely, essentially different from any project ever before submitted. It is of such a strange, remarkable character, that until the papers were laid on the Table, not even leading members of the House could form anything like an accurate idea of the scope, purport, and meaning of this contract. When the member for Lambton complained of this lately, the leader of the Government asserted that he and other members knew well why we were to assemble here in Parliament, and asserted or insinuated besides, that the member for Lambton and many on the same side know pretty well what the terms of this bargain were. The member for Lambton denied that on his own part, and we all denied it on our part. Not one of us could form anything like an accurate opinion of its terms. If there is a pessimist among us I do not think he

could imagine the terms were so bad as they now appear. We were startled when we found among other things that the Government had undertaken to commence and complete the 90 miles from Yale to Port Moody. We never had the faintest suspicion that the Government had undertaken an obligation of that kind, which is an entirely new proposal. Now, the hon. Minister of Railways quotes the Speech from the Throne to show that the statement of the hon. member for Lambton is an incorrect statement. Well, the Governor General's speech promised us, among other things, that the contract and the papers relating to it would be laid before Parliament. Where are those papers? Not a single paper has been laid on the Table of the House, respecting the contract, save the contract itself and the appendix which is merely the Act of incorporation. We asked for those papers; we asked for all the information on the matter to which Parliament is entitled, and we were told that we were asking something unreasonable, something unprecedented, and, had the hon. Minister of Railways been speaking, he would have added unpatriotic. No British Ministry would dare to submit a question of this kind to the Imperial Parliament without bringing down every scrap of paper relating to it that could be found anywhere, without furnishing all information possible on the subject. We saw with regard to the Washington Treaty how complete was the information we received. We were furnished, not merely with the Treaty itself, but with the protocols. This was done because it was known that the information must be laid before the Imperial Parliament. We saw what took place from day to day, and now when we contrast what is done in this Parliament with what is done in that, we are forced to the conclusion that, if only the Canadian Parliament had been consulted on that question we would have received only the treaty, and would never have learned that free trade in lumber and coal had been offered us and rejected by the leader of this Government. I did not blame the hon. gentlemen then, nor do I blame him now, for that refusal, but I state simply that I believe that information would have been suppressed. We have not to-day the information we ought to have. We are told that this is the best bargain that it was possible to make; but, Sir, we have a right to see and judge for ourselves; the people have a right to see and judge for themselves, in a matter of this kind. The Ministry is adopting a wrong course, which, relying on—I shall not say as a subservient—but a very faithful body of followers, refuses to give to this Parliament and the people the information to which they are entitled, and insists on foreing upon this country terms and conditions of which the people disapprove on the plea that they are the best that can be obtained. Turning from that point, the hon. Minister made a most extraordinary attack on the hon. member for Westmoreland. The hon. Minister of Railways must always attack somebody or his speeches would be rather spiritless. If he excels in anything, it is in the power of invective and attack, and he made a most wanton attack this afternoon on the hon. member for Westmoreland. That hon. gentleman is quite able to defend himself, and I shall not undertake to defend him; but let me bear testimony to the fact which has come within my own knowledge and observation, and I call upon the hon. Finance Minister to bear testimony to this fact also, that the charge against the hon. member for Westmoreland, that he was ever influenced by a desire to obtain office, is untrue—I was about to say a false and scandalous accusation. I knew that hon. gentleman when he sat with me in the Local Legislature, and was a colleague of the hon. Finance Minister. I knew him years afterwards, when he and I were colleagues, and I knew him to be always entirely beyond the reach of any suspicion of hankering after office. He never cared to hold office, and when on one occasion he was induced to accept office, he resigned within a short time, because he disapproved of the policy of the Government. Afterwards, when he became a member of the Government, in which I was his colleague, we had the greatest possible difficulty in forcing office upon his acceptance. There is no man in the Province of New Brunswick, and I hold there must be very few in the Province of Nova Scotia, who would believe that there is the slightest foundation for so monstrous and atrocious a charge as that made against the hon. member for Westmoreland. I leave the hon. member to answer, as far as he thinks necessary, the long attack made upon him. Let me say a few words with regard to the Act of 1874, which the hon. Minister of Railways asserts authorized him and his colleagues to go to London to open negotiations for the making of a contract, and finally to make such a contract as that laid on the Table. 20,000,000 acres land per mile, or 50,000,000 in all, and $10,000,000 per mile, or about $27,000,000 cash in all, besides the interest on such other sum as may be agreed, that interest to run for 20 years, are the terms of the Act. Will hon. gentlemen assume that, acre for acre, the 50,000,000 acres of land are as valuable as the 25,000,000 the Syndicate are to get? Any one who knows the character of the country, and who has read the Act of 1874, which reads: "lands along the line of railway of fair average character," will see at once that the 50,000,000 acres so lying are actually of less value than the 25,000,000, of which 11,000,000 are close to the railway and 14,000,000 are to be selected wherever the contractors choose to go into the fertile belt and select it. Taking the land of a fair average quality, along the whole line of railway from the boundary of Ontario to the Pacific Ocean, through the Rocky Mountains and everywhere, the 50,000,000 acres could not be worth as much as the 25,000,000 acres which the Syndicate would get under the terms of this contract, 11,000,000 of which are to lie in the fertile belts close to the line of railway and 14,000,000 to be selected where the Syndicate chooses. Will any reasonable man say that lands lying close to the railway are not worth more than lands twenty or twenty-five miles off? The Act of 1874 says lands of "fair average quality," not "fairly fit for settlement." Now, "fair average quality," in the common-sense interpretation of the term, must be held to mean a fair average of the lands of the country through which the road runs. It cannot possibly be held to mean what land the Syndicate pleases to select. But in that respect the contract does not agree with the terms of the Act, and the Act does not authorize the Government to enter into any such arrangements. Under the Act of 1874, the contractors became possessed of these 50,000,000 of acres of land—they did not become absolute owners of it. They were not exempted from local taxation. It was provided that the Government should dispose of two-thirds of the land and hand the proceeds over to the company, while only one-third of the lands was at the disposal of the company; the obvious reason for that arrangement being the desire to prevent a land monopoly in the North-West. When the Allan contract was under consideration, one of the strongest objections to it urged by this side of the House was that it tended to the creation of a land monopoly, and when the hon. member for Lambton introduced his Bill he took good care that such a monopoly should be avoided by means of the provision to which I I have referred. The Act of 1874 and the present contract differ in respect to another salient point. In the Act of 1874 it was distinctly provided that from any sum to be paid to the contractors, under the terms of any contract, was to be deducted the whole cost of the surveys and of any portion of the railway constructed as a Government work. Under this contract we give the Syndicate the land, and we give them the absolute ownership of a portion of the road, the building of which will cost the country, at the lowest estimate, $28,000,000. The hon. Minister of Railways

has asserted deliberately to-day, as he rashly asserted on a previous occasion, that the making of this contract was authorized and justified by the Act of 1874. I shall not allude further to that Act, but I thought it proper to point out those two or three very remarkable points which show that if the present contract has any connection with the Act of 1874 it is a violation of that Act. If the contract had been drawn up within the limits provided by that Act it would only have been necessary to lay it on the Table, and within 30 days it would have become *ipso facto* the law of the country. I do not think it is necessary to follow the hon. gentleman very closely in what he said in regard to the fact, that when the late Government came into office and found a deficit staring them in the face, notwithstanding the surpluses which had been rolling up for a number of years, they found it necessary to impose fresh taxation upon the people, which taxation, if the volume of business had remained as large as in previous years, would have yielded a revenue of $3,000,000. The decrease in the business of the country, though so often and emphatically attributed by the hon. gentlemen to the misgovernment and mismanagement of the late Administration, was regarded by every reasonable man as being due simply to the general depression of business, in which we unavoidably participated. Though we do technically speak of the imposition of so much taxation as being so much of an additional burden cast upon the people, we all know that increase in the rate of taxation does not always produce a corresponding increase of revenue. When the alteration of the Tariff did not yield the estimated increase of revenue, the only resource left to the Government of the day, opposed as they were to increasing the burdens of the people, was to endeavor by strict economy to diminish the expenditure. The Minister of Railways has over and over again asserted that we were extravagant, that the controllable expenditure increased to a point far beyond what it should have reached had the Government been economically administered. He has again and again asserted that the deficits of those years amounted to $7,000,000, and though the statement has been repeatedly disproved in the House and out of it, as well as by the press, he could reiterate it again and doubtless he will continue to do so. He seems quite incapable of being persuaded that his statements may be erroneous, no matter how unquestionable the proofs. The hon. gentleman referred to his economy in his own department in the matter of advertising. There is no doubt that economy may be prudently exercised in this matter, and that a great deal has been paid by various Governments in this country for advertising which might have been saved. But there may be such a thing as a false conomy; and the offer for the construction of the Canada Pacific Railway, which I understand was placed in the hands of the Government to-day, *bona fide* as I believe it to be, shows that because of his exercising a false economy in neglecting to advertise for offers the country runs the risk of losing $15,000,000. We will have to discuss all these subjects again. We have discussed most of them very frequently, but it is a strange thing to find the hon. gentleman now stating, with regard to land in the North-West, that actual experience has shown that the net products of what ought to have been some of the best land there, are but sixteen cents an acre. Last year we had a different tale. Then the policy and interests of the Government required that they should enhance the value of those lands as much as possible; at all events represent them to be as valuable as any reasonable person would believe. But now it is their interest and policy to represent that land as having as little value as possible, and when they set down the value of the lands at $1 an acre that they have put the outside value upon them; although in another breath the Minister of Railways tells us that even now, if you gave him the right of selection, he could select 1,700,000 acres of land worth at least $5 an acre. It has been said that some of the gentlemen who compose the Syndicate are quite as astute as even the hon. the Minister of Railways, quite as good judges of the value of the lands; and if there are but 1,700,000 acres of land worth $5 an acre, there cannot be the slightest doubt that this Syndicate will manage to get possession of every acre, and that will be $8,500,000. Hon. gentlemen attempt to defend the policy of exempting from taxation the materials to be imported for the use of the railway, the steel rails which, under the operation of our present Tariff, would become subject to duty in 1872, the bolts, plates, spikes, &c., amounting in the whole to about $100,000 as the hon. gentleman says. He says that if the Government built the road these things, together with every locomotive, every spade and pick-axe would all be imported free of duty. Now that is an extraordinary declaration from so prominent an advocate of the National Policy. In the first place, were the Government to go on with the work the exemption from duty of these articles would inure to the benefit, not of contractors, but of the people at large. Moreover, it has become the settled policy of the Government—I think it was first settled as the policy of the country by the late Government—that when, in any case, tenders are invited or received for furnishing locomotives, cars and articles of that kind, in order to institute a comparison between the tenders sent from abroad and those submitted by the people of Canada, the amount of the duty on the articles must be added to the tenders of the foreigners in order to ascertain whether they are higher or lower than those of the people of Canada. Under Government control, then, every man in this country capable of producing any one of the articles required upon railroads, whether for construction or equipment, had the protection of the Tariff; but under the contract manufacturers in this country have no such protection. The contractors have the absolute right to import from abroad, free of duty, all the articles named in the contract. Again, with regard to the taxation of land, while the Government had these lands they were exempt from taxation, and any benefit derivable from that exemption would accrue to the people of the Dominion at large, not to a few contractors. When the contractors hold the land, instead of being compelled to proceed to settle the land, as the leader of the Government boasted last year would be the case by the operation of local taxation, they are to be absolutely exempt for 20 years to come, so that if they choose they may hold their lands idle while the Government proceed to settle up the alternate blocks, and thereby add largely to the market value of the lands held by the Company. The hon. Minister asserted that many railroads in the old Provinces are exempt from municipal taxation, and has spoken particularly of a road in which the hon. member for the county of St. John (Mr. Burpee) has a large interest. He say there is no taxation on that road according to a special Statute. He is mistaken. He seems to imagine that the charter was obtained for that road by the active efforts of the member for the county of St. John. I think attempts were made to build some such road as that before the member for the county of St. John took any part in it, and that the charter was already in existence for sometime. Efforts were made by others to get up a company, and finally a company was formed, in which the hon. member for the county of St. John and other gentlemen took an active part. They proceeded to the work of building that road without receiving a single dollar of money from the Province of New Brunswick. They did receive aid in lumber lands, valuable it may be, but still they could not be sold at that time for even $1 an acre. These lands were exempt from taxation for ten years, but the railroad itself was never exempt from taxation. It was provided that the net receipts of the road were to be liable for taxation, precisely as the income of private individuals. But supposing that road were exempt from taxation, supposing the property of fifty

other roads were exempt, all that would furnish no good reason why the people of Canada should be called upon to exempt from taxation in this vast wilderness a company to whom we are to give money enough to build all the road they require and a vast territory of land beside. I do not care to follow the hon. Minister any further. The question really before the House at the present moment is the motion of the hon. member for Shelburne (Mr. Robertson). We are told, and I believe, that a number of Canadian capitalists, as respectable as any in this country, as influential as any in this country, and all known to be above question men of great wealth, have deliberately proposed to undertake the construction of this road upon terms vastly better for the country than those contained in the contract. We now ask that the House should pause until the Government, who admit that they have received such a proposal, bring that proposal down to this House, and until we have time to enquire into all that relates to it. It will not do, Mr. Speaker, to say that this is a mere trick, a mere sham, a mere dodge, for I have heard all of these terms applied to it. The men who came forward and put their names to that document and declared themselves ready to deposit a large amount of money with the Government as security for the carrying out of the work, and as a pledge of their good faith, are not men who could be induced to take part in a political conspiracy even if any such thing had been conceived on this side of the House. For my own part, I heard first of this intention to create a new Syndicate, when I was on my way from St John to Montreal. When I reached Ottawa I found that very little was known on the subject by any one I spoke to except in the way of rumors in the newspapers, to which they attached very little importance indeed. The movement has been spontaneous on the part of those capitalists, some of whom are, I believe, friends, politically, of the gentlemen on the other side of the House. It is a proposal which the country will think deserves most respectful, careful, and attentive consideration on the part of the Government of this country, and the members of this House. The Government of the Dominion should, for their own sake, if they are not thoroughly infatuated, take care that no further suspicion be attached to them by reason of their refusing time for consideration of this proposal. They have, Sir, proceeded throughout this whole business in a way—let me tell them in all frankness and plainly, and I trust not offensively—such as to create the most intense suspicion on the part of the people of this country. Everywhere you turn men ask, why it is that the Government have become parties to such a contract as this, and why it is that they have endeavored to force it on the country in this extraordinary way; and I, for my own part, fail to find any answer. Some hint, let me say, to hon. gentlemen, for I want to be frank with them, at most corrupt motives on their part. I cannot believe that those suspicions are well founded, and yet, I cannot deny that suspicion exists, nor can any reasonable, sensible man deny that there are grounds for suspicion. A few short months ago gentlemen on the other side told us that it was the deliberate policy of the Government to build this road as a Government work. They entered into elaborate calculations to prove to us and the people of this country, that the road could be built as a Government work, and paid for out of the proceeds of the lands in the North-West, leaving a large surplus of money at the end of ten years, or money due, and still leave a vast territory to be disposed of. They then asserted that the policy which they proposed to adopt was a wise and sound policy, whereas they say now that this bargain is the best ever presented to the country, while we say it is the worst. They then told us that the other scheme was the best that could be devised. Scarcely had Parliament been prorogued when we found that three of those hon. gentlemen had gone to London. Before they left the Premier announced in a pic-nic speech that they had received proposals from companies for the construction of this road; that the proposals were of the most favorable character, so favorable that if they were accepted the people would be relieved of all liability and responsibility, and there would be an end to incurring any further debt, an end to any additional taxation. But they did not consider those proposals sufficiently favorable. At all events it was thought desirable to transfer the negotiations to London, where much more could be done, and they went to London; and Mr. Speaker, we heard from time to time from London that they were greatly successful; but about the time they left we had the leading papers of London, almost without exception, some of them serious business papers that never trouble themselves about party, condemning the course of our Ministers in London, one of them describing their course as a mixture of mystery and fuss. They contrived, Mr. Speaker, somehow or other, while in London, to repel every capitalist who approached them, to create suspicions amongst all who had any business with them, and to excite the profound dislike and suspicion of the leading papers of the metropolis, and these are a great power in the world, and particularly in the money world. But when the Premier reached Hochelaga, he announced that he had made a bargain—a contract firm, though he had no power to make such a contract—and that the terms of that contract were such that even Mr. Mackenzie himself would be compelled when they were made known to admit in his place in Parliament that they were infinitely better than he had ever expected or attempted to obtain. Well, Sir, time passed on and it leaked out by-and-bye that a firm contract was not made, or anything like a contract, but an agreement which had to be completed in this country, and we were all willing to wait until the terms of the contract were finally arranged. It became known that the terms of the contract were settled and we were assured that they would be made known as soon as they were submitted to the Governor in Council and approved of. But about as soon as the public expected such approval would be given and the terms made known to the country, we found somehow or other that the dignity of Parliament stood in the way of any information being made public. The hon. gentlemen delude themselves greatly if they imagine that the people of this country can be hoodwinked by any plea that the dignity of Parliament stands between them and their right to know the terms that their representatives have made on their behalf. The dignity of Parliament is not to be preserved, maintained or promoted by secrecy of that kind. The dignity of Parliament, Mr. Speaker, is best maintained by keeping the majority of the members of this House in perfect sympathy with the people of this country in adopting such a policy openly and frankly as the public can approve of. But secrecy is utterly abhorrent to the people of Canada, and, Sir, the very fact that this Government did maintain such profound secrecy with regard to the terms of the contract was in itself sufficient to create, and it did create, suspicion and distrust amongst all classes of the people of this country. While the Government would not let us know all the terms, somehow they contrived to let us know any terms that seemed to be favorable—any that the people would naturally be expected to approve of. They told us as soon as Parliament met that when it became known that an arrangement was made with a company to build this road, a great load of care was raised from the shoulders of all the people, that they were relieved from a feeling that was weighing them down and distressing them, although a few months before the hon. gentlemen told the people that this road could be built without costing them a single dollar. It was asserted broadcast that it was of the utmost value and importance that a limit should be placed to our expenditure on the railway. I think the Finance Minister was one of those

who congratulated the people that at last a limit had been put to the expenditure to which the country was committed. And so one after the other, those gentlemen labored, not to give the public such information as they were entitled to receive, not to let the people know precisely what the terms of the bargain were and await the public decision thereon, but such information, so conveyed and modified as to lull suspicion and create false hopes amongst the people,—to give the people not an accurate but an absolutely erroneous and false idea of what the terms of the bargain were. Now, Sir, on coming down to Parliament, what do we find? Still the same secrecy, the same determination to withhold information. No longer is the dignity of Parliament to be respected, no longer are we to be the omnipotent body that we were represented to be before we met here, because we are denied the information to which we are entitled, which ought to have been laid on the Table of the House without its being asked for. Then look at the time we were called together, just a few days before Christmas. If there was necessity for such a hurry, why not have called us together a month or six weeks earlier, so as, at all events, to give to the world at large the appearance of a desire on the part of the Government to have a calm consideration of this important question, instead of calling us a few days before Christmas, and then threatening us with a refusal to allow us to go home during the holidays, if we did not swallow those resolutions without delay. They altered subsequently that determination, because they found their supporters unwilling to go to extreme lengths on that occasion, and an arrangement was made which, though a modification of the first intention, necessarily shut out members from the Maritime Provinces from Parliament for a day or two on the reopening of the House. The course taken by the Government strengthened the feeling of the public that there is something below the surface in this case which will not bear the light, and when they refuse to consider an offer, such as that which is believed to have been submitted to them, they must know how strong public suspicion will grow, and must be prepared to defy public indignation. The public, we are told, are the very worst tribunal to which a question of this kind can possibly be submitted, yet our constitution knows of no other tribunal of ultimate resort. While hon. gentlemen opposite could humbug the people and mislead them so far as to make them believe that the depression which prevailed was due to want of activity on the part of the Government, they courted and lauded the people. But even then they did not dare to propound to the people this National Policy, which the people are now said to approve. They did not dare to tell the people they were about to tax their sugar 1¼ cents a pound for the benefit of a few refiners, the woollen goods of the working classes to the extent of 50 or 60 per cent., the cheaper flannels and blankets 35 to 40 per cent. They did not then, either, take the people into their confidence. When it suits the hon. Minister of Railways he talks of the intelligence of the people, and when he hurls his threats and slanders at hon. gentlemen, he says he is appealing to the intelligence of the public. The Government of which he is a member, never dared to submit to the public their great National Policy. If they had, they would never have reached that side of the House. The refusal of the Government to bring down information asked for, must lead us to the conclusion that they have in their possession better proposals than that which is submitted to us. If we had all the proposals before us, it is more than probable that we would find that there are some probably better than that which is said to be the best. That there are men in Canada prepared to build this road on infinitely better terms than those in the Syndicate contract. We were told in the Hochelaga speech that a great advantage of this contract, was that foreigners were included in the Syndicate, that Germans, French and Americans were to unite together in gathering that tide of immigration which we have been long expecting, and which has never yet begun to flow. Only a few years ago a provision was made in the Allan contract to exclude foreigners. Then the Yankee was an abomination; even his money was scarcely to be touched without pollution. Now the very same gentlemen are pleased to tell us that one of the great advantages of this contract is the interest of Americans in this concern. We were told that the Syndicate was composed of great capitalists who had money enough themselves or control of money enough to build five such railways. Well, when the names were published, the people began to wonder where the rich men were. About the richest were Canadians. The mighty English House turned out to be a house of no very enormous resources. We do not know much about the German house or the American house. How far they are committed to this thing, what capital they are to invest in it, we cannot learn from the contract. We know that none of these gentlemen, should the contract be ratified, need spend much money. Now, the Government ought to pause and think if they have any regard for their future reputation. If the Minister of Railways desires to see that rather famous pedestal of his receive its statue at any time - if the Chief Minister really desires that his statue shall not only be erected but receive that crown we have heard of, they should hesitate before they incur such a load of suspicion, lest their names, instead of going down to posterity crowned with glory, will go down reeking with infamy. Suspicion attaches to them to-day. Let me say to hon gentlemen on the other side—who, after all, must bear the responsibility—that though they may be willing to sacrifice their personal feelings and judgment on the shrine of party—as more than one has sorrowfuly admitted to the House he is compelled to do—now when new circumstances are presented, now when they see the interests of the country are unquestionably at stake; when a *bonâ fide* offer, as we believe it is, is made; when millions can be saved to the country and millions of acres of land preserved to it; and all those odious, abominable, detestible monopolies prevented—they should prefer the welfare of their country to the interests of party. None of those monopolies would be created under the offers of this new Company. Its members are Canadians, known to us for their integrity, respectability, wealth and intelligence—men whom to know is to respect and esteem—men incapable of lending themselves to any shabby device. It is the duty of hon. gentlemen opposite to consider seriously their responsibilities and considerations to the country under the present serious circumstances. If we consider the character of the new Company, and that on the other side, the men to whom we are to transfer all those enormous grants and privileges—$25,000,000 cash and 25,000,000 acres of almost fertile lands, immense privileges, exemptions, monopolies beyond estimate as to their value—are, as the hon. the Premier described them: Frenchmen, Germans, Yankees and a few Canadians, who have not shown any extraordinary patriotism in their dealing with the North-West—if we reflect on this and consider that if this be the good, *bonâ fide*, substantial, honest, true offer, we think it is, we may save all these enormous expenditures and perilous exemptions with which we are threatened, and escape the still more dreadful monopolies which impend over us, I can hardly believe yet, much as I have seen of the flexibility and tractability of the large majority of the House—I will not believe till a vote forces me to the painful, sorrowful, harrowing conviction that those gentlemen can be so untrue to the interests of the country, so regardless of their own reputation and of every honest conviction as to vote against the proposition now before us.

Mr. WHITE (Cardwell). The solicitude of hon. gentlemen opposite for the reputations and honest convictions of

hon. gentlemen on this side of the House, touches us, I am sure, very deeply. I am quite sure we appreciate at their true value the kind suggestions that have been made on that side of the House, that the course which we are now pursuing, and which hon. gentlemen opposite believe we are going to pursue, is certain to inure very seriously to our political disadvantage. If they really believed that, if they were sincere in that conviction, I am quite sure we should hear less of the remonstrances they have addressed to us. What is the position in which we stand on this question at present? The Canadian Pacific Railway—and I am not going to discuss the question to-night—has been discussed for very nearly 10 years. The public have had abundant opportunities during nearly the whole of that time to take any interest they thought proper in the enterprise, in the way of investing capital in it. Two companies were established in 1872; they were partially united, and a contract given to them on terms certainly that were equally favorable with those which are now given to the Syndicate recently formed. Those gentlemen went to England, but failed to induce capitalists to invest in the enterprise, and were compelled to give it up. What followed? The hon. gentlemen opposite came into office, when the then First Minister, as Minister of Public Works, introduced an Act containing terms which certainly, compared with the terms which are now proposed to be given, and still more with the terms with which we are now favored by the new Syndicate, were exceedingly favorable. Well, what was the result of that proceeding? For upwards of four or five years the capitalists of this country and of the world had the opportunity, if they thought proper, of submitting tenders and of receiving the contract if they could make terms satisfactory to the Government. For nearly a year an advertisement appeared in the papers of this country, Great Britain and the United States, asking for tenders under an Act of Parliament which offered at least 20,000 acres and $10,000 per mile for the construction of this railway, and, in addition, four per cent. interest upon any sum which might be asked by those tendering. During the whole of that time, however, the patriotic gentlemen who have rushed to the rescue of this country in its present distress, were not, apparently, found willing to invest their capital in the great enterprise, and the hon. gentleman from Lambton was compelled to say only last Session, if I remember rightly, that after all he had done, he had come to the conclusion that this enterprise was so serious in the responsibility it involved, and in the expenditure it was going to occasion this country, that it was hopeless to expect to obtain private capital to accomplish the work, and that he believed it to be also beyond the resources of the Dominion. That was the opinion of that hon. gentleman last year. What has occurred since that time? Immediately after last Session the First Minister, in a speech which he made in one of the townships of Ontario, stated that he had offers submitted to him from a number of parties for the construction of this railway. Surely that was an announcement to the world that he was looking for capitalists to build the Canadian Pacific Railway—that any one who was anxious to invest in this enterprise had an opportunity of doing so. He went to England with two of his colleagues, and we had news on this side from time to time, first that he was succeeding, next that he was failing, and all kinds of suggestions and statements as to the proceedings of that hon. Minister; but no murmur from the enterprising and patriotic capitalists who have just turned up, that they were prepared to assist him in that time of distress. Well, he came back to the country, and what then occurred? We had in October last an official announcement—it was official as coming from the mouth of a Minister—from the Minister of Railways, that the general terms of the arrangement made, were that 25,000,000 acres and $25,000,000, with the existing sections of the Canadian Pacific Railway, were to be given to the Syndicate to construct and operate the railway. Well, where were the patriotic gentlemen at that time? The contract at that time was actually not completed. The Minister of Railways stated it was not. Negotiations were in progress for some of the details in relation to it at that time. The contract was not signed until after that announcement, and yet we have those gentlemen, although they now say, if their offer means anything, that 25,000,000 acres, $25,000,000 and the existing railways, are altogether too much for the construction of this road, and that they are prepared to give us a very much better offer—to take very much less for the work, not making a murmur or presenting a statement that they were willing to do better for the country than the first Syndicate. Well, Sir, and what followed that? It is now more than a month since Parliament has been in Session, and the terms laid upon the Table of this House. They have been discussed in all parts of the country; they have been published in all the newspapers everywhere; and what has occurred since that time? Up to last week, as the hon. member who has just sat down told us, these eminent capitalists, these patriotic gentlemen, burning with fervor to rescue this country from the iniquities of a Syndicate, and—may I be allowed to suggest the word—from the rule of a party to which they are politically opposed, had not a word to say in relation to the matter—no suggestion, no proposition. They permitted their friends to go through Ontario, holding their meetings from one end to the other, and they gave them no hint that there was a better offer. And it was only when they and hon. gentlemen opposite discovered that all the efforts they made in the country had proved a failure, that these meetings—party meetings as they were—were not enthusiastic meetings——.

Sir RICHARD J. CARTWRIGHT. Hear, hear.

Mr. WHITE. That wherever they were met, and it was not frequently that they were met, because the hon. gentleman who has just said "hear, hear," was very unwilling to be met, except at one meeting where he could not help it, and where he was beaten in a city where he was well known, I say, when there was no chance of arousing public indignation, it was only then that they resolved to call in the aid of a number of capitalists, eminent gentlemen, respectable gentlemen, I have no doubt, but all of one shade of politics however.

Some hon. MEMBERS. No, no.

Mr. WHITE. Who is the leading man, but Colonel John Walker of election fame, whose record appears in the records of the courts of this country, and from whom a learned judge declared even the whole of the waters of Lake Ontario would not wash away the suspicion of not adhering to the truth, even when restrained by an oath on the Holy Evangelists. He is one of the gentlemen whom we find in close conference with hon. gentlemen opposite. Is he one of those gentlemen who was influenced solely by the desire of promoting the interests of the country, and giving better terms on the construction of this railway? Then, Sir, we have Mr. H. H. Cook, whom we used to see in this House, a gentleman of eminent purity and carefulness in relation to the observance of the law in regard to election matters. We find him here in conference with hon. gentlemen opposite; and, doubtless, he is actuated simply by a desire to advance the interests of the country, and give us better terms than those we have before us. Then we have some gentlemen from Hamilton, gentlemen who obtained from townships in the district, part of which I have the honor to represent, bonuses to give the people competition with the Northern Railway, and when they built that railway they sold it to the Northern and combined the two to oppress the people. Are these the gentlemen from whom we are to get the

relief from railway monopoly in the north-western territories which hon. gentlemen opposite say has been offered us? Will any one pretend to tell me that they believe sincerely that gentlemen of business capacity, gentlemen of means, would seriously go into an enterprise of this kind, as they admit, on 48 hours notice—an enterprise involving an expenditure of 50 or 60 or 100 millions of dollars—involving untold responsibilities in regard to the working of that railway—that they would have thought of going into it for a single moment if there was any chance of their offer being accepted? What have we seen and heard to-day? We have been told by the leader of the Opposition that he had been furnished with a copy of this offer. I venture to say it was supplied before it was sent to the Government at all. And yet, we are asked to look upon it as being in any sense whatever a *bonâ fide* offer, intended seriously for the purpose of building the railway and not for the defeat of the Administration.

Some hon. MEMBERS. Try it; try it.

Mr. WHITE. Hon. gentlemen know very well what their "Try it" means. What more do I find? I find in the *Globe* of this morning, and in the *Free Press* of this evening—two Opposition organs—an almost exactly similar statement as to the terms of this particular offer, showing that it was furnished to the Opposition press by these gentlemen who pretend that they are acting in good faith with the Government, and have sent in a *bonâ fide* offer. To-night these gentlemen have sent their contract to the telegraph offices of this city in order that it may be sent wide-spread through the country before the Government have had an opportunity of considering what are its terms. The whole affair is simply a discreditable dodge—it is, Sir, as Florence would say in his play of "The Mighty Dollar" a p. u. j.—a put up job. Who does not know in relation to contracts that you can always get, after the contract has been awarded, offers to do it for less. Who does not know that there has never been a contract let, either by the Dominion Government or the Government of the Provinces, either by municipalities or individuals, without persons offering to carry it out for less money if they could only get it, but after it was too late for them to get it? That is the general experience of every one. I am bound to say that it is simply and truly a discreditable proceeding—and I say it, knowing the full responsibility of what I say as a public man responsible to my constituents for what I say in this House, I say that the whole proceeding is one of the most despicable and discreditable tricks ever attempted in this or any other country. We have been asked why tenders were not asked for this contract. It has been rather remarkable to watch the current of thought in connection with this discussion. Latterly we had the hon. member for Westmoreland (Sir A. J. Smith) stating that the Government had no authority to make this contract; we had from other hon. members the suggestion—only latterly, however, only since we had this idea of bringing an outside element to bear in order to accomplish that which an honest and fair appeal to the people had failed to accomplish—we have had the statement that tenders should have been asked for this contract. But when we look at the speeches of the leader of the Opposition delivered in this House, the speech which he delivered on the Address, the speech which he subsequently delivered on the Canadian Pacific Railway resolutions themselves, there is not a single suggestion that tenders should have been asked or that the Government had no authority to make the contract. On the contrary, the hon. gentleman said he would have been pleased if he had found, on coming here, that the details of the scheme had been such that he could have supported them. Why should he have done that if the Government were doing what they had no right to do—if they had attempted to bring down the contract without asking for tenders under the Railway Act. I repeat that this whole proceeding is simply an attempt to do, by means of a discreditable trick, what these hon. gentlemen failed to do by honest and fair discussion—that is to excite in the minds of the people some degree of apprehension that too much is being given to the gentlemen with whom the contract has been made for the construction of the railway. But, Sir, they will fail in this as they failed in their other efforts. The people of the country are not fools. The people of Upper Canada and Lower Canada, and of all parts of the Dominion, will remember the old French adage: that when the daughter is married there is no lack of sons-in-law. That is precisely the position to-day; and I am satisfied that the people will regard the proceeding with very much the feeling which hon. gentlemen in this House regard it—a feeling of humiliation and shame that a political party should have resorted to the dodge which I have alluded to in connection with this matter—a dodge of a political Syndicate to defeat the Administration, not to build the Pacific Railway.

Mr. ORTON. I desire to make a few remarks upon the subject of this contract. I have listened patiently for a number of days to the discussion that has taken place, and one of the facts I have gathered therefrom is that both political parties are thoroughly committed to the construction of this trans-continental railway as rapidly as the resources of the country will permit. It is true we have seen some attempt made by the present leader of the Opposition to desert the position in which his party was placed by the action of the leader of the late Government. We have heard the present leader state on many an occasion, during both the present and preceding Parliaments, that it would be injurious to the country to carry out our obligations to British Columbia. He has endeavored to frighten the people into breaking an engagement with that Province; he has been trying to make the people of this country believe that the taxation that would be the consequence of the construction of the Canadian Pacific Railway would be ruinous to our country, and that it should not be proceeded with at all. Now, I think, both political parties, notwithstanding the position taken by the present leader of the Opposition, are thoroughly committed to this enterprise. The only question we have to consider on the present occasion is, will the resources of Canada permit the construction of the railway according to the terms of this contract? If we agree that it is within our resources, and that it will not increase the burden of taxation, then both political parties ought, as men true to their country, to unite in forwarding the scheme now before the House. The interest upon the money will probably be the first burden felt by the people. The total amount of bonus given to the Company will be $53,000,000, being the $25,000,000 in cash and $28,000,000 in railway constructed and to be constructed. Now, money can be obtained at the rate of 5 per cent.—and probably much lower—and that would amount to about $3,000,000 a year. Those who recollect the discussion which occured in this House at the time of the Allan contract, will remember that this was the sum the then Government considered would be the annual burden upon the people. Now, it is true, that the hon. member for Lambton (Mr. Mackenzie), when leader of the late Government, felt a great deal of trepidation in undertaking the work and in carrying it out rapidly. At the same time he was always in favor of going on with it, and showed a wisdom in his measures that the present leader of the Opposition would do well to imitate. In the discussion which took place on the resolutions introduced in 1874, the member for Lambton stated that the terms of the Union with British Columbia could not be done away with without the consent of both contracting parties, and that the Government were bound to go on with the work. He showed that

he felt very seriously the responsibility involved in the undertaking. He stated on that occasion:

"Well, they desired the gentleman who undertook the responsibility to show them how it was possible to construct a railway 2,500 miles long, with a population of 4,000,000, passing almost entirely through an uninhabited country, a greater portion of which is through a country of a very rough character. They have now, to show how it is possible to carry out terms of Union with British Columbia, and, at the same time, not have taxation pressing unduly on the resources of the country. He (Mr. Mackenzie), said, it was impossible to do that. He (Mr. Mackenzie,) believed, that whoever built the road, it would be built with the money furnished by the people of this country."

Now, those were his views in 1874, and ought he not to feel grateful to the Minister of Railways for bringing down a scheme to this House which will insure the building and running of this great railway for ten years, and probably for all time to come, at a sum which will not increase the burdens of the people, and will result in great benefit to our country? I will just read one or two other extracts to show that the hon. member for Lambton felt the difficulty of the undertaking. He said:

"It was useless to expect that this road, for many years to come, could be undertaken as a purely commercial enterprise."

Ought he not, then, to be grateful to the Minister of Railways, who has brought down a scheme which makes it entirely a commercial enterprise? He said again:

"It will be quite evident that if any value is to be attached to the lands of the great North-West, we must have a ready access to those lands, and any step taken with a view to allow the entrance of contracting companies, of the public, and of immigrants into that country in advance of letting the main contract, was a step exceedingly to be desired."

I think the hon. gentleman ought to be flattered at the course pursued by the present Government in carrying out his views here expressed. I recollect that during his time he endeavored to give access to Manitoba by building a line from Thunder Bay to Winnipeg, but he neglected to let 185 miles of the most difficult portion of that road and spent an immense amount of money uselessly on Fort Francis Locks, &c. The present Government have endeavored to carry out his views, and their first act was to let that link of 185 miles so as to complete connection with Winnipeg and open up the land for settlement in the North-West. Another gentleman expressed some trepidation on this matter. The hon. member for Bothwell (Mr. Mills) stated, in 1879:

"Mr. Fleming, some years ago, estimated that the interest of the money required in the construction of the railway for many years to come, and the cost of working the road, would amount to $14,000,000 a year."

Mr. MILLS. If the member will look at Mr. Sandford Fleming's report he will see that that statement is a citation of the report.

Mr. ORTON. The hon. gentleman feared it would involve a cost upon the people of this country annually of $14,000,000. Now, ought he not to feel grateful to this Government for building that road that will not cost this country more than $3,000,000 a year? Another hon. gentleman made some remarks, also, the hon. member for South Wentworth, who has assisted most nobly his present leader in depicting the fearful amount of taxation it was going to involve. I recollect when he gave this speech very well. He stated in 1876 that if our Pacific Railway cost us as much as the Union Pacific Railway it would involve an outlay of $300,000,000. He was willing to have it placed at $100,000,000. He did not think at that time it was possible to build it for $200,000,000. He again states: "If the road were ever completed it would take an annual subsidy of $6,000,000 to run it." Now, the scheme laid before this House will construct the road not at $200,000,000 but at $78,000,000, and will not cost this country an annually increased burden of more than $3,000,000, he ought to show his gratitude to this Government, and if he is a patriotic man he will give them all the aid and countenance he can. I have stated that the annual cost cannot amount to more than $3,000,000. I think I can show that even this will not be paid by the people of this country. In the first place a large amount of money will be spent, and if it is true, as the Minister of Railways states, that it is the intention of this Syndicate to construct the prairie portion as rapidly as possible, they will be obliged to throw into that country a large amount of population in order to carry it out. It will take at least 6,000 people to construct the prairie section in three years. That will involve the expenditure of a large amount of money, and give an immense impetus to the trade of this country. We shall not only have our population largely increased, but have good times. There will be a market for our manufactures and a large market annually increasing in our North-West, and the whole people of this country will derive benefit from it. In addition to that we know that once this country is opened up the population will rapidly increase, and we shall have a large additional population to assist us in raising the revenue, and thereby very materially lessen the burden that we are now laboring under. We have also the fact that in consequence of the construction of the railway our Government will be able to sell their lands; and in reference to this matter I wish to direct the attention of this House to the fact that the Government lands will be the first sought after, simply from the fact that they propose to give a homestead of 160 acres for nothing to actual settlers, and every settler will, doubtless, preempt at least 160 acres more at $2.50 per acre, so that the Government will be really in a position to offer greater advantages for a longer time than the railway can, and will be able to sell their lands more rapidly than the Syndicate. The result will be to bring into our Treasury a large additional revenue, and to that extent relieve the people of the older Provinces. Now, Sir, there are other benefits that will be derived by the people of Ontario especially. There is the benefit that will accrue to this Province by the construction of this road through a large portion of its territory. I refer to that portion on the eastern section north of Lake Superior that will open up not only a good country for settlement, but a country rich in timber and mineral wealth, that will be an immense source of revenue at once to the Government of Ontario. They will be able to sell their timber limits and mineral lands, and a great additional advantage will be derived by the people of this Province. The opening up of that territory will be a benefit in many ways. The railway itself will find a great deal of traffic by taking up timber into the treeless prairie district, where timber is scarce and very valuable. The timber on the north shore of Lake Superior, and even on the line of the Canada Central Extension, will find a market there. I have just referred briefly to the contract as a whole. I may state, however, that after having listened carefully and dispassionately and with an earnest determination to try to come to a fair and honest conclusion in the interests of my country, I feel that this is the best scheme that has ever been laid before the Parliament of this country—immensly better than any other scheme we have had laid before this House—and further, this scheme is actually in existence. The contract is before us to-day, and it is signed and there in a tangible shape so that we know exactly what this road is going to cost us, and we will be able to consider whether we can afford it or not. It is true a great many objections have been made to the details of the contract. Well, Mr. Speaker, we all know that in making a bargain there must be two sides, and is it to be wondered at, that when we find the Government has made such an excellent bargain in the main—taking the main features of it which is after all the principal points to consider—when we find that they have made such an excellent bargain in that respect, is it

any wonder that there should be some objectionable features in the details, objections which I have no doubt the members of the Cabinet felt; but they were obliged to give way, considering them, as I do, to a great degree of minor importance? The exemption from taxation of the Syndicate lands is an objection on which a great deal of stress has been laid. I must confess I have not felt great alarm about that, and more especially when I find by reading the contract over again, and also being assured by the leader of the Government, that the land will be given to the Syndicate on the completion of every twenty miles. They could not hold it free from taxation by refusing to take out the patent from the Crown until they obtained purchasers, but are obliged to take their pay partly in land as the road is constructed. The consequence is, that twenty years is the limit of this exemption from taxation, and I, for one, feel that it is only just and right that the people of that country should have some of the burden of building this railway. Within the last ten years, we have added at least a million of dollars for the construction of competing lines in the county of Wellington, and have voluntarily taxed ourselves——

Mr. BLAKE. Hear, hear.

Mr. ORTON. So as to get the benefit of other lines and of opening up a new country.

Mr. BLAKE. You will not allow the North-West to do that.

Mr. ORTON. I shall come to that by-and-bye. We have been told that this exemption from taxation will cause a monopoly, and that the land will be held an immense length of time without selling; but we know the experience of railways in the United States is not in that direction. We know that the companies who have built those railways are only too anxious to sell their lands, and they make exertions no Government can make. They have agencies in almost every town of Europe, and we well know that in Canada to-day, these companies have agents at every fair village, town and city attracting our own population by the terms they offer to go to the United States. I think it will be to the interest of the Syndicate of our own line also to sell their lands and populate our country. As far as the road-bed is concerned, I think it a very trivial matter and scarcely worthy of consideration. With regard to the exemptions from duties how it did grieve the hon. member for West Durham that the Syndicate should be allowed to bring in what articles they require duty free.

Mr. BLAKE. Hear, hear.

Mr. ORTON. It is a terrible thing, indeed, that they should have a little of that free-trade he has been so anxious this country should have. I, for one, feel perfectly satisfied in regard to that clause, because I know from what I have heard and seen every manufacturer in the country who is interested in the matter feels satisfied in that respect by the drawback the Government propose to give manufactures who supply the Pacific Railway with materials now dutiable. The monopoly of the carrying trade in the North-West is a matter, no doubt, of very serious moment and perhaps I cannot speak as enthusiastically in reference to this point as in regard to other provisions of the contract. But I can see some bright points in reference to the matter. Now, the Government have power by this contract, if I read it aright, to regulate the rates so as to virtually take away the chief evil effects that may arise from the powers given to this Syndicate. I have perfect confidence in the Government that they will secure this benefit to the people of Canada. I believe they are anxious and desirous to use their best efforts in the interest of the people and not in the interest of this or any other Syndicate. I believe they feel the responsibility of their position as guardians of the people's interests, and I am assured they will not fail to use the powers they have. What are these powers? I find that the Railway Act states that the tariff of tolls is subject to revision by the Governor in Council. Now, that is the power that can be used very largely in the interest of the people of the North-West, and also of the interests of the people of this country. If the Government only secure, as I have no doubt they will, fair reasonable and moderate rates from Winnipeg eastward we need fear no disastrous consequences in this respect. I believe that the lines already chartered in the North-West will offer all the competition that will be required in the next twenty years in the prairie Province, and with fair rates from Winnipeg eastward and from the older Provinces to Winnipeg I do not fear that the monopoly, which it appears on the surface the Syndicate will have, will act injuriously to our people. It has been objected that the high rates will probably benefit the Ontario farmer.. I do not think Ontario farmers desire to get rich at the expense of their brother farmers of the North-West, and therefore I, for one, would not advance such an argument. There is one clause in this Act that I would like to have seen a little plainer, and I think, still, an explanatory clause might be placed at the end of this Act which will set at rest for ever the meaning of the clause. I cannot conceive that an Act, passed by the Parliament of Canada, could, for a moment, be considered to mean the interest on capital given in the shape of bonuses by that very same Government, and I cannot help feeling that the only construction it can bear is: the capital invested by the Syndicate in the construction of the railway; and if that is the case, we need not fear any great monopoly in rates. While referring to rates, there is one point I desire to draw the attention of the Government to, and that is, that they will see that no discrimination is allowed in favor of American freight over Canadian freight. That is the feeling among the people of all the older Provinces, who have long suffered in consequence of discrimination between American and Canadian freights. I hope when they regulate the freights, they will make that provision. Now, if the Government do this which I think they have the power to do, under the General Railway Act, the result will be that if the Syndicate desire to obtain United States traffic over the Canadian Pacific they must bring down their rates so as to compete with American lines; and if the same rates must be given to our people in the North-West, it will virtually give all the benefits of the competition of American railways, while at the same time secure the carrying of all our traffic and what can be got from the United States over our own Pacific line and through our own country. There is another point I think it as well to mention, as I think all objectionable points should be mentioned. I feel the security for the construction and running of the railway could be better, and I hope some plan may be devised by the Government, to which the Syndicate will agree, with the object of having removed the objectionable feature in regard to the prairie section of 900 miles. It appears the cash bonus for this section is $10,000 a mile, and the land bonus 12,500 acres per mile. For the eastern section the cash bonus is 15,384 acres, and $9,615 per mile; calculating the land at $1 per acre, the Syndicate will receive for the eastern section $24,999 per mile. I wish to draw attention to this point. If the Syndicate undertook to build in three years the prairie section, they would be entitled to the amount of money and land I have stated, and they would be obliged, if they carried out the terms of this contract, to have constructed and equipped 1-5 miles of the eastern section. The amount of money to which they would be entitled for the construction of that portion of the eastern section, would be $1,514,925, and a land bonus, at 2,615 acres per mile, of 2,993,880 acres. The total in land and money for the eastern and prairie section, putting it all into money, and calculating the land at $1 per acre, would be $24,764,805. Now, I cannot help feeling that it is quite possible that this prairie section of 900 miles,

may be built and equipped at $10,000 per mile. The equipment that would be required for the traffic for the next three years will not be, of course, very large, and I think it is nothing but fair to calculate that $10,000 per mile will build the prairie section; and if the line was deflected further south I believe it could be carried out for much less than where the Government intended to have carried the line. But we will take it at $10,000 per mile for the prairie section, and see what it will cost to build the 195 miles of the eastern section. I have put it down at $25,000 per mile. I fear that may be too low, because when I look back at the remarks of the hon. member for Lambton in regard to work in a section of country very much similar to that on the north shore of Lake Superior, he placed the cost of the construction of the Georgian Bay Branch at $80,000 to $85,000 per mile. I think that was a very large estimate and one altogether out of the way; but I understand there was a proposal to build the portion north of Lake Superior for $20,000 per mile, but I suppose it must be a road much inferior to the one by which the Syndicate are bound in this contract to build. I have put it down at $25,000 a mile, and after deducting one-fifth of land bonus, you have 8,000,000 acres of land, as the subsidy which the Syndicate will receive, over and above the actual cost of construction of the prairie 900 miles and the 195 miles of the eastern section. Deduct $1,000,000, which the Government hold as security, and you have 7,000,000 acres of land that the Syndicate could utilize and alienate if they like. They could sell the land to another Syndicate, or sell it to a company for the construction of a railway alongside of our Pacific road in a foreign country, which road would be inimical to our Canadian Pacific and the national interests of our people of this country did they so desire it. I should have liked to have seen in the contract a clause by which they would be bound, if they sold or bartered the land, to leave the money realized in the hands of the Government to use freely as they considered best, for the construction of the Canadian Pacific Railway. I would be perfectly satisfied if those two objections were corrected—first, in regard to the construction of the Railway Act, and, second, in regard to this security. I believe the Government will be able—because I have confidence in the Syndicate, and believe from the character of the men and from the assurances of the Government, and from the fact that large British capitalists, men of honor and wealth, and German and French capitalists are engaged in the project—to have the work faithfully carried out. I do not believe the Syndicate would object to have some such clause as I have suggested inserted, because it would not interfere with their financial operations. I hope the Government will be enabled to have some such understanding with the Syndicate. Now, we come to another matter. What have we to face should this bargain not be ratified by this House? We shall be thrown back in the hands of a party whose declared policy is what? It is to construct this railway to connect with the North-West through a foreign country. If there is one point on which I believe the people of Canada are united, it is that they do desire to see, and see as soon as possible, a railway constructed from ocean to ocean, not through a foreign country, but through their own country. Why is this country populated by so many people from Great Britain and Ireland? Why have they come to live in Canada? They came here because they desired to live under the old flag, and they desire still that this country may long continue to be under that flag. They believe we have here all the liberty and freedom for which their forefathers fought, to a degree not enjoyed in the older portions of the realm. They believe we have a Constitution that will conduce more to the happiness of man than, perhaps, any Constitution under the sun; and we enjoy these benefits under the grand old British flag, and we desired to keep this country in the same position. But if the policy of the Opposition is carried out; if the unpatriotic policy enunciated by the leader of the Opposition was carried out, in what position would we be placed? It is well known to-day that in various parts of the British Empire there are troubles; there are also troubles in Europe, and we may be drawn into complications, before many years, with the people of the neighboring republic. In that case in what position would we be if the Opposition policy prevailed? We would have no means of access to the North-West except through a foreign country, and we well remember the difficulties raised by the Washington Government when a request was preferred for the passage of Sir Garnet Wolsley and his force through the American territory. There is not a patriot in this country but would feel it a great calamity if the scheme of the leader of the Opposition was carried out; because the people well know that if connection is established by Sault Ste. Marie, it will shut off the project of getting a railway built through Canadian territory, and by that means obtain direct access to our people in the North-West. Therefore, I say we must face the difficulty. When referring to this subject I may offer a few remarks in respect to the new Syndicate bargain, which I understand is in the hands of the Minister of Railways. Now, it does appear to me that there is something rather fishy about it. The offer of the new Syndicate seems to bear the impress of having been to a large extent inspired by members on the Opposition side of the House.

Mr. BLAKE. No.

Mr. ORTON. If the reports we see in the paper can be believed, or if they approach the truth, the offer appears to have been got up in the interests of and for the purpose of serving the present Opposition in this House, without any desire to carry out what I maintain is the desire and wish of every true patriotic Canadian. I will read from the *Free Press*, the Opposition organ in this city, two or three paragraphs of the supposed new Syndicate offer:

"6. They give the Government the privilege of postponing the construction of the eastern section, in which event they are willing to construct the Sault line, 294 miles long, for a bonus of $12,000.

"7. They give the Government the option of postponing the construction of the western section, from Kamloops to Port Moody, which, under the present contract, is to be completed by the Government and handed over to the Syndicate.

"8. They give the Government the option of postponing also the construction of the mountain division of the central section, 450 miles."

Now, Sir, is this not the policy of the leader of the Opposition, to break faith with British Columbia, by delaying the British Columbia portion of the railway, to make Canada a dependency of the United States, by putting off the construction of the Canadian Pacific north of Lake Superior, thus failing to carry out the wishes of the people of Canada to have a railway built from ocean to ocean through their own country. The new Syndicate, I presume, is to try and get the Opposition into power at the next election, and aid the Northern Pacific in getting such control of our carrying trade that it will be impossible, during this century, and perhaps for ever, to get the eastern section and the British Columbia sections built, leaving us an easy prey for the people of the neighboring republic. Can any patriotic Canadian vote for such a base and traitorous scheme? Before sitting down I wish to make a few remarks in reference to the motion now in your hands. I do somewhat regret that the Government cannot see their way to yield a little to the Opposition on this occasion, and at any rate postpone this discussion till next Tuesday, so that every member of the House could have a new Syndicate bargain placed in his hands before discussing this subject further. Still Ministers may have some wise view in refusing it. At the same time, however, it appears

to me that it would be better if Parliament could have time to consider this new scheme. When I look around upon the generous followers Ministers have in this House, who are ready to support them in anything honest and fair for the interest of the country, I think they might, and still hope they will give way to some extent. I do not think they have anything at all to fear; nor do I believe their policy is actuated by any fear, but merely by a desire to finish this Syndicate bargain as fast as possible. I believe in all probability their course has been directed by the firm belief that the new Syndicate bargain is simply a hoax; but if so, and I believe so from what I have seen in the papers, I think it would do no harm, and show a little more kindness to the Opposition, to yield to them to some extent. I do not know if it would do any good, however. Perhaps in making these remarks I may be considered saying something that is hardly kindly of my friends on this side of the House, and as regards the leader of the Government. But I think I have some right to be a little candid with him without any fear of being suspected of the least infidelity to my party. It will be remembered that I supported my leader in his dull days of Opposition; I then felt like every follower he had, that he was wrongfully under a cloud and that the time would soon come when the people of Canada would soon look up to their old glorious statesman as Canada's greatest friend—that their gratitude would soon be displayed towards the man who had fought their battles so often and well. Therefore, I think I can claim the right to speak candidly and plainly on some points without any suspicion of my conduct and motives. I remember when I had also something to do with inaugurating that great National Policy which has proved so beneficial to the Conservative party, and is to-day acting so beneficially in increasing rapidly the wealth of our country. I remember when it was impossible almost for me to give utterance here to my views and desires in this connection. I remember also, when that Agriculture Committee, the effects of whose action was so powerful in securing the support of the farmers of Ontario and Quebec in the interests of the Conservative party, conducted its careful enquiry; when the farmers became aroused through the instrumentality of that Committee to consider their own interests, and cast in their lot with the manufacturing and other industries in inaugurating a grand National Policy in the interest of the people at large, to be carried out by the present hon. leader of the Government. Therefore, if I have said anything in my remarks that may perhaps be a little in opposition to the views of the Government, I think I can do it without the slightest feeling that I have any desire to act anything but the same old true friend of the Conservative party and in the best interests, as I believe, of the people of Canada. I have always believed that the interests of the people of Canada can be best served through the instrumentality of the Conservative party, and I still have the same opinion.

Sir ALBERT J. SMITH. If we wanted any evidence as to the justness and fairness of the motion now before us, I think that evidence is supplied by the last speaker. I feel curious to know how that hon. gentleman will vote on this question. I have the opinion, though, he will vote in direct opposition to his speech; but it proves correctly, Mr. Speaker, how reasonable this proposition now before the House is, and we had a right to expect that when the Minister of Railways rose to speak on this question, he would have given us some reason why this motion should not be granted. It seemed to be his duty and fitting for him in his relation to this transaction that he, in a plain proposition like this, should simply ask that time be given to consider a proposal made by a number of gentlemen in this country, well known for their respectability, for their financial ability, and for every element that is necessary to qualify them to construct this great Pacific Railway. Why not have an opportunity to consider this question. The hon. member for Cardwell says that this is a mere political trick. What authority has he for that? He has no right to insult the gentlemen who signed that offer. They are men who could fairly compare with him; men who have a recognized position in this country for character, responsibility and wealth. How dare he stand up in this House and make such an attack as that upon them? Mr. Speaker, the Minister of Railways instead of turning his attention to this question, as was his duty, made a speech which was unworthy of him, or any gentleman occupying his position. He must not suppose he is going to delude the people of this country by the course he is adopting. Instead of offering reasons for this, he has thought fit to make a personal attack upon me, but I am not sorry he has done that. He has done that once or twice behind my back, but I am before him now, and will square accounts with him. He has said that in 1873 I was false to my duty, and to the Government of which I was a member; that I deserted them—that I had been a supporter of that Administration. The hon. gentleman knows very well that that statement is not founded on truth. He knows very well—and it is necessary for me to refer to it—that when I first entered this Parliament I came from my Province having fought the battle of Confederation there. I am not ashamed of the course I took there. I spent a great deal of my time, and went through no less than three elections in connection with that question, and stood firm in my allegiance in what I considered to be my country and my people. I resisted, Sir, that measure, but finally it was carried. I felt it my duty to submit to the decree of the people who had determined in favor of that proposition. I made up my mind to offer no captious opposition to the fair working of that measure, and if it was followed by the great benefits that its promoters said it would be, nobody would rejoice more than myself. When I came to this Parliament I came a free and independent member. I was not allied to any party. I found the political parties mixed and confused. I found gentlemen who had been Liberals favorable to the scheme of Confederation, and parties so mixed that there was nothing for me but to act as an independent member who had opposed Confederation. I gave the Government of the day a fair and reasonable support, so far as I thought they were right. I was not in their confidence; I was not really a follower of that Government; I did not attend their caucuses. I had nothing to do with their confidence in any way but when any question came up before this House, I, as an independent member, being allied to neither party, exercised my own judgment on all those questions and voted according to my convictions. This course I adopted and the hon. gentleman knows it well. Does he not know, in 1871, when the scheme of union with British Columbia was under consideration here I opposed it at every stage?

Sir CHARLES TUPPER. The hon. gentleman need not take the trouble to admit that. In 1871 he was with them, but he was with us in 1872.

Sir ALBERT J. SMITH. I have so little confidence in—I was going to say the hon. gentleman's veracity—that I am not willing to take his statement, because the next hour he will be ready to deny what he admits now. I intend to read a portion of the speech which I made on that occasion in 1871. I was then just as much a supporter of the hon. gentleman's Government as I was in 1872.

Sir CHARLES TUPPER. No, no.

Sir ALBERT J. SMITH. I came here in 1867, and my course was perfectly consistent. I supported them when I thought they were right, and voted against them when I thought they were wrong, as in the British Columbia question, and as I did in 1872, when I voted for the proposition which the hon. gentleman has referred to. Here is what I said, in 1871, and my attitude to the Government

was precisely the same then that it was before that:

"Was the House ready to involve the country in so large an increase of debt? The debt was already $10',000,000, and there were many burdens that would arise from the Intercolonial and other works. The Union Act had provided for the extension of the Court system, and that had only been delayed because of the deficient state of the finances of the Dominion. The cost of the railway could not be named, it might be much greater than the amount named, and yet *coute que coute* the country would stand pledged to complete it. He should oppose the measure, because it would impose burdens on the people that they were not able to bear, and would involve the country in ruin and disaster."

Now, Sir, what was my attitude on that question of union with British Columbia?

Sir CHARLES TUPPER. Yes, contrast it with your attitude when you voted down the resolution of the hon. member from Bothwell.

Sir ALBERT J. SMITH. I will come to that if the hon. gentleman will keep quiet. I will convict him of having made false and malicious charges against me. I will refer to that again. Now, in 1872, this scheme for the introduction of British Columbia into this Union was consummated; I did all I could in the way of my voice and influence, in the way of protestation, to prevent the consummation of that insane bargain. The bargain, however, was completed, and the Government had agreed positively, in the most unqualified manner, to build and construct this road from Lake Nipissing to the Pacific Ocean in ten years. Why, Sir, anybody looking back now on the experience we have had, knows that that was an act of folly, of insanity; but they are not willing to admit it. They tell us time was of no importance; that it was engrafted in the contract, but still it was of no importance. When this measure was submitted to the House to devote $30,000,000 and 50,000,000 acres of land towards the construction of this road, I voted for that proposition, and I will give the reason why. It was supposed then, as I said the other day, that the country was an unknown country. We all supposed, and I had the opinion then, that this railroad would cost $150,000,000 at least.

Sir CHARLES TUPPER. Hear, hear.

Sir ALBERT J. SMITH. The resolutions were passed, not with the consent of the Government, for they were driven to it, that that road should be built by the agency of a company and not by the Government. The resolution was introduced simultaneously or shortly after the resolutions for bringing British Columbia into the Union, and at that time seemed to me to be a wise and prudent one, but since that time, we have expended millions and millions of money in organizing a system of Government there and the circumstances of the country have entirely changed. But the hon. member has made a charge against me, which, should he sustain, would render me unworthy to sit in this House. He practically charges me with having sold myself to the late Government for office. The fact that the hon. gentleman made such a charge simply goes to prove his recklessness. There is no public man in Canada who has done so much to degrade public life as that hon. gentleman; it seems to be instinctive in his nature to villify and slander. The hon. gentleman said in my absence, in his own county, on declaration day that I was an office seeker. I had fought the election honorably, and without indulging in personalities towards him or any one else; and I thought, after the battle had been fought and won, and the then Government had been defeated by the voice of the country, that the hon. gentleman might have refrained from the personalities in which he indulged in. Upon the hustings in his own county he said I was an office seeker; that I had knocked at the door of the Government of which he was a member, for office, and that if I had got it I would not have been found where I was. I wish now to ask the hon. gentleman if he said that or not? A few days afterwards he repeated the statement in my own county. I see that the Finance Minister has left his seat. I should have been glad if he was present, so that I might have appealed to him. Last Session, from my place, I challenged the Finance Minister—who knew me and know my political antecedents, as I had been associated with him for ten or fifteen years in the Government of New Brunswick—I asked him if he was prepared to justify the hon. member for Cumberland (Sir Charles Tupper) in making the charge he made against me. The Finance Minister intimated, with some reluctance, that he was not prepared to sustain the charge. Then I said to the Finance Minister, if you knew that the Minister of Railways made this charge against me in my own constituency in my absence, why did you not have the manliness to stand up in behalf of one who was associated with you for many years, and say that the charge was not true. That, Sir, would have been a manly and a generous act to do. Now, let us see what is the evidence on the point. The hon. Minister of Railways made these charges—I presume he will not deny that he did—but if he does I will produce the evidence. Now, I would ask the hon. gentleman if he ever made me an offer in the Cabinet of which he was a member.

Sir CHARLES TUPPER. Never, never. That was the trouble—that was what you wanted and could not get.

Sir ALBERT J. SMITH. I made a speech on this subject last Session, I made it in the presence of the Minister of Railways. I said he had made a certain statement, and I asked him, if he denied making it, to say so. Here is what I said:

"But after his election, he denounced me, though we had been on friendly terms personally, so far as I know, for thirty years At least I never had any personal altercation with him, and we have been the representatives of adjoining counties for many years, his in Nova Scotia and mine in New Brunswick. I conducted my election honorably, and never indulged in expressions derogatory to him, nor in personalities of any kind. Well, on the day of the declaration in his own county, the hon. the Minister of Railways made a violent attack on me, and abused me fearfully, representing me as false to the country, as one who had no interest in it, but who seemed desirous of destroying its best interests; and not satisfied with that, when the battle had been fought, and he might have been supposed content he attended a meeting in my county at Moncton, being accompanied by the hon. Finance Minister, and the hon member for King's, N. B., (Mr. Domville), being present at that enthusiastic demonstration; when he thought fit to denounce me, in the heart of my own county. He told my constituents that I was an office-seeker, and always had been; that I had knocked at the door of his Government for office. If that is not true, he can rise and correct me."

Did the hon. gentleman rise and correct me?

Sir CHARLES TUPPER. I will rise and correct you presently.

Sir ALBERT J. SMITH. I am not at all alarmed. I think I understand the hon. gentleman. I say that his statement was not true and I ask him if the fact that he kept his seat on that occasion was not an admission that it was not true.

Sir CHARLES TUPPER. No, no.

Sir ALBERT J. SMITH. I would ask, Sir, if that is the course which an hon. gentleman should take. I would ask you, Mr. Speaker and the members of this House if such conduct can be justified by the House or the country. I say that the very fact that the hon. gentleman did not answer on that occasion is an admission that my statement was true. I said further when I referred to this subject last Session:

"He added, that his Government had refused me office, which had they given me, would have placed me on the Government side instead of the Opposition. The hon member for Cumberland must have known there was no foundation in truth for such a statement, and he had a witness beside him, the hon. the Finance Minister, who also knew it was false and baseless. The hon. the First Minister, to do him justice, I believe would say that I never asked for office; but he was kind enough to offer me the Lieutenant-Governorship of my own Province, as did also the hon. the Minister of Railways himself."

Now, Sir, I repeat the statement I then made that the hon. member for Cumberland did offer me a seat in the Cabinet in 1873, and pressed me to take it. He knows I declined it. The hon. gentleman further offered me the Governorship of Nova Scotia, and he offered me the Governorship of New Brunswick. His first act as a member of that Cabinet was a very kind offer to me of the Governorship of my native Province. Besides, I had another offer from a member of the Government of 1873. I affirm these facts to be true. I have before stated, in my place, these facts in the presence of that hon. gentleman without contradiction. Now, then, it does seem to me hard that he should make this attack upon me when there is no evidence whatever in support of it, and when his own colleague, the hon. the Finance Minister himself contradicted and stated distinctly, last Session, that I had never been an office-seeker. The hon. gentleman stated that, in 1872, when I ran my election, I intimated that, but having stated on the hustings that I would support the then Government I would not have been successful.

Sir CHARLES TUPPER. I beg the hon. gentleman's pardon; I never made such a statement.

Sir ALBERT J. SMITH. I understood him to say I made the declaration on the hustings. I have run thirteen elections successfully, and I think I can run another if the hon. gentlemen opposite would be kind enough to give us a chance.

Sir CHARLES TUPPER. I do not think you could.

Sir ALBERT J. SMITH. I would like to challenge the hon. gentleman. He thought I could not the last time. He exhausted all his resources and they were unavailing. I would like to have the opportunity of running my county again, and I think many more members would like that opportunity. When there is so much difference of opinion in the country, in regard to this Syndicate, it seems to be a fit and proper time to have a dissolution. If we go to the country and are defeated, we will quitely submit and be satisfied, but the Government dare not give us a dissolution; they know that the people are entirely opposed to this Syndicate. The hon. gentleman has failed to answer any of the objections I made, last night, to the present scheme. He has stated that this contract was made in accordance with and under the authority of the Act of 1874. Now, that seems to me to be a reckless statement, unfounded in fact and in law. I challenge the hon. gentleman to put his finger upon a single clause of the Act of 1874 that runs coincidently with any clause of the contract. He stated that the Statute of 1874 authorized a grant of $10,000 a mile, amounting in all to $30,000,000. Does this contract confine the amount to be given to the Syndicate, to $30,000,000? Does the Act of 1874 authorize the Company to go to the North-West Territory and select the choicest lands in that region? Not a word of that kind. The contract of 1874 requires that the land should be taken in Ontario, wherever it may be found along the line of the railway, along the north shore of Lake Superior. But what, under the Act of 1874, does the Company do when they cross the boundary of British Columbia? Do they come back to the fertile belt? No; they take the portions of the land in British Columbia, which were worth nothing comparatively, wherever they could find them, and they took a small portion which was allotted in the prairie section precisely as they took it in Ontario and British Columbia. Then with regard to the land and money, is there any authority for that in the Act of 1874? None whatever. It is directly contrary to the law. Where is the provision authorizing the exemption from Customs duty? Where is the provision in the law which exempted the land from taxation? It is not there. The Hugh Allan contract provides for none of these. Where does the Act of 1874 confer upon the company power perpetually to build railways in that country whenever they like? Now, is that not a most terrible power to give to this Company? Without any limitation of time, for 100 or 200 years they shall have the right in the whole of that country, larger than Ontario and Quebec together, forever to construct railway lines and branches to the main line, without reference to this Parliament. Now, do hon. gentlemen really comprehend the enormity of this proposition? Why, the legislative power of this country is tied up. If we feel that they are building branches prejudicial to the interests of this country the arm of this Parliament is paralyzed to stop it. I stated the other night that the revenue derivable from the Pembina Branch would go to these gentlemen at once. Last year I stated it was $50,000, and that has not been denied. I stated that by the increased population of this country the business of that line would so increase that the yearly net revenue would not be less than $100,000 or $150,000. In the course of 10 years that comes to $1,500,000 actual cash paid into the company, besides the revenue derived from the prairie sections. If I understood the Minister of Railways aright, he told us that the first 100 miles westward from Selkirk could be built and equipped for $700,000. Now, let us see what benefit these gentlemen will get from that under this agreement. When this scheme is consummated I understand about 80 miles of that road will be finished and ready for traffic. These gentlemen will come to the Finance Minister and say, "We want, as we have a right to have under the contract, the possession and the use of this 100 miles of railway, and we want to pay you, as the contract provides we should pay you, the cost of this railway, which is $700,000. Here is the cheque;" and the Finance Minister accepts the cheque. While the hon. Finance Minister accepts the cheque, the gentleman turns to him and says, "Now I have paid you for that road, I want a million dollars from you." How is that? Why, under this contract there are $10,000 a mile for this 100 miles of railway which the Government have built, and they are entitled to a million of money, for which he gets his cheque, puts it into his pocket, and thus has $300,000, besides getting the road. So much with regard to the money. This agent then will say, "I want a grant of one and a quarter millions acres of land." What is that worth? If it is worth $3 an acre, there are $3,750,000 worth of lands, besides $300,000 cash, making $4,800,000 that these gentlemen get in connection with the first hundred miles of the road, and that road built by the Government. And besides these amounts, the Company will own the road. How is it that the hon. gentleman, inasmuch as there is a difference of opinion as to the construction of this clause which provides the ten per cent., has not given us his view of its construction. The clause is as follows:—

"20. The limit to the reduction of tolls by the Parliament of Canada provided for by the eleventh sub-section of the 17th section of the Consolidated Railway Act, 1879, respecting TOLLS, is hereby extended, so that such reduction may be to such an extent that such tolls when reduced shall not produce less than ten per cent. per annum profit on the capital actually expended in the construction of the railway, instead of not less than fifteen per cent per annum profit, as provided by the said sub-section; and so also that such reduction shall not be made unless the net income of the Company, ascertained as described in said sub-section, shall have exceeded ten per cent. per annum instead of fifteen per cent. per annum as provided by the said sub-section. And the exercise by the Governor in Council of the power of reducing the tolls of the Company as provided by the tenth sub-section of said section seventeen, is hereby limited to the same extent with relation to the profit of the Company, and to its net revenue, as that to which the power of Parliament to reduce tolls is limited by said sub-section eleven as hereby amended."

Does it say the capital expended by the Company in the construction of the railway? It says, "Capital expended in the construction of the railway." Can any hon. member, having regard to the true construction of language, say that does not embrace all the expenditure in the construction of that work? What is the effect of it? It is that the Government furnish the whole money and more than the money required. We admit we furnish $53,000,000 for the construction of the

work, besides the surveys which cost about $4,000,000, making $57,000,000 in cash; and on that $57,000,000 the Syndicate are entitled to receive ten per cent. They are entitled also to ten per cent on whatever they have to get out of the lands which the hon. Minister of Railways estimates at about $80,000,000. Suppose every cent, as I hold every cent will be given by the Government, they will receive—there is no power under this contract which prevents them from receiving—ten per cent. on $80,000,000, or $8,000,000 clear. Is it fair to the people, if $80,000,000 of their money is put into a railroad and that railroad passed over to the corporation, that the Government should have no voice in the adjustment of the tariff, that the Company shall have the power to regulate tolls and tariffs as they choose and receive 10 per cent. on the $80,000,000 expended on the road. I am surprised that the hon. Minister of Railways should not accede to the just and reasonable proposition of which the hon. member for Halton (Mr. McDougall) expressed himself in favor, and which the hon. member who preceded me also practically supported, and allow us time to consider this new proposition further. We want to see what this offer is. If we can save $10,000,000, $15,000,000 or $20,000,000 by delay, surely the hon. gentlemen who would sustain the proposition would be rewarded by the gratitude of the people.

Sir CHARLES TUPPER. I rise for the purpose of stating—

Sir RICHARD J. CARTWRIGHT. I rise to a point of order. The hon. gentleman has spoken already.

Sir CHARLES TUPPER. I rise to make a personal explanation. If I am not to be permitted to make a personal explanation, I will take another means of answering the speech which has just been delivered by the hon. member for Westmoreland (Sir Albert J. Smith.) That hon. gentleman will understand it is not in his power or that of any other hon. member to prevent my taking the opportunity I now desire to take, to make an explanation—

Sir RICHARD J. CARTWRIGHT. I rise to a point of order. The hon. gentleman has already spoken. He made a gross personal attack on the hon. member for Westmoreland, to which that hon. gentleman quickly and properly replied. I will not deprive the hon. gentleman of making a purely personal explanation, and if he chooses to confine himself to that, I have no objection to make, but he has no right to proceed to make his other speech.

Mr. PLUMB. I move the adjournment of the debate.

Sir RICHARD J. CARTWRIGHT. I have the floor.

Sir CHARLES TUPPER. I had the floor, and the hon. gentleman rose to a point of order.

Mr. MACKENZIE. The hon. gentleman cannot possibly have the floor, for he has already spoken.

Sir CHARLES TUPPER. I had no intention when I rose to deal with any other than the personal question raised between the hon. member for Westmorland and myself. I do not intend to add a single word to the subject under discussion, but I do claim the right to deal with the remarks which the hon. member for Westmorland made touching the question under dispute between himself and me. We listened this afternoon to the elaborate eulogium of the member for Westmoreland (Sir A. J. Smith) from the member for Gloucester (Mr. Anglin). Now, I will prove from the mouth of the member for Gloucester everything I have stated with reference to the member for Westmoreland—that while the member for Westmoreland stood on the floor of this House, he was an office-seeker. He wants to know why I did not reply to him a year ago. He knows very well he was put up to make that statement for the purpose of getting me to make a reply then in order that another hon. gentleman should have an opportunity of coming after me.

Sir ALBERT J. SMITH. It is not so.

Sir CHARLES TUPPER. It was not of sufficient importance to me, however, to warrant my losing the position in the debate that I thought it was necessary I should occupy. I gave no assent, however, to any statement the hon. gentleman made; I could not have done so without exposing myself to what the hon. gentleman has just accused me of—making a false statement. I will give him my reason for the opinion that he was an office-seeker, and was influenced by his desire for office in the course he pursued in and out of the House. I can read a speech which proves, in the most conclusive manner, that on the great public questions of the day he was diametrically opposed to the Government of Sir John A. Macdonald in 1871. He had taken the trouble to give the House his opinion that he regarded the scheme of that Government in a certain case as one of the most insane proposals that any Government could commit itself to, and yet one short year after you find him voting down a motion made by an hon. gentleman with whom he was, in 1871, co-operating against the Canadian Pacific Railway, and which was supported by the member for Bothwell,—that it was unwise to place in the uncontrolled hands of the Government $30,000,000 and 50,000,000 acres. How does the member for Westmoreland reconcile that with his present course? He says he was offered a Governorship. It is true I did intimate to the hon. gentleman that the present Minister of Finance had stated he believed that the member for Westmoreland would be an acceptable Governor to the people of New Brunswick; and reported after having had authority from my colleagues to communicate with him, that it was not a Governorship he wanted but a seat in the Cabinet. I ask him, will he venture to deny, that when I discussed with him the question of his appointment of Lieutenant-Governor of New Brunswick, he said it would be a great deal better for Tilley or Mitchell to take the position?

Sir ALBERT J. SMITH. Absolutely untrue.

Sir CHARLES TUPPER. If the hon. gentleman is prepared to deny that, he is prepared to deny anything.

Sir ALBERT J. SMITH. Absolutely untrue.

Sir CHARLES TUPPER. He was diametrically opposed to the Government of the day on the great fundamental questions of its policy, and in 1872 was standing side by side voting for and sustaining that Government in relation to that very question, on a most vital and important point—that we should have the power wanted over the land and money appropriated for the railway without being obliged to ask Parliament year by year for authority. I would give the hon. gentleman more facts. He says this was an insane proposition, that it was monstrous to involve this country in such a dreadful liability. Yet, what did he do? He went back to his people, and has not and dare not deny, because the journals of the day will furnish the proof, to ask them to do what? To condemn the Government, as it was going to ruin Canada by that insane policy? No; he asked to be sent back to sustain the Government committed to that very policy.

Sir ALBERT J. SMITH. Not true.

Sir CHARLES TUPPER. Does the hon. gentleman deny that he stated that if he was returned to Parliament, after five years' experience, he believed the interests of the country, and especially in the Maritime Provinces, required that he should support the Government of Sir John A. Macdonald and not the Opposition—that was to support the Government that to-night he declares were committed to an insane, dreadful project, which was going to ruin Canada. I will now give the hon. gentleman the opinion of his

colleague with whom he sat, *dos-à-dos*, during 1872 in this House, and who has passed this brilliant eulogium upon the late Minister of Marine and Fisheries. He says of the member for Westmoreland, that he had covered himself with infamy unspeakable for a consideration. A vote was proposed in this House—in fact was proposed against the Government of Sir John A. Macdonald—and the member for Westmoreland, for what reason he has got to explain to the House and country, voted side by side with the right hon. leader of the Government. The member for Westmoreland was then held up to public obloquy and contempt by the member for Gloucester in his paper dated 12th April, 1873, in which he declared that the men who had voted for the motion and question were willing to cover themselves with infamy unspeakable for a consideration. He also wrote that they were prepared to sacrific honor, character, honesty and reputation.

Sir ALBERT J. SMITH. He said the same of you.

Sir CHARLES TUPPER. That is quite true, but I was not looking for a Governorship.

Sir ALBERT J. SMITH. Is that true?

Sir CHARLES TUPPER. The member for Gloucester also said: "that men with characters to lose, with reputations to forfeit, will wade through filth so vile to a Governorship." What was the matter with the hon. friend of that gentleman that he would then wade through filth so vile?

Sir ALBERT J. SMITH. The Governorship did not come.

Sir CHARLES TUPPER. It was not the Governorship the hon. gentleman wanted. It is quite true when he went to his constituents declaring that he was prepared to turn his back upon his old associates, and unite his political fortunes with the Government in power, that I said to him that if he preferred to be the Governor of Nova Scotia to the Governor of New Brunswick, I had no doubt the matter could be arranged. That statement is quite true.

Sir ALBERT J. SMITH. That statement is not true.

Sir CHARLES TUPPER. In all my communications with the hon. gentleman I went back to my colleagues and said—and they all know the statements I am making to be true—"What Mr. Smith wants is Mr. Mitchell's or Mr. Tilley's place, and not a Governorship," and I say here in the presence of the assembled Parliament that I ascertained beyond doubt from the hon. gentleman and from his own statements, that what he desired was the position held in the Cabinet by Mr. Mitchell or Mr. Tilley, and as the Government felt that either of those gentlemen possessed a greater amount of ability than the hon. gentleman and was more entitled to the position, we could not, in the public interests, ask either of them to make way for the hon. member. Now, Sir, that was the position. He says I have made a false and malicious statement. Why, Sir, if any other member of this House had made that statement I would have asked that the words be taken down, and I will tell him why I did not in his case. I knew that the hon. gentleman put on record his vote in this House that the statement of an hon. gentleman in this House was a "false, scandalous and malicious statement," and I knew him afterwards, as a member of a Government, to present that same man to this House to be elected as its Speaker; so, I say, that false, malicious and scandalous words coming from that hon. gentleman will always be treated as idle wind when they remember that when his interests require him to make such a statement he will make it, and when his interests demand another statement he will state that opposite. I told my colleagues what I believed, and it was this: "Either Mr. Smith will have a seat in the Cabinet or he will intrigue for a seat in another." The hon. gentleman got permission to come back here on a declaration which he made to the electors from the hustings that he came as a supporter of Sir John A. Macdonald, but he went over to the other side when they had a seat in the Cabinet to offer him.

Sir ALBERT J. SMITH. You know you are making a false statement.

Sir CHARLES TUPPER. We had no seat in the Cabinet for the hon. gentleman, and those who had it were in a position to take him out of our hands, and they did it. He says he did not depend on that statement for his election. I do not say he did. I do not say he would not have been elected. He says he had a majority of 7 0. How did he get that? He knows that a petition was fyled against him for having obtained that by scandalous and wholesale bribery. How did he escape that petition? By going into court and showing it was not true?

Sir ALBERT J. SMITH. I do not rise to call the hon. gentleman to order, but I want to know, will I have an opportunity to reply?

Sir CHARLES TUPPER. I have no objection in the world. He escaped that petition, not by going into court, as an honest man would have done, and challenging his accusers to bring the proof, but he escaped it by putting up the defence that the law which his Government had themselves put on the Statute-book prevented any appeal to the Supreme Court. That appeal came here, and the court decided that the law was bad, but the decision came too late and thus he escaped, or, in my judgment, he would not otherwise be sitting here to-day.

Sir ALBERT J. SMITH. Your judgment is not worth anything, in my opinion.

Sir CHARLES TUPPER. I have answered the questions the hon. gentleman asked me, and, in all candor, I am prepared here and everywhere to leave the question as to how far the temptations of office have influenced the hon. gentleman upon the statement he has made of his own action, and the evidence he has furnished to this House here to-night.

Sir ALBERT J. SMITH. The hon. gentleman, true to the interests of his own nature, has indulged in that which, I say, characterises him, and which has lowered and degraded him below any public man in Canada. Yes, that is his characteristic, and it is known, perhaps not so much in Ontario as in the Provinces of Nova Scotia and New Brunswick. Whenever anything is said there that is so extravagant that it cannot be believed, it is nothing but "a Tupperism." That is the kind of reputation the hon. gentleman has down in that region, but the hon. gentleman has not denied my statement. I said that he himself had offered me a seat in the Government. Has he denied that in his place? I said one of his colleagues had offered me a place in the Government also. Has he denied that? He dare not deny it! I throw it back on him! I ask him if he did not, in a hotel in this city of Ottawa, come into my room, first on my arrival here in October, 1873, and press me to take a seat in his Government? He says, when he met me in St. John he had telegraphed me to meet him there, and then says his colleagues were willing that I should have a Governorship, and that my appointment would be acceptable to the people. Will that hon. gentleman deny that he pressed the Governorship of New Brunswick on me, and when I refused to take the Governorship of New Brunswick, he then offered me the Governorship of Nova Scotia, and said he would take the Governorship of New Brunswick himself? Will the hon. gentleman deny that I should like to know? He says that, after our interview in St. John, he referred to his colleagues, and told them that I would not take a Governor-

ship, and that what I wanted was a Cabinet office. If he stated that to his colleagues he said what was not true, for I never made such an intimation. If I wanted a Cabinet office here, would not I have taken it when it was offered to me? Sir John A. Macdonald, as I said in my former observations, kindly offered me the Governorship of New Brunswick in 1872, and what he says I stated on the hustings is not true. What I did say was this: that I had come here as an Independent member, that I had given the Government my support when I thought they were right, and condemned them when I thought they were wrong. I asked to be returned in the same position, but I was prepared to give the Government credit for having done justice to the Lower Provinces. I said, "If you elect me I will go back as an Independent member, and will exercise my own discretion." Does the hon. gentleman suppose that any man endowed with a sense of honor, would undertake to follow him through the dirt and mire of the Pacific Scandal? It is no pleasure to me to refer to that transaction, but the hon. gentleman has involved a full discussion of it. Could any man justify that scandal? The hon. Finance Minister, I see, has returned to his place now. He was conspicuous by his absence when I was speaking. I ask him, if I ever applied for a position—was I ever an office-seeker in any shape or form?

Sir LEONARD TILLEY. I am not aware that the hon. gentleman made any application to me for an office. I was permitted to place myself in communication with him and offer him a Governorship, which he declined. I know, subsequently, the hon. gentleman who is now Minister of Railways had a communication with him, and reported to his colleagues—I will not say whether it is right or wrong—that the hon. gentleman had declined to him the Governorship of New Brunswick, and said he wanted a seat in the Government. The hon. gentleman says that another member of the Government offered him a seat; if he refers to me, I never, in any communication I had with him, intimated to him that a seat in the Government was at his disposal. That subject was never referred to; it was confined to the Governorship.

Sir ALBERT J. SMITH. That is very true; but it is a remarkable thing that I never heard this before. It is a wonderful instance of the retentiveness of the hon. gentleman's memory, and it is wonderful how clearly it accords with the recollections of the Minister of Railways. I have only to state that it was not true. I ask the Finance Minister if I did not tell him, during the time that his administration was in power, that I did not want any offers. When I was here supporting his Government, now and then supporting him when he was right, and opposing him when he was wrong, I told him more than once that I did not want any office.

Sir LEONARD TILLEY. I do not recollect any conversation on the subject, except our communication with reference to the Governorship.

Sir ALBERT J. SMITH. Does he deny that I was offered a seat in his Government?

Sir LEONARD TILLEY. I deny it. I say that it was not in my knowledge.

Sir ALBERT J. SMITH. Will the Finance Minister say that an offer was made to me by two of his colleagues on two different occasions, and that he did not know it?

Sir LEONARD TILLEY. I was never aware that an offer was made to him of a seat in the Government, because it was my seat, and I had no intimation that I was to leave, and I had no knowledge that there were any vacancies. I was not aware that my colleagues had any authority to offer any seats.

Sir ALBERT J. SMITH. The Minister of Railways does not deny that he offered me a seat.

Sir CHARLES TUPPER. I deny it most positively, and I say besides that I never had such authority to make such an offer.

Sir ALBERT J. SMITH. I will endeavor to revive the hon. gentleman's recollection. Does he recollect being in my bed-room, at the Russell House, in October, 1873, on the day of my arrival in Ottawa.

Sir CHARLES TUPPER. Before that time the hon. gentleman had placed himself in the position of the strongest and fiercest antagonism to the Government of the day. The statement of the hon. gentleman that I offered him a seat in the Cabinet is without a shadow of truth.

Sir ALBERT J. SMITH, who was indistinctly heard, was understood to say that when the Minister of Railways was asked why he had not answered his (Sir Albert J. Smith's) question, he replied that he was afraid he was losing his right to speak. The speaker proceeded: Now, that statement was untrue, and I ask the hon. gentleman why he had not the manliness and the justice to rise and say it was untrue, instead of making the excuse that he was afraid he would lose his right to speak. I make the statement solemnly and on my honor as a man that the hon. gentleman, in this city, offered me a seat in his Government, and that another member of his Government offered me a seat in 1873. The hon. gentleman has charged me with bribery in my election. I throw that charge back in his face, and I say that no man in the Dominion is so corrupt as he—that he is notorious for his bribery and corruption.

Mr. ANGLIN. I wish to make a personal explanation. When the Minister of Railways read something which he produced as evidence from me against the hon. member for Westmoreland I was at first under the impression that he was quoting from my speeches in this House, for which I was responsible to Parliament, to my constituents, and to the country. On listening further, however, I found that he was quoting an article from a newspaper which created much excitement in this House some years ago, but which, as he read it at first, I am sorry to be obliged to say, he did not read it correctly. As he read it at first it appeared to make a direct charge against a member of this House of being influenced in giving a vote on a very important question by the hope of a Governorship. However, Sir, he happened to read it again, and then he put both nouns in the plural—that several members were influenced by the promise or hope of Governorships. Why the hon. gentleman should have chosen to believe and assert that passage applied solely to the member for Westmoreland it is not for me to say. But there is more than this to be said, that the Hon. Minister of Railways himself once quoted that statement, and pronounced it a foul scandal and a malicious libel. And yet the hon. gentleman quotes it this evening as evidence that this charge against the hon. member for Westmoreland is a truthful charge. If I even permitted, as the Finance Minister was permitted, to repeat what was told me, I might state what another told me in 1879 or 1880, that at a time when, as hon. gentlemen are aware, a member of the Government, sitting in the Senate, made himself obnoxious, and a large number of that body demanded that he should be put out of the Government, and I remember well that on that occasion the present hon. Minister of Finance had an interview with the member for Westmoreland. I was cognizant, personally, of the fact; and immediately afterwards, Sir Albert J. Smith reported to me that the hon. Mr. Tilley had proposed to him, by the authority of Sir John A. Macdonald, that Mr. Mitchell should be put out of the Government, and that he should be offered the seat.

Sir LEONARD TILLEY. I rise to say at once that there is not a word of truth in the statement.

Mr. BOWELL. Does the hon. member for Gloucester deny that the article to which he has referred does not

apply to the hon. member for Westmoreland. That was the impression he left on the House. I ask him if the language was not applicable to, and intended for, the hon. member for Westmoreland?

Mr. SPEAKER. I desire to call attention to the irregular character of this discussion. When a personal explanation is to be made, a good deal of indulgence is generally allowed to an hon. member, but it is to be expected that in such cases hon. members should endeavor to introduce matters which are not pertinent to the debate.

Mr. DESJARDINS. Mr. Speaker, I wish to draw the attention of the House to some remarks suggested by the new stage into which the question now under consideration has entered, on account of certain offers made to the Government for the building of the Pacific Railway; but, before approaching this subject, I cannot refrain from alluding to the lecture on political independence that was read to us a moment ago by the hon. member for Gloucester (Mr. Anglin). I have no objection to being told what a member, anxious to fulfil his duty, must do when he is called upon to take part in the settling of such an important question as the present one; but when I receive such a lesson, I like very well to know where it comes from, and whether he who gives has really the right so to do. On hearing the hon. member for Gloucester (Mr. Anglin) recommend us to show ourselves independent of our leaders, and of our political party, I asked myself what had been his line of conduct, some years ago, when a question of vital importance for his constituents was being discussed; when he had been entrusted by a numerous group of the population of New Brunswick with the defence, before this House, of rights that had been trampled under foot by a fanatical majority of the Legislature of his Province. And, Mr. Speaker, if I remember aright, it was not the Conservatives who then hesitated to embarrass the Government they were supporting, in order to defend, with the member for Gloucester, what they considered a right unjustly ignored. However, it happened that the hon. member for Gloucester (Mr. Anglin) could at length count upon a majority of his friends in the House, and what did he then do? Did he continue the valiant struggle that we had undertaken with him? No, Mr. Speaker; in order not to inconvenience his friends he withdrew from the fight, going up to the mountain top as it were, and leaving the unlucky Conservatives to defend, alone and in spite of him, the interests with the defence of which he was more especially entrusted. It is not therefore for him to come and read us a lecture on political independence. Now, Mr. Speaker, in presence of this new Syndicate, got up in forty-eight hours, by the party now in Opposition, or at least under its auspices, I am more than ever inclined to believe that the Liberal party is only really fruitful when in Opposition. I very well remember the promises made and the fine schemes formed by the Liberal party before they got into power. When they got into power, we were to see, according to their promises, all the questions that were then taking up our attention, settled in the most satisfactory manner; we were to see the questions that divided us, with respect to the North-West, settled according to our wishes; we were to see the serious question of the New Brunswick Schools settled so as to satisfy the ignored rights of our co-religionists. And with regard to this question of the Pacific Railway, what was not promised? I must confess that I was myself guilty for a moment of believing in the good faith of the Liberal Government. But I had soon to undeceive myself, and with respect to the question of the Pacific Railway I was not long in seeing that we had then, as we are asked to do now, left the substance to run after the shadow. Thanks to the Liberals we lost the Allan contract, and what did we gain? We have had the dredging of the Kaministiquia harbor; we have had the Fort Francis locks; we have had the famous Foster contract. The great national enterprise was so altered and mutilated that it was impossible to recognize it. They began by removing the eastern terminus of the Pacific Railway 650 miles; next, at the risk of destroying the great work of Confederation, they wanted to abandon the construction of the road in British Columbia. And now, when they come to us with a new project, the authors of which it is impossible to look upon as being in earnest, and which, if it were adopted, would have for result to break off the negotiations with the Syndicate whose contract is now under consideration, we will ask ourselves what we would retain if the Government, taking up seriously this new proposal, should release from their engagements the capitalists who have entered into the contract with them. Supposing that the Government were disposed to enter into new negotiations, I maintain that the offer now submitted would not meet the views, at least of the, members from the Province of Quebec, if not of the whole Conservative party. There are in the new contract clauses that are entirely contrary to the policy that we have been supporting since 1872. We do not want, for our part, that any Government should have the option of building or of abandoning the line to the north of Lake Superior. We do not wish that the Government should be authorized at the same time to give up that part of the line that is to be built in British Columbia, because we have always been in favor of the completion of the Confederation, and because we have always wished for a line built entirely upon our own territory. We never thought of being satisfied with the line that is now offered us, nor of substituting the Sault Ste. Marie Branch for any part of the main line. By showing themselves so eager to adopt the new contract, the Opposition are entirely contradicting their former declarations. The leader of the Opposition maintained that the granting of 25,000,000 of acres of land in the North-West would create a system of land tenure that would be fraught with the same inconveniences as those that now exist in Ireland. It was the granting of lands that he looked upon as the greatest objection. Well, if we are to take the draft of the contract as published in Opposition papers, are we not as much exposed to land tenures under the new contract as we can be under the former? Now, mention has been made of the tariffs that might be levied on trade by the first Syndicate, under the control of Government. Well, Mr. Speaker, if, by adopting the Sault Ste. Marie Branch, we should put ourselves under the control of the American lines, who would protect us against the tariffs that they might impose upon our trade? By connecting our lines with the Northern Pacific near Duluth, would not we be exposed to see our lines become a sort of *pis aller* for the western trade, and would we not be exposed to see our lines receive only that portion of the traffic that the roads going to Chicago and the Ocean ports could not possibly carry? Well, Mr. Speaker, it seems to me that under these circumstances the Government would be justified in saying immediately—and for my part I am disappointed in seeing that they did not say so immediately—that they cannot look upon, as serious, a proposal that comes so late, and that being engaged with one Syndicate in a scheme matured during several months, they cannot abandon it in order to give themselves up to gentlemen who, after having consulted with the Opposition, have, in forty-eight hours' time, made proposals that it is impossible to look upon as honestly and seriously made. Mr. Speaker, it is stated that there are capitalists well up in the social scale who are engaged in this new Syndicate. But we know something about capitalists that dabble in politics. We have often seen these kind of capitalists, carried away by party spirit, take a part in proceedings that they afterwards regretted, and I am satisfied the new Syndicate would be very sorry were we to take them at their word. Under these circumstances, Mr. Speaker, I think the Government,

before asking us to continue this debate, to the prejudice of matters requiring the attention of this House, should declare that they do not intend to consider the new proposals as serious, that the only contract that is before the House, and that is to remain there, is the contract that we have been examining and discussing since the opening of the Session.

Mr. LAURIER. Mr. Speaker, it is not for me to characterize in any way the language just been made use of by the hon. member for Hochelaga (Mr. Desjardins). However, he will allow me to tell him that, in my humble opinion, the Conservative members from the Province of Quebec are now losing a fine opportunity of rendering a service to their country. It is not for me to dictate to anyone in this House the manner in which each one is to fulfil the duty he owes to himself and to his country; it is not for me to appeal to any one with respect to his manner of fulfilling what he believes to be his duty to his country, but on this occasion the interests that are at stake, and which depend upon the determination that we are going to take, are so important that it will not be unseemly on my part if I appeal to the influence that the representatives of the Province of Quebec pretend to exercise, and which I believe they do exercise over the present Government, to prevent Ministers from further persisting in what I believe to be a fatal undertaking. Whatever may be the opinion entertained by each of us upon the relative or intrinsic merit of the contract, it is evident that the situation is no longer to-day what it was yesterday; whatever may be the relative or intrinsic worth of this contract, it is evident that it would be rash to come to an immediate decision upon this contract, because, as I have just stated, the question is no longer what it was yesterday. Heretofore we have only discussed the contract as drawn up by hon. Ministers; all that we were asked to do was to ratify that contract, and the only question was whether we would ratify or not the contract that was submitted to us. Now, the aspect of the question is changed; heretofore only one scheme was under discussion, but at the present moment we are certain that there is a second proposal before the Government—at the present moment we are certain that a new company has offered to undertake the building of the Pacific Railway. Without being able to say what are the terms of this contract; without being able to say whether this contract is preferable to the one we have been discussing—from the very moment that we have the assurance that there is another proposal before the Government—is it not our duty to wait till more light is thrown on the question, and to wait until we have the opportunity of knowing which of the two schemes now in the hands of the Government is the more advantageous for the country? I am astonished to hear the hon. member for Hochelaga (Mr. Desjardins) say that the Government should entirely reject the new offer that is made to them; that they should proceed and arrive immediately at the adoption of the first contract. Is it by so doing that he pretends to serve the interests of his country; does he pretend that by rejecting immediately an offer that he has not seen, or that he has only seen through the press, he would be accomplishing a patriotic act; would he recommend to this House to put aside the light that is about to be thrown on this question and to adopt the present scheme blindly, without stopping to take into consideration the new scheme? It must be evident to every reasonable man, it must be evident to my hon. friend from the county of Hochelaga, that such a proposition cannot be inspired by a feeling of patriotism. I think that he has yielded to party exigencies. I know what the exigencies of party are, I have perhaps yielded to them myself sometimes; but when such an important question as this one presents itself, we should not refuse to take into consideration the new proposal made to the Government. We do not yet know the terms of the new contract, but for my part I think that we should know them. I would not wish to follow the example of the hon. member for Hochelaga (Mr. Desjardins) in desiring to reject this contract before having had the opportunity of knowing what it is. The hon. member for Hochelaga is not serious when he makes such a proposal, and he will regret, I am sure, the language he has made use of. He cannot seriously have asked his friends to have the courage to say: "We are ready to support the Government, to declare that they ought to reject this scheme as being an offer not seriously made, and to vote for the first contract." On the contrary, I maintain that before further binding ourselves we ought to know the terms of the new offer. We are now discussing, perhaps, the most important question that has ever come before the country since Confederation; and it is upon such an important question as this that hon. gentlemen would fain precipitate a decision, prevent the House from even taking cognizance of the new offer, and force the Government to accept the first contract, even without making themselves acquainted with the new one. I am not discussing the terms of the second offer; I am not acquainted with them, and I have not the pretension of being acquainted with them; but what I know, and what we all know is, that those who have signed their names at the bottom of this offer appear capable of honoring their signatures, even if their signatures were to be honored at the cost of millions. We also know, or, at least, such is the rumor, that the terms of the new scheme are much more advantageous, and that there is a notable difference between the price of the second contract and that of the first. We are informed that, with regard to the question of money, the sum asked for by the new Syndicate is much less than the sum asked for by the first Syndicate. We also know that, with respect to the land grant—or, at least, so we are told—the new proposal is much more advantageous than the former one. The hon. member for Hochelaga said that we should reject the new offer because it gives the Government the option of building, or of not building, the line to the north of Lake Superior. That might be a reason for rejecting it; but that is not a reason for refusing to look at it. It is, moreover, stated that the offer is not seriously made, that it is a political dodge got up by the Opposition. Mr. Speaker, if the Opposition have organized this scheme they will have still another claim to the gratitude of the country, for whatever may have been the motives that induced these capitalists to make the Government this new offer, these motives are of little consequence, provided that we obtain the result, and the result is that the new company offers more advantageous terms than those we now have before us. It is stated that the offer is not serious. But there is a very simple means of ascertaining that fact, and that is to put these capitalists to the test; they are ready to deposit the money and give all the security the Government may require. There is, therefore, no reason for doubt, and could any better proof that they are serious be obtained? Can it be said that these men are not serious when they offer to deposit a money security which, if I am rightly informed, doubles the security offered by the former capitalists. I go much farther, and do not hesitate to say that if these men were not serious, that if they had merely made the proposal in order to throw dust in the eyes of the Government and of the people, it would be a contemptible act that would deserve the censure of Parliament. When these capitalists placed their offer in the hands of the Government they took the responsibility of their act; and consequently if their offer were not serious, the offer being accepted by the Government, they would deserve to be punished by all the censures that this Parliament can inflict. It is said that it is important that the Syndicate should go to work at once. I have no doubt, Mr. Speaker, but that there is a great deal of force in that objection; it is important that the Syndicate should set to work, but it is still more important to know which Syndicate is to do the work, and that is just the point at issue. If, on the one hand,

we have the interests of the Syndicate to protect, on the other hand we have the interests of the country, and at the present moment we have to decide whether we are going to sacrifice the country to the Syndicate, or the Syndicate to the country. That is the whole question. Once more I say that I regret that the hon. member for Hochelaga, and the representatives from the Province of Quebec, who pretend to have, and who, I believe, do possess considerable influence over the Government, have not applied that influence to delaying the discussion of this question until light had been thrown on the subject. Hon. members from the Province of Quebec are in the habit of boasting of the influence they exercise over the Government. If they would put into this question the same activity and the same energy, or the half of that energy and activity that they put into another question that came before this House, and which was certainly less important for the country than the one now before us, they would make themselves heard and obeyed. The question to which I allude merely involved an abstract principle, whilst now the dearest interests of the whole country are at stake. In the memorable circumstance of which I am speaking, the Conservative members forced the Government to do that which they did not want to do; they forced them to do an unjust thing, although the Government was satisfied that it was unjust. Well, let them apply to the present question, the influence they exercised on that occasion, and I am convinced that they will succeed in inducing the Government to take into consideration the offer that has just been placed in their hands.

Mr. LANGEVIN. Mr. Speaker, it is precisely in order to protect the interests of the country that the Conservative party, and especially the Conservative party of the Province of Quebec, will oppose this second Syndicate, since it is so called, which now comes and makes a proposal to the Government. The hon. member for Quebec East (Mr. Laurier) says that, without knowing what this proposal is, we reject it. Does he know anything more about this contract than we do? And yet he is ready to accept it. All in this new Syndicate is magnificent, all in this proposal is splendid, because it comes from friends of the hon. member for Quebec East. But everything that comes from this side of the House is bad. However, the first Syndicate is composed, in a great measure, of friends of the hon. member, so that we have no reason for supporting one more than another. We support the contract entered into, and we submitted it to the House, because the proposals that were made to us were considered the best, and were accepted by the Government. And when these proposals were made to the Government, did the Government keep what they were doing a secret? Did they not make known that they were willing to receive proposals from no matter what quarter?

Mr. BLAKE. Hear, hear.

Mr. LANGEVIN. The hon. leader of the Opposition may say "hear, hear," but that will not prevent the truth from being true. At that time the Prime Minister declared in his speech, that the Government was ready to receive proposals. And where were then the friends of the Opposition? These same men were, however, in the country. The capital of which they boast so much to-day, they had it then. Why did they not come forward and say to the Government. "Here is a proposal, we are ready to build the road on such and such terms." Oh, no! These gentlemen did not stir; they entered into no communication with the Government: They did not come forward. They did not make known to the Government that they were ready to tender for this contract. They kept aloof then, and, to-day, after the Government have received a serious proposal that could be accepted; after the Government have accepted this proposal and placed it before the House; after hon. members of the Opposition have discussed it, and, by discussing it from day to day, obtained an adjournment of the House; after the members of the Opposition have gone to the country in order to endeavor to arouse the people against the Government and the proposal, and having failed, what do they do? They say: "how we will find another way of embarrassing the Government." They have friends around them, to whom they say: "Make a proposal to the Government; even if this proposal is not serious, even if you are unable to carry out the construction of the road. Do you think the Government is going to accept it? Make your offer, it will help us to overthrow the Government, if it is possible to do so; at any rate, it will embarrass the Government, and, perhaps, cause the proposal now before the House to be thrown out. That is all we want. We wish to prevent the building of the road to the north of Lake Superior. Make a proposal that can be changed some day, and that will prevent the construction of that part of the road." Provided we, the members of the Opposition, see the triumph of our policy, which is to prevent the building of the railroad on Canadian territory, in order to send the trade to the United States, then, our great policy, not national, but anti-national, will have succeeded. No, Sir, the hon. member for Quebec East (Mr. Laurier) must think his fellow-countrymen of the Province of Quebec very ingenuous if he thinks that they are going to adopt this new proposal, which would have for result to deprive us, the inhabitants of the Eastern Provinces, of through communication over our own territory; which would have for result to deprive us of the immigrants arriving from other countries, arriving from the United Kingdom, and who, instead of passing over our territory to go and settle in the North-West, would be induced to pass over the territory of the United States, and to remain there.

Mr. BLAKE. Hear, hear.

Mr. LANGEVIN. The hon. leader of the Opposition says "hear, hear." But it is known that such is his policy, he has made it known to us.

Mr. BLAKE. Not at all.

Mr. LANGEVIN. The hon. member for West Durham (Mr. Blake) says, not at all, *pas du tout*. It is a pity that he does not apply his French to the defence of the good cause, but such is his policy. He does not want us to have the road to the north of Lake Superior. What he wants is the Sault Ste. Marie Branch. He wants us to communicate with the North-West with our immense territories, upon which we have spent considerable sums in order to open them up to settlement; he wants us to communicate with our North-West by the United States route. Why have these hon. gentlemen such a particular friendship for this road? Why would they draw us away to the United States? Why is it that the word "National Policy" so rankles in their bosom, that they wish absolutely to destroy our nationality, I mean our great Canadian nationality. They want to Americanize us. Sir, I believe that not only the great majority of this House will not consent to such a thing, but, that the great majority of the country will oppose it. We want to maintain our autonomy as a separate people from the United States. Sir, the hon member for Quebec East (Mr. Laurier) has just spoken to us about the new Syndicate, and he said: "This new Syndicate proposes to build the road cheaper than the one you have accepted." The hon. member should have added, that in such a case as this, the question of money is not alone to be taken into consideration. The question of money is not the great question be for us, and since the hon. member for Quebec East (Mr. Laurier) made an appeal to the hon. members from the Province of Quebec, he will allow me to do the same, and to tell them that we must not alone consider whether, by accepting the new contract, we save four or five millions of dollars; but we are to consider whether, by the construc-

tion of this railway, we are going to secure to our Province and to the Eastern Provinces, through communication with the North-West; we are to consider whether this road is going to benefit the Province of Quebec and the other Eastern Provinces as the Province of Ontario.

Mr. BLAKE. Hear, hear.

Mr. LANGEVIN. As soon as the hon. leader of the Opposition sees that a point has been made against him he exclaims: "hear, hear." But let him pay attention to the votes that will be given, and he will see that these votes will be in the interest of this country and not in the interest of the United States. The great majority of the House, the immense majority of the House, the whole Conservative party, are in favor of a National Policy, and are not in favor of a United States policy. What have we to do with the United States? When the United States wish to trade with us they are welcome to do so, but we have to see to our future as a people, and we are not to consider whether by this road we are going to get a hundred dollars, a thousand dollars, or a million of dollars from the United States. The great question is, whether this road is going to be built for the United States or for us. Sir, if in order to save four or five or six millions of dollars we were to sacrifice the advantages of having a road in connection with the roads of Ontario and Quebec, and of building this road entirely on our own territory, we would certainly be guilty, and the electors of the country would blame us, for having so acted. Sir, I did not expect that the hon. member for Quebec East, forgetting the interests of his Province, with the defence of which he is especially entrusted by his party, would make such an appeal to his fellow-countrymen of the Province of Quebec. It seems to me that, although we are divided on many questions, and although he sits on one side of the House and we on the other, it seems to me that when a question of great public interest comes up for discussion, like the one we are now discussing and which is one of the most important that ever came before Parliament, it seems to me that the hon. gentleman should rise above party considerations and watch the interests of the country. But how does he watch these interests? By appealing to us and saying: "Will we, the people of the Province of Quebec, sacrifice millions in order to have this road built by the first Syndicate, when we can have it built much cheaper?" Sir, he forgets the great question, which is whether the road shall be built on our own territory from one end to the other, or whether it shall be built in fact on American territory. When the proposal of the new Syndicate is brought down, the House will see that this offer is not so rose-tinted as hon. gentlemen on the other side would make us believe. The hon. member for Quebec East (Mr. Laurier) has appealed to the members of the Province of Quebec not to vote concurrence in the resolutions until the proposals of the new Syndicate are before the House. According to that hon. gentleman the proposals of the new Syndicate would be some millions less than the proposals now before the House. The question is not merely one of a few millions of dollars, but it is a great national question. Money saved at the expense of the national interests of this country will be more of a loss than a saving. We have to decide whether this road would have to be built on Canadian territory. If it is to be built only partially on our territory and to benefit the United States to our own prejudice, then it would be better for us to have no railway at all. We do not want our money to go to build up the United States, but we want to use it in securing the trans-continental road which will open up our own territory and afford homes for British subjects who will praise the institutions we have, and defend them against all comers. The large majority of the people of this country desire that the British institutions we have now may be made permanent. They desire that we may be quite independent of the United States. We are friendly to them; they are friendly, I hope, to us; but like other nations we desire to be independent, and to be independent of them we must have railway communications from one end of the country to the other. If, as hon. gentlemen opposite desire, we are to have a railway which will be broken at Sault Ste. Marie, and we are to go through the United States to reach Winnipeg or Pembina, then I say we are dependent on the United States, and all the immigrants coming to us from Europe will be lost to us, as they have been in the past, when they passed through American territory. As an issue we wish to have those immigrants pass through our own territory when they go to settle in the North-West. We wish to have a railway that will be a credit to this country and exclusively benefit Canada. True, we may have a proposal by which three or four millions may be saved at the expense of the Lake Superior section and the British Columbia section. If we accept this new proposal we shall have to set aside the whole past policy of this country. We have made a bargain with British Columbia to build a railway to the Pacific, the faith of the country is pledged to it, and I know this Parliament will not break a pledge made in its name by the Government of Canada. Therefore we must reject this new Syndicate and stand by the old one. Why? Because, by the plan suggested by the Government, that portion of the railway north of Lake Superior is to be built simultaneously and continuously with other sections of the railway. We have there a guarantee that the railway will be built for the benefit of the whole country, and not only for one portion of the country. The hon. member for Westmoreland (Sir Albert J. Smith) said a few moments ago: We have the people on our side; let us go to the country again. That does not appear from the elections that have taken place since 1878. In every case where the seat of a Conservative became vacant it was filled by another Conservative, and three, if not five, seats that belonged to the hon. gentlemen opposite, on becoming vacant, were filled by Conservatives. Hon. gentlemen have boasted of the great meeting held in their favor in Montreal, at which the admission was by ticket. If they were not afraid, why did they not open their doors to both parties alike? When my hon. friend the Minister of Railways held his meeting in Montreal the doors were thrown open to everybody, and my hon. friend was not afraid to meet there his opponents and to tell them our policy, and on that occasion he won golden opinions even from his opponents. The people saw that he was plucky enough to meet his adversaries, and if the hon. leader of the Opposition had wished to be present he would have been accommodated with a seat on the platform, and would have been allowed to speak. Not so, however, with the leader of the Opposition. He wanted to be let alone and have no one to contradict him. He had his own way, but the people have shown that they would not support him.

Sir RICHARD J. CARTWRIGHT I think every hon. gentleman on both sides of the House must have become tolerably well aware by this time that the Government would have done a very wise and sensible thing if they had at once and without demur conceded the motion of my hon. friend from Shelburne (Mr. Robertson). To what purpose this nine hours of discussion? Simply and solely because the hon. gentlemen saw, to their confusion and dismay, that their followers would not support them if they ventured to go on with the discussion. The hon. gentleman for Centre Wellington (Mr. Orton) was perfectly right in the admonition which he bestowed on those hon. gentlemen, cautiously and properly as it was done. He gave them to understand, though he had stood by their side in the darkest hour of their adversity, that he was not going to stand peaceably by and see this matter disposed of without at least knowing tolerably well what he was called upon to vote. Now, here we are past midnight on Saturday

morning, kept idle and purposeless here discussing all kinds of absurd and irrelevant matter imported into this discussion by the Minister of Railways—not much to his credit and not much to his profit either. I rise here chiefly to discharge a simply act of justice. But first allow me to say, that although I pretend to but little knowledge of the language in which the Minister of Public Works addressed the House, it did strike me, unless my ears deceived me, that he made an appeal to his friends from Quebec not to support this measure, because it was in the interest of Ontario.

Mr. LANDRY. No; no.

Sir RICHARD J. CARTWRIGHT. Because the Syndicate were likely to further interests of Ontario.

Mr. LANDRY. The hon. gentleman must learn French before he can be so positive.

Sir RICHARD J. CARTWRIGHT. My knowledge of French is scarcely so good as I could wish, but I think that that was, in substance, the remarks which the hon. gentleman made in his native tongue, and which he omitted to translate into the tongue of most of us.

Mr. LANDRY. You are wrong.

Sir RICHARD J. CARTWRIGHT. We have heard the minions of the hon. gentleman set up to do the dirty work which even the hon. Minister of Railways did not choose to do—set up to state that this new contract was a mean, miserable, political dodge, set up to decry the repute and the character of men as honorable as Canada can show, as wealthy as any of the men who now form the Syndicate to which these hon. gentlemen propose to assign this work. We have not got both proposals before us as we might. We might easily have had that offer laid, at eight o'clock, on the Table; but we happen to know, from the information of some hon. gentlemen who signed that offer themselves, the names of a considerable number of the men whose signatures are attached to this document. Who are these men whom men like the hon. member for Cardwell dare to attack as having lent their names, credit and character to a mean and paltry political dodge? The first man is Sir William Howland, the old ex-Lieut. Governor of Ontario, a former colleague of hon. gentlemen opposite, and a man whose name is honored from one end of the Province to the other; the next is Mr. A. K. McMaster, of Toronto, the head of one of the largest firms there, and one who is likely to take the highest grade among the merchants of Ontario; H. H. Cook, Toronto; Peleg Howland, Toronto; Wm. Hendrie, Hamilton; John Proctor, Hamilton; John Stuart, Hamilton; A. T. Wood, Hamilton—all men of wealth and influence; my friend Mr. Allan Gilmour, Ottawa, a man of known honor and immense wealth, who would scorn to put his name to any document which he was not prepared fully to implement; James Maclaren, Ottawa—is he a man who is likely to lend himself to a mean, paltry political dodge?—John Walker, London; D. McFie, London; P. S. Stevenson, Montreal; John Carruthers, Kingston; G. A. Cox, Peterboro', one of the best railway men in this Province; A. W. Ross, Winnipeg, a man of large experience and considerable means; P. Larkin, St. Catharines; K. Chisholm, Brampton, a man who received, but a few months ago, a check for $800,000, I believe, for his interest in one single concern; Alexander Gibson, Fredericton; William D. Lovitt & Co., Yarmouth, a firm of the very largest ship-owners, if I mistake not, in the whole Dominion; Barnett & McKay, Renfrew, well known as men of means. I believe that these men, fairly weighed, fairly put to the test, have nothing whatever to fear from comparison even with my excellent friends, Mr. Stevens, Mr. Angus or Mr. Hill, of Minnesota, or Baron Reinach, of Germany or France or wherever he may be, or my worthy young friend, Mr. Charles Rose, the son of Sir John Rose, a very excellent man, but not, I think, one of those great merchant princes who, we were told, were knocking at the doors of the ante-chambers of hon. gentlemen in London. It is a mockery; it is an insult, not to the House, but the intelligence of the community in which we live, that men such as these should be taunted by men like the hon. member for Cardwell, with lending themselves to a mean and paltry political job. I have no right to pledge myself for those men in any way, but I know their resources and determination to implement anything that they may put their hands to, and I will venture to say that, within twenty-four hours, if the hon. Minister of Railways demands security, that security will be forthcoming in an hour, cash on the counter. The hon. Minister of Public Works tried to impress on this House that the proposition of these gentlemen is one which contemplates the abandoning of the road through British territories. I am given to understand that those gentlemen are very willing to offer to this Parliament, if this Parliament pleases to accept it, the option of constructing just as much or just as little of this road as it likes; but it is not true that they are not willing to construct the whole for the sum of $3,000,000 less in cash, and 3,000,000 acres less in land, worth at least $8,000,000 or $9,000,000 more. They propose to construct this whole road from Callendar Station to that point to which the present Syndicate are willing to construct it; and they propose to construct it without any of those vile monopoly clauses which disgrace and disfigure the contract under consideration; without asking for any exemption from taxes on the lands they are to get, and on the road-bed and the road they are to acquire, and without remission of duties. That offer, I understand, is now in the possession of the Hon. Minister of Railways. I do say it is monstrous that the common courtesy of 24 hours' delay to enable the House and the country to become informed of the proposition should not be granted without this useless discussion. We are told that this contract cannot be opened up, that the contract has been let and then other people came on with lower bids. Parliament has surely the right, if Parliament sees fit, to accept the better and reject the worse offer. We are told again that these gentlemen had their chance, that advertisements were put forth asking capitalists to come forward and take up the work. There is not the slightest foundation of truth for that assertion. No man, I will venture to say, until that contract was laid on the Table, ever dreamed that any Government of Canada was going to depart so utterly and fundamentally from the primary conditions on which all these railroads were to be constructed, as to build 706 miles themselves on two, by far the most difficult, portions of the whole road, give them a present to the new company, and grant to that company a monopoly for twenty years of the whole trade of the North-West, to grant exemption from taxation over those lands for 20 years, over the road-bed, rolling-stock and other things. Nobody ever heard or dreamed that the Government of Canada were going to permit such conditions to be inserted, and under these circumstances how can Ministers and their supporters say that this was a contract free to all the world. Had there been the slighest idea or knowledge on the part of the capitalists of Canada, the United States or England, of the terms which those gentlemen were willing to accept, then indeed their dream would have become a reality, and capitalists from every country would have been knocking at their doors for the privilege of tendering for this railroad. It would be the absurdest thing in the world, and I say this not for the benefit of the gentlemen on the Treasury benches, but for their followers, if they should finally reject so good and praiseworthy an offer without giving their followers an opportunity of knowing what this offer was, or the country an opportunity of pronouncing upon it. I do not pretend to have any very great sympathy with hon. gentlemen opposite, either Ministers or supporters; but I would say this, that never were gallant and

devoted followers, for that they are, so ruthlessly sacrificed by the bad generalship of their leader. Even, at the twelfth hour, I hope and implore them to take pity on themselves and remember that even when destruction was lowering there were some righteous Lots that escaped from the political Sodom. It is true, if the sacred record be true, they did not escape without demoralization, but still there was a refuge found for them, and I hope and trust that the hon. gentlemen similarly situated on this occasion may ultimately find a similar shelter.

In reply to Mr. White (East Hastings),

Sir RICHARD CARTWRIGHT said: If I recollect right, the vast majority of which the hon. gentleman speaks was not so apparent in his case, and but for a remarkable construction of the law I am afraid the hon. gentleman would not have the pleasure of enjoying his present seat.

Mr. WHITE. You had to go away to another place for a seat.

Sir RICHARD J. CARTWRIGHT. I went further and fared better, probably. The discussion was begun by the Minister of Public Works, who was pleased to taunt us with representing but a small portion of the people. But we represent a great many more people in the country than our numbers in the House would indicate. At the very worst, we represent probably nine-twentieths of the people of Canada, and I think, if a fair vote could be had, we should be found to represent eleven-twentieths very soon. Probably if a vote could be had on this question at present, we should obtain quite as large a majority as the hon. gentlemen opposite possess. It is not my intention at this hour to prolong a debate, more particularly as the Government have practically conceded the point we contended for, in allowing this debate to assume its present range. All we claim is, that they should lay the new proposition on the Table, and let their supporters in the country know whether they are not more favorable than the present bargain. Every possible advantage, every inch of railroad which they can obtain under the present contract, they can secure under the offer now in the hands of the Minister of Railways, and that without those mischievous clauses which, every one of them, from my sage and wise friend the member for Ottawa downwards, know and feel will drag them to destruction unless struck out of this present contract.

Mr. PLUMB. I was quite prepared, at the opening of the debate this afternoon, for the violent tone which has been adopted by hon. gentlemen on the other side. My hon. friend from West Durham commenced with almost a shriek to rally his friends to the agitation and grievance pitch. I must say, they responded with great alacrity. He began the discussion by a series of statements which I think were entirely in accord with those which he has favored the public with upon public platforms and in this House, from the time this discussion commenced. But a surprise has been sprung on the House by the tactics of the hon. gentleman. I do not intend, in speaking of this surprise, to impute any attempt to trifle with this House to the gentlemen who have given it to us, under hints from the Opposition—for I have no doubt whatever that this entire proposition emanates from the Opposition—although I think there are grave grounds for that suspicion. Let us look at this question fairly and dispassionately. An Act was passed in 1872, by the Government which was in power for five years, to receive tenders and make contracts, even without advertising for tenders. The terms of that proposition involved subsidies enormously larger than any found in the contract which has been discussed for several days in this House. Why were no propositions made by those gentlemen who are now so anxious to underbid the gentlemen who first ventured to come forward to make a definite and substantial proposition to this Government? Why did they not find it to their interest to come forward during all those years when they saw the enormous subsidies offered by the late Government? Was it because the late Government had so prostrated the interests of Canada, and so misrepresented its condition, that no one dared to come forward and take the contract? Was it because those gentlemen felt that, with the friends of the leader of the Opposition in power in 187°, it was not safe to come forward and attempt any contract which involved, as the taking as a portion of the subsidy, a part of the public lands? Was it because they had no confidence in the gentlemen opposite that they did not take that contract? It would seem so; for the names of the men who appear here are most, if not all of them, the prominent supporters of the hon. gentlemen opposite, and there is certainly something a little suspicious in that. I wish to have it understood that the gentlemen who first came forward and took the initiative in this matter, and whose contract is before us for ratification are entitled to the confidence of the people of Canada. It was known that negotiations were in progress for the construction of the entire line of railway. The hon. gentleman who has just sat down (Sir R. J. Cartwright) astonished me by saying that there was no opportunity given to other parties to offer for this work; that nobody dreamed of the recklessly extravagant terms which were being given to this Syndicate. A more disingenuous statement was never made in the House. Everybody knows that the organ of hon. gentleman, week after week, anticipated the terms, that stating they were greater than they are, and that the First Minister was unable to make a contract—had utterly failed. Why did not those patriotic gentlemen, who now offer, then come forward—men who are so anxious to save the Government four or five millions, and give it other advantages? Is it not very safe to make an offer now; do not those gentlemen know that the honor of this Government and the Conservative party is pledged to the ratification of this contract? I say the first Syndicate have made an offer in good faith, and have shown by their terms that they intend to fulfil that offer, and that, as compared with the proposition I see sketched in the party organ of the hon. gentlemen opposite, it is a *bond fide* and superior proposition. The one is a genuine proposition to build a railway from Nipissing to the Pacific Ocean; and the other is a scheme, doubtless very acceptable to hon. gentlemen opposite, to construct a line partly through the United States and to avoid all the most difficult portions of the Canadian route. By the new scheme the Government is at liberty to withdraw from the construction of the worst part of the Canadian line. It is at liberty, it seems, to withdraw from building the line to the north of Lake Superior from the foot of the Rocky Mountains to Kamloops and from Emory's Bar to Port Moody. One can see the ingenious logic of the hon. member for West Durham sticking out, if I may say so, of every proposition. It is a mere echo of the hon. gentleman's speeches. It is evident that it means, if it means anything, that if the new proposal is accepted there will be a pressure brought to bear to abandon the Lake Superior section—the heavy work beyond the prairies—and we shall have what the hon. gentleman has so ably advocated on the floor of this House, and at every meeting which he has attended, and which has been echoed by every one of his followers, viz., a line through the United States for the benefit of the Northern Pacific Railway. Now, we hear a great deal about the propriety of taking up and receiving this proposition which has been sent in at the eleventh hour. I do not intend to question the *bond fides* of the gentlemen who have sent in this proposition. Some of them are gentlemen of wealth and of responsibility. There are names there that I do not think add very much to the strength of the offer. There are men there whose names, I do not think, add anything to the weight of the tender; but in the Syndicate, as it stands before us now, we have the names of seven defeated Reform

candidates in the late elections. It is not at all a partizan proposition of course; but it looks very much as if the association will be a powerful factor for the benefit of the hon. gentleman (Mr. Blake) and his friends when they go again to the polls. It looks as if the hon. gentleman, with that prescience for which he is celebrated, and which has been so admired by his followers, who have so soon changed their allegiance from their old leader to their new one, had originated this astute scheme to make the way easy for him and place him in power at the next election; but I think the hon. gentleman will fail in his device. I repeat, that the gentlemen of the Syndicate, whose contract has been accepted by the Government, which is now before us for ratification with whom I have no personal relations whatever, and only two of whom I ever saw until I came into Parliament, are entitled to every consideration for having embarked on the venture which they have taken; for I can tell this House, and the country through this House, that it is no light matter for these gentlemen to risk their reputations and fortunes in the construction of an immense line of railway through an unpeopled country, where they have got to make their business before they can get their business. I say they are entitled to a fair share of profit on this contract, and I have grave doubts about accepting a lower tender, if it may be called a tender, which has the hazards connected with it. Anybody who looks at the whole condition of this affair will see there are difficulties in every direction. There are four rival lines for the Pacific traffic; the United States is filled with competing lines which have to depend on lands to be sold in order to subsidize them, and every one of them will be a competing line with the line which these gentlemen have undertaken to build. It is perfectly certain that these gentlemen will have to accommodate their business, their rates, and the prices charged for their lands to the active competition of railway lines striving for the same business, running in the same direction, and having the most active agents all over Europe to bring grist to their mill. An important point, which was largely dwelt on last year, in respect to the running of a railway which has to make its business, is the expense of operating it, and that has gone entirely out of the minds of hon. gentlemen opposite. The other day I happened to look at the expenses connected with the Intercolonial. That railway, up to 1878, including 5 per cent. interest on the capital, which is not a very heavy rate, had an annual deficit averaging $1,700,000; and if the hon. member for West Durham, with that facility for figures, which distinguishes him and surprises us, will capitalize that, he may be able to judge that if $1,700,000 was the annual deficit for a railway of 700 miles long, running to objective points already largely populated, and terminaing at the sea-board, the outlet of the trade from Ontario and Quebec, what the expense would be of operating the railway if running through 2,700 miles of new territory, and a new business has got to be built up. The hon. gentleman said that the privilege which the Syndicate possessed, in the shape of exemptions from taxations, would amount to about $27,000,000, and that the other privileges conceded would reach $25,000,000, apart from the subsidy, but he did not tell the House that the Syndicate would be subject, year after year, to the expense of operating a new railway, and if they built a poor line that that expense would be doubled. I will take the hon. gentleman on his own argument I say it is not in the interest of this country to make a cheap countract, but that it is in the interest of Canada to give the gentlemen undertaking the work liberal terms, and then hold them to the letter of their bargain. I do not desire to see, if it were feasible, people coming in, after a sum has been fixed for carrying out this work, and ascertaining how closely they can cut under it, placing terms in the offer which virtually make it no competing contract whatever. I say now, and I believe firmly, with all respect to the gentlemen who submitted this new proposition, that, if their offer was accepted, they have no idea of fulfilling it by the construction of a road through Canada, from Lake Nipissing to the Pacific Ocean. I believe the very meagre sketch of their offer we have got here proves the truth of what I have stated. Now, hon. gentlemen opposite have amused themselves, and perhaps have deceived themselves. They certainly have amused us by telling us what a tremendous agitation is going on through the Dominion upon this question. The hon. gentlemen have, perhaps, in some mysterious way thrown such a glamour over the whole controversy, so they are enabled to see it in its true light. We all know that the hon. gentlemen opposite are utterly wanting in a sense of humor, or they would see the utter absurdity of the statements made by every one of them since the discussion commenced. What is the fact? Why, in Ontario and Quebec alone, there are 578,844 persons qualified to vote and to these you may add at least 120,000 more, for the Maritime and Western Provinces, so that there are 700,000 persons registered at the last election who were qualified to vote for members of Parliament—qualified to have their say in the business of the country. How many of that number, with all the pressure that has been put upon them, have apparently come to the rescue of hon. gentlemen opposite by sending in petitions to Parliament? And though I have noticed that these petitions have been circulated most abundantly in those places most favorable to their party, I find that they succeeded—after weeks of misrepresentation and shrieking—getting exactly 6,812, or one seven hundredth part of the voters of Canada, who have up to this time responded to the appeals which have been sent out from the Grit parliamentary caucus. Hon. gentlemen opposite firmly insisted from the beginning that we should be governed by the opinions which are elicited by the kind of meetings which they have held throughout Ontario, but one must infer that that opini n must be the opinion of people qualified to vote and that it must be the opinion of a majority properly ascertained. What do we know about these petitions of the people who have signed them. I have seen specimens of them where the handwriting is suspiciously alike for at least 20 or 30 signatures. Those who have read Mr. Justin McCarthy's History of Our Own Time will remember that he mentioned the fact that many of the petitions that were presented against the Reform Bill were absurd frauds, and that among the signatures of the petition were those of the Queen and the Duke of Wellington, and that many of the names were repeated over and over again. I am afraid, in respect to these 6,812 petitioners, hon. gentlemen will find that history repeats itself, and that many of the petitions presented to this House are of the character of those which, according to Justin McCarthy, were presented in favor of the Reform in England. I saw a petition, I think it was from the county of Frontenac, and it appeared to me that name after name were in the same handwriting, though I do not say that they were. At all events that is of no consequence. The girt of my argument is that there were only 6,812 signatures out of 700,000 voters—indeed we do not know that they are all voters—that they have attained their majority, or that they have a right to vote even for a pound-keeper—have signed these petitions. I do not wish to say anything derogatory of the sacred right of petition, but I do say that it is unworthy of hon. gentlemen to bring before us the idea that the people of Canada have in any sense endorsed the action of the Opposition. I say that the strongest evidence exists to the contrary from the fact that, notwithstanding all these petitions, they have not succeeded in doing anything more than I have now stated. And yet they have persuaded themselves that they have seriously moved the people of Canada. Well, I saw something of that delusion in 1878.

I saw it up to the day of the election. Well, I can tell them that when they come to reckon with their host, as they are now reckoning without their host, the same results will occur that occurred then; and I feel that I, for one, having a due sense of the responsibility which I take—a responsibility for which I must answer to my constituents and to the people of Canada—standing here my place, can justify before the public of Canada, the vote which I shall give upon this contract when the time comes to give it. I say that the question of the operation of a railway running into such a country as that which the Pacific Railway must penetrate, is one which has not been fairly touched upon by hon. gentlemen on the other side. I say there has been a disingenuousness in the discussion of the question before the House. Here is what the late Minister of Finance, who has referred to the Syndicate just now in his usual violent and denunciatory language, said in his Budget Speech of 1874:

"I spoke before the recess at some length upon the extraordinary deficiency arising from the working of the Intercolonial Railway and the other railways of the Dominion, chiefly in the Maritime Provinces. The deficiency arising from these sources is likely to amount to the extraordinary sum of about a million and a quarter of dollars. I desire to call the special attention of the House to one point which must be clear to every hon. gentleman. These railways run for the most part through a country which has been settled for the last fifty or sixty years. I cannot refer, of course, to the fact that these railroads entail such an enormous expenditure without its becoming apparent to the House that the cost of the maintenance of a railway nearly 3,000 miles in length, and passing through a country which is almost entirely uninhabited, must be, of necessity, very much greater. For a very long line, after the actual construction of this railway, an enormous charge must be levied upon this country, in order to keep in full working order aad repair, and this fact must be kept steadily in sight in considering the real character of that project."

Now, Sir, we are told that we are pressing this matter unduly, that hon. gentlemen have not had time to consider it. If hon. gentlemen had not had time to consider it, how could they go before the public and argue the question? But how was it in 1874? At the very close of that Session, on the 7th of May, resolutions by the Government were brought down authorizing the construction of the Canadian Pacific Railway; on the 8th of May they were referred to a Committee of the Whole, and that Committee reported on the 12th of May. There was no discussion of any consequence at those stages, and on the morning of the 21st, at 3 o'clock, those resolutions, involving a far greater outlay than any that is proposed here, involving terms besides which the present arrangement is strikingly economical, were pushed through the House, and we, on the opposite side, were gagged and prevented from expressing our opinion. I remember well the manner in which we were ruthlessly hounded down, and I remember the conduct which characterized the Ministerial side from 1874 to the dissolution of that Parliament, and I look with admiration upon the forbearance of the majority which now hold the place formerly held by the gentlemen now occupying the Opposition benches. There has been no disposition to choke off debate. There is no truth in the complaint on the other side that they have been unduly hurried, that it was intended to force the question. If there ever was a minority, however factious and not entitled to consideration, that has been treated fairly and kindly, it is the minority that sits opposite us to-day, and I hurl back that insinuation which has been made more than once that there is a disposition to stifle the debate. The more this question is discussed the better it is for us. The tour of the Minister of Railways was very effectual, and took the sting out of the misrepresentations made by prominent gentlemen on the other side. We are under obligations to ratify the contract entered into by the Government, because we consider it in the best interests of the country, and the hon. gentlemen who appealed to us to-day, with texts of Scripture on their lips had no effect upon gentlemen on this side except to convince them that they ought to stand together as one man, and do nothing even by implication that should cause the country to fear, that there is any chance of that factious Opposition ever again taking possession of the country and of mismanaging and ruining it. The disgraceful exhibition we have seen to-night should shock every man who has any respect for parliamentary propriety. The hon. member for Westmoreland (Sir Albert J. Smith) has the faculty of drawing down upon him Session after Session the same kind of discussion that occurred to-night. But when that hon. gentleman was defended by the hon. member for Gloucester (Mr. Anglin), I was reminded to say with Shakespeare,

"Get thee glass eyes,
And like a scurvy politician seem
To see the thing thou dost not."

My hon. friend from Westmoreland (Sir A. J. Smith) made a statement to-day that the lands set apart for the subsidy under the Act of 1874 were to come from the Province of Ontario, and that there was a clause in the Act to that effect. I challenge the hon. gentleman to find such a clause; it is not there. Another statement he made was that this Government had no right to make this contract. Well, if they had no right to make this contract, have they any better right to make the contract which is proposed and urged by hon. gentlemen on the other side. If this contract is not legal or within the power of the Government or Parliament to make, because it has not been awarded by tender through public competition, what possible right is there for another association of gentlemen to make a legal offer now, or for Parliament to accept that offer. I should like a legal opinion from the hon. member for West Durham (Mr. Blake) who, I observe, is paying strict attention to what I am saying, and smiling with his usual bland benevolence, which will reconcile that contradiction.

Mr. BLAKE. At this late hour of the night.

Mr. PLUMB. We will wait to hear it, no matter how late the hour is. I fail to find anything in the Act of 1874 to prevent Parliament from accepting and ratifying the Syndicate contract. I fail to find in it any necessity for submitting to public competition any contract which they choose to make for the construction of the Pacific Railway, except as a Government work. The clause in that Act relating to this point simply means that it shall not be built by day labor, as the late leader of the Government illegally built the Fort Francis Locks, notoriously a part of the line. The clause in the Act reads thus:

"The works on any section or sub-section of the said railway shall not be given out to any contractor or contractors until after tenders shall have been received for the same."

I contend that the Government have been acting under strict constitutional, Parliamentary and legal authority in everything they have done; and I may add that it was notorious everywhere that they were seeking tenders, and that, according to the *Globe*, they had failed to get tenders. There was every inducement offered to gentlemen on the other side to come forward and tender for this work. I am astonished that the hon. gentleman who spoke last (Sir R. J. Cartwright) should have said no opportunity was given to any others than the present Syndicate to make a bid. We can take the hon. gentleman's statements for what they are worth. We have heard him in this House so denounce the credit of this country that I am astonished that any outside capitalists ever dared to invest a penny in it, if they believe the hon. gentleman's statements. But our safety was that they did not believe them; and the hon. gentleman failed in his attempt to belittle and decry and destroy the prosperity of the country which it was his solemn duty, as a sworn Minister of the Crown, to protect and promote. And the hon. gentleman, who talks of a reaction, should remember that the county which had been represented for nearly half a century by the hon. gentleman's respected Conservative ancestors, rebuked him and turned him out and that he had to seek a constituency in Centre Huron,

which he obtained through the resignation of one of his devoted friends, and had to come back humiliated to this House as the representative of a constituency into which he had been pitchforked by the exigencies of the occasion. I am reluctant to speak of matters personal to myself, but I deem it proper to say that I have been treated, during the debates that have gone on, to a special notice by my hon. friend the member for West Middlesex (Mr. G. W. Ross). That hon. gentleman has taken occasion to taunt me with sitting in this House by a majority of two. He knows perfectly well that four corrupt votes were stricken off the list of my respondent, which were quite sufficient for my purpose, and which gave me the election; and the hon. gentleman knows that the candidate who opposed me in 1878 was sent to my constituency—according to his own statement, which has never been denied—by the late leader of the Government and a lamented member whose name I will not bring in here, both of whom boasted that they would keep me out of Parliament. That gentleman was disqualified for seven years to his own dishonor and the disgrace of those who sent him to contest that election, which, according to his own showing, cost $17,500 of expenditure in the riding, besides the money spent for costs of the suit I brought against him, which I understand were exceptionally heavy. It does not become hon. gentlemen opposite to taunt me with my election, and least of all the hon. member for Middlesex, who was elected by acclamation in 1874, and who had so misrepresented his constituency, that in spite of the enormous advantage he had as a prominent temperance lecturer, was returned only by the skin of his teeth in 1878; and if the voters' lists had been purged as they ought to have been, would have had to give up his seat to Mr. Currie. I believe that the Conservative party will rally as one man in support of the Government measure. I am not a prophet, nor the son of a prophet, but I have said and I believe that this measure will be supported by the united strength of the Conservative party, in this House and out of it, and that every effort of hon. gentlemen on the other side to distract us by means of obstruction, by specious arguments, by such arts as I have tried to expose, by pretending that there is a reaction in the country, when we know to the contrary, will fall perfectly harmless; and the hon. gentleman from West Durham (Mr. Blake) will find that he has about the same success in endeavoring to disintegrate our loyal party that he had when he went into West Toronto last summer and threw the whole weight of his influence and the power of his eloquence into the late election there, and came off second best. I wish to move——

Mr. BLAKE. The hon. gentleman, before moving his motion, had resumed his seat. I rise to a point of order.

Sir CHARLES TUPPER. I rise to a question of order. I put it to the hon. gentleman opposite if it has not been invariably the practice for a gentleman who had a resolution to move, to sit down for a moment to prepare it and rise again.

Mr. BLAKE. No.

Sir CHARLES TUPPER. I have never seen a gentleman prevented from moving his resolution for his having for a moment sat down.

Mr. STEPHENSON. I beg to move that this debate be adjourned.

Mr. BLAKE. I rise to a question of order. I think there is a motion in your hands already that the debate be adjourned.

Mr. SPEAKER. It is not the same question at all. I do not see why the hon. gentleman should not be allowed to move the adjournment of the debate upon this motion. It has a certain purpose; and, strictly speaking, I think that the motion of the member for Shelburne (Mr. Robertson) is out of order. My opinion is that a motion to adjourn the debate, upon this motion pure and simple, is in order.

Mr. PLUMB.

Mr. MILLS rose amid cries of "Order!" and "Chair!" and said: I beg to call your attention to authorities on the Clerk's table, which state that no amendment can be made; the motion to adjourn should be in regard to time. This proposition is a pure and simple proposition in that respect. The motion of the member for Shelburne does not fix any particular time for the adjournment, and it was only with reference to time that another motion of adjournment can be made in amendment. That is not an amendment in that particular at all; it simply omits certain other matters not relating to time, but refers to no particular question before the House. I submit that that being the case, it is not open to amendment, because it is already, in its simplest form, relating to a question of time.

Sir CHARLES TUPPER. A motion has been made for concurrence. Hon. gentlemen opposite, on that, have moved in amendment, and a debate has taken place. Here is an entirely different motion, to adjourn the debate on an amendment which has been moved. It is not to adjourn the original motion. It does not cover the ground that that motion covers. I ask hon. gentlemen opposite what would be the position of the House if it was not competent for any debate to be adjourned?

Mr. BLAKE. In what position shall we be, suppose this motion to adjourn is carried?

Mr. SPEAKER. The whole proceedings will appear in the Journals.

Mr. BLAKE. What would be the question before the House?

Mr. SPEAKER. The motion to adjourn the debate.

Mr. ANGLIN. The question before the House would be whether we should adjourn this debate for a particular reason. It is now moved that we adjourn the debate, the purport of which is to test an amendment that we shall adjourn another debate. It would be one of the most complex and extraordinary records that ever appeared in the Journals of any Legislative Assembly, and would be the most unintelligible.

Sir CHARLES TUPPER. Perfectly simple.

Mr. ANGLIN. I think if you will reflect seriously on what our record will be on our Journals you will find that it will be most absurd and contradictory. There is a record in the Journals of the Old Assembly of 1856 with regard to changing the seat of Government. I cannot now find the particular case, but I remember an amendment was moved that the consideration of the question should be postponed until further information was had, and that was considered fully in order. The motion was taken and the vote was carried.

Mr. PLUMB. I rise to a point of order. I think the Speaker has given his decision.

Mr. SPEAKER. I have no objection to hearing any precedent that might be offered.

Mr. ANGLIN. I understood that Mr. Speaker was in doubt as to the propriety of the original amendment. It is clear to my mind that the amendment to the amendment is out of order, as it is a repetition to the amendment itself.

Mr. SPEAKER. I do not take the same ground. The motion of the hon. member for Shelburne says that, in view of the fact, and so on, the debate should be adjourned. It must be taken on the original motion, if the original motion of the resolution be accepted. Now, suppose we could not move that the debate be adjourned on the motion, we should have to go on until Monday. There would be a very simple way out of the difficulty if I followed the decision of Mr. Speaker Walbridge upon exactly a similar question. The case is reported as follows:—

"Mr. Dorion moved: 'That the debate on this resolution, involving as it does, fundamental changes in the political institutions and the political relations of this Province, changes which were not in the contemplation

of the people at the last general election, ought, in the opinion of this House, to be adjourned for one month, or until such time as the people of this Province shall have an opportunity of constitutionally pronouncing their opinion thereon, by an appeal to them.' The Hon. Geo. E Cartier raised the same point of order that he brought against the former amendment. Whereupon Mr. Speaker said: 'The practice in such cases appeared to be for the Speaker to eliminate from such motions all that was irregular, and if the hon. member would not consent, why the motion fell to the ground. If the hon. member for Hochelaga would consent, therefore, to his eliminating from the motion all but that which referred to the adjournment, he (Mr. Speaker) would put it to the House. If not he would be obliged to rule it out of order.' The Hon. Mr. Dorion having declined to allow his motion to be altered, it was ruled out of order. The Hon. Geo. E. Cartier's motion was then agreed to and the debate adjourned to be resumed at the next sitting of the House."

So upon the motion to adjourn the debate no preamble ought to be put in, and upon a motion to adjourn the House no amendment can be put except as to time. A motion to adjourn the debate and a motion to adjourn the House must be always pure and simple. Of course, in this case I will not rule the motion of the hon. gentleman from Shelburne out of order, unless somebody raises the point.

Mr. BLAKE. I think if you were disposed to rule that out of order—although, as I understand, Speaker Walbridge announced the decision at an earlier stage of the proceedings, after nine hours' debate—I suppose it would be proper to adopt the course of Speaker Walbridge and eliminate those objectionable portions, and let the motion of the hon. gentleman for Shelburne carry.

Sir CHARLES TUPPER. I submit that it is too late to take that course. If you decide that that motion is out of order, you have another in your hand for the adjournment of the debate. The moment, therefore, that the motion is declared out of order it falls to the ground necessarily—unless the House should consent to eliminate the objectionable portions—and falling to the ground, then the motion to adjourn the debate is in order.

Mr. BLAKE. The precedent we are about to follow—and I am fond of following precedents that seem to be reasonable—is that the Speaker announces to the hon. member who has put in an objectionable preamble, that his preamble is objectionable, and if he will consent to the objectionable part being struck out, the Speaker will put the motion. I suppose the hon. member for Shelburne is not to suffer from the lateness of the stage at which you announce to us that the preamble was objectionable, but that you will give him the same license as if when the motion was first put by him you had made the objections which you now make. Giving him that license, following the precedent—and if the precedent is good it is good to be followed—you will make his motion in order as you would have done if your attention had been called to this circumstance at an earlier stage. It was proper that your attention should be called to the circumstance at any stage, but you are surely to give the hon. member and his motion just that treatment which a precedent requires.

Sir CHARLES TUPPER. The hon. gentleman seems to forget the cases are not parallel. When Speaker Walbridge gave the mover of the motion the option of having it declared out of order or submitting it to amendment, no subsequent motion that was in order was in the hands of the Speaker. The present case is not at all parallel, because, before you have decided that that motion is irregular, you have already a regular motion in your hand for the adjournment of the debate.

Mr. BLAKE. But that precedent tells us that it is the Speaker's duty to inform the member that the preamble is out of order, and he may eliminate the objectionable portion with the consent of the House.

Mr. KIRKPATRICK. If the amendment, which is put in your hands by the hon. member for Shelburne, is irregular, it is out of order, and that amendment cannot be altered without the consent of the House. It has been moved and seconded, and is in the possession of the House and now, after you have for the first time had your attention called to it, you have ruled that it is irregular, and therefore out of order. Therefore it drops out, and the next motion comes before the House.

Mr. BLAKE. The Speaker has not ruled that.

Mr. PLUMB. It seems to me there can be no arrangement by which the Speaker, and the mover of a motion, may change the motion without the consent of the House.

Mr. SPEAKER. I shall have to declare the amendment put by the hon. member for Shelburne, out of order. In that case, I shall have to declare the amendment put in my hands in order.

The amendment was carried.

ADJOURNMENT.

Mr. ANGLIN. Before the House adjourns I have a word or two of personal explanation to offer. A very grave attack was made on myself by the hon. member for Hochelaga (Mr. Desjardins) with regard to my conduct as a member of this House on the famous New Brunswick School question. I wish to say to that hon. gentleman that I am prepared at any moment, before any tribunal, before this House or any Committee of this House, or before any public meeting held here or elsewhere, to go into a defence of my whole conduct on that question from the day it was raised till it was finally disposed of; and to produce evidence, irrefragible and unquestionable, of my entire devotion to the Catholic cause, and the enormous personal and pecuniary sacrifices I made in the course of that contest; and I defy the hon. member for Hochelaga, and any of those who secretly and slyly endeavored to injure my standing in this country, by repeating what I declare to be a slander—I defy them to the proof of any charge they may make against me. There is a point on which I wish to make a correction. In making a statement this afternoon with regard to what I was told occurred between the present Finance Minister and the hon. member for Westmoreland, I inadvertantly said it was in the year 1874-5. It was in the early years of the first Parliament.

Mr. COSTIGAN. I have listened very patiently to the debate from the beginning of this Session to the present time. I was very sorry to hear a great portion of the debate which took place to-night. I was not pleased to hear the remarks made by my hon. friend from Hochelaga, because I do not think there is anything to be gained by reviving old issues that have been fought out before. I can make allowances for the hon. member for Gloucester.

Mr. ANGLIN. I want no allowances from you.

Mr. COSTIGAN. I repeat what I said. I can make allowances for the hon. member for Gloucester.

Mr. ANGLIN. And I repeat I want none.

Mr. COSTIGAN. It is not because the hon. member wants them I make them, because if I did not wish to make them, he could not compel me to make them. I can make allowances for the hon. member rising in his place to meet what he might consider an attack made by the hon. member for Hochelaga; but I cannot sit still here to-night, after the speech the hon. gentleman has made, which will go to the country, and which gives the lie to statements I made honestly in this House and in the country. I am not prepared to submit to his assertion that he defies the hon. member for Hochelaga or any who sympathize with him, to try to cast a slur on his character. He cannot defy when he cannot maintain the position he took on the New Brunswick School question. I have not the ability nor the skill that that hon. gentleman has; but I have the courage of my own convictions; and in any public assembly in any part of the Dominion, I will maintain what I stated in his constituency, that he proved false to the trust reposed in him.

Mr. ANGLIN. The hon. gentleman who has just taken his seat did appear before my constituents to make against me serious charges, that I then characterized, though I shall not so now characterize them, as vile and baseless slanders, and I proved them to be so by a letter from the Bishop of St. John, which I produced before my constituents and read to them; and when I turned to see the effect on that hon. gentleman, I found he had sneaked off the platform and took flight from the county.

Mr. COSTIGAN. I will leave to the members of this House who know me, to the people of his own constituency who know me but little, but know me sufficiently well to judge that when the hon. gentleman states I sneaked off, he misrepresents me. I am not made of the material that would cause me to sneak off from any man when I believe I am right. The hon. gentleman says he refuted the charge I made. I will be careful in the reference to be made to the letters I produced, but I maintain that, in spite of the hon. gentleman, when he had the courtesy, not to speak of the courage, of refusing me a hearing in the county.

Mr. ANGLIN. It is false.

Mr. COSTIGAN. He tried to prevent me, notwithstanding he was in the county where three-fourths of the people were prepared to support him, but still I got a hearing for which I am entitled to credit, and his own constituents believed that I was right and he was wrong. He never undertook to reply to my accusation in his own constituency, nor to a single argument I produced, because he could not. He stated that day publicly that I was entirely ignored; that he was the gentleman that managed the whole question in this Parliament; that I was only a tool in his hands, and was used by him to settle that question.

Mr. ANGLIN. I did not.

Mr. COSTIGAN. He said that he was the man to whom the Catholics of New Brunswick looked to regulate this question.

Mr. ANGLIN. It is true.

Mr. COSTIGAN. Did I not walk across the floor of the House to him, as a most eloquent and able Catholic member from the Lower Provinces, to move in the matter, and did he not tell me he would not?

Mr. ANGLIN. That is not true.

Mr. COSTIGAN. Although the hon. gentleman was opposed to the Government of that day and I was a supporter, I moved the question myself and he supported the motion so long as it embarrassed the Government; but he refused to support it longer when likely to embarrass the Government of his own friends afterwards.

Mr. ANGLIN. That is not true.

Mr. COSTIGAN. I walked across the House and asked him to move that resolution.

Mr. ANGLIN. Not true.

Mr. COSTIGAN. It is true. I had to take the responsibility of moving the resolution, though feeling it would come better from him, and I consulted him across the House while that question was under discussion.

Mr. ANGLIN. That is not true.

Mr. SPEAKER. Order.

Mr. COSTIGAN. The hon. gentleman uses a very plain way of denying my statements, but he cannot substantiate his assertions, or oppose mine in any other way than by a simple, flat denial. I do not intend to go over the ground of the New Brunswick School question again. I think I stated what I had to state without hurting anybody's feelings, except perhaps those of the hon. gentleman to whom was alluding, and he is not generally so careful about the lings of others that I need to be very careful about his.

That hon. gentleman knows that if it had not been for the school question he would not have been returned for Gloucester a second time, and that he would not have had a seat in the Speaker's chair. If the hon. gentleman does not know that, I can prove it to him.

Mr. ANGLIN. You cannot prove it.

Mr. COSTIGAN. That matter has been disposed of, and the hon. gentleman remembers it very well. Hon. members can understand the position I held. I made an honest statement in this House. I believed it was my duty to do so, and I believe that I suffered to a certain extent for doing so. I went to his constituency when he charged me in his paper with having made gross and foul accusations against him.

Mr. ANGLIN. That is not true.

Mr. COSTIGAN. It is true, and the hon. gentleman never dared to come into my county and attack me upon my course. It is true that, in his paper, which I am glad to say is not very widely circulated in my constituency, he said that I had misrepresented him and made false statements against him. It is also true that I was accused of making an attack upon him when he was Speaker of the House of Commons, and at a time when his lips were sealed and he could not defend himself.

Mr. ANGLIN. That is true.

Mr. COSTIGAN. I believe that when the question was brought up the propriety of the Speaker defending himself, if he saw fit to do so, was admitted, but I believe the ex-Speaker came to the conclusion by the advice of his friends that he would be more likely to excite sympathy if he made a vain attempt to defend himself.

Mr. ANGLIN. That is not true.

Mr. COSTIGAN. I repeat, from the time I took a seat in the Legislature of my own Province, and that was about the same time that he took his seat up to the present time, whatever my faults may have been I have tried to be consistent, honest and straightforward. I have carried a constituency for twenty years which that hon. gentleman could not carry. I have carried it without money and simply with a desire to serve my people honestly. The accusation which I made against the hon. gentleman, I made in the full belief that I was discharging my duty to myself and to my constituents. I do not allow the hon. gentleman's statement to go unchallenged, because I know that if I did the fact would appear in large letters in his paper. The hon. gentleman challenged those who differed from his course at that time, but he knows that his conduct would call forth the strongest protest from any man who watched his course on the school question.

Mr. ANGLIN. That is not true.

Mr. COSTIGAN. I am willing to meet his challenge in a fair way. I am willing to go before his countrymen or any body of independent men in this country. I am willing to give him the benefit of all his eloquence and all the ability and power he is known to possess.

Mr. ANGLIN. You have tried that before.

Mr. COSTIGAN. Yes, and I got a hearing when he tried to deny me a hearing. I proved my case and was cheered by the men who were to have voted for him.

Mr. ANGLIN was understood to say that he was prepared to meet the hon. member for Victoria on the question.

Mr. COSTIGAN. If the hon. member thinks he has gained anything by his challenge, he is very much mistaken, and while I do not want to take up the time of the House to-night, I promise all hearers a rich treat if we ever meet and discuss this question again.

Mr. DESJARDINS. I do not think it is necessary, after the answer given by the hon. member for Victoria, that I should reply to the challenge thrown out by the hon. member for Gloucester. I think all those hon. members present who were in the two last Parliaments will bear witness to the truth I uttered when I said that the hon. member for Gloucester was the last man to teach hon. members with respect to their conduct towards their constituents; and that is the best proof that what I said to sustain my opinion on that matter is amply proved by the story of the six years previous to 1878.

Motion agreed to; and (at 2.15 o'clock, a.m.,) the House adjourned.

HOUSE OF COMMONS,

MONDAY, 17th January, 1881.

The SPEAKER took the Chair at Three o'clock.

PRAYERS.

ELECTION PETITION.

Mr. LAURIER moved that the petition of Edmund Ritter, and others, of Sorel, representing that there has been a failure of justice in the matter of the trial of the Election Petition, complaining of an undue Return for the Electoral Division of Richelieu; and praying to be allowed to make proof before the House, be now read.

Mr. MOUSSEAU moved that the debate be adjourned.

Motion agreed to.

ANOTHER SYNDICATE OFFER.

Sir CHARLES TUPPER laid on the Table a new offer for the construction and operation of the Canadian Pacific Railway.

Mr. CASGRAIN enquired, Whether copies of the document would be printed in French.

Sir CHARLES TUPPER replied in the affirmative.

BILLS INTRODUCED.

The following Bills were severally introduced and read the first time:—

Bill (No. 26) to incorporate the Ontario Investment Association.—(Mr. Carling).

Bill (No. 27) to amend the Act 43 Victoria, Chapter 61, to incorporate the Assiniboine Bridge Company.—(Mr. Scott).

Bill (No. 28) to incorporate the South Saskatchewan and Hudson's Bay Railway Company.—(Mr. Boultbee).

Bill (No. 29) respecting Prize Fighting.—(Mr. McDonald Pictou).

Bill (No. 30) to continue in force for a limited time "The better prevention of Crime Act, 1878."—(Mr. McDonald Pictou).

ADJOURNMENT.

Sir JOHN A. MACDONALD stated that His Excellency the Governor General would hold a levee this evening, and he would therefore move that when the House rises at 6 o'clock it stand adjourned until to-morrow at 3 o'clock.

Motion agreed to.

NEGOTIATIONS WITH NEWFOUNDLAND.

Mr. McISAAC enquired, Whether the Government, since last Session, has re-opened negotiations with the Government of Newfoundland for the purpose of obtaining the free admission of cattle into that Province; and if so, what has been the result?

Sir LEONARD TILLEY. No negotiations have been opened since last Session with Newfoundland upon this subject.

DREDGING RED RIVER BAR.

Mr. SCHULTZ enquired, Whether it is the intention of the Government to put a sum in the Estimates for the dredging of the bar at the mouth of the Red River?

Mr. LANGEVIN. I shall be obliged to delay the answer to this question until the Estimates come down, because it is not usual to state beforehand what will be the decision of the Government on such matters.

BRIDGING THE OTTAWA RIVER.

Mr. WHITE (Renfrew) enquired, Whether the Government has taken any steps towards the construction of a bridge across the Ottawa River at Rapides des Joachims, for which a sum of $8,000 was voted last Session, and when will the work of building the said bridge be commenced?

Mr. LANGEVIN. The plans are now ready. The specifications will be prepared as soon as the pressure of work on the department is somewhat relieved, and tenders will then be called for.

PORTAGE LA PRAIRIE.

Mr. SCHULTZ, for Mr. RYAN (Marquette), enquired, Whether it is the intention of the Government to make Portage La Prairie a port of entry?

Mr. BOWELL. The Government has no information before it that would justify it in making Portage La Prairie a port of entry. As soon as the business of that port will justify it, it will be made an outport of Winnipeg.

THE NEW SYNDICATE OFFER.

Mr. BLAKE desired, before the Orders of the Day were called, to ask the Minister of Railways whether he would at once lay on the Table communications which he understood the Minister had received to-day, containing certain vouchers of banks for the payment of $1,300,000 in the name of Sir William P. Howland in connection with the proposal of the new Syndicate.

Sir CHARLES TUPPER said he would lay on the Table to-morrow all papers of that kind that might reach him up to the meeting of the House.

CANADIAN PACIFIC RAILWAY.

The House resumed the adjourned debate on the proposed motion of Sir Charles Tupper, for the second reading of the resolutions reported from the Committee of the Whole on the 13th January instant, granting certain moneys and lands for the construction of the Canadian Pacific Railway.

Sir JOHN A. MACDONALD. Mr. Speaker, I had intended, on Friday night, to have made some remarks on the amendment that was then in your hands; but, unfortunately for myself and, perhaps, fortunately for the House, I was too much indisposed to be able to do so, and I was obliged to leave the Chamber. That motion is, however, disposed of; considerable discussion was carried on, but it is still supposed to be *en règle*, and with your permission and the permission of the House, I shall offer a few remarks, and they will not be long, on the subject so brought up and involved in that resolution and the amendment, and on the discussion which arose upon it. Sir, in the first place, I would like to speak of the position of the Government with respect to this whole question. It is true it has been treated *ad nauseam* in this House and in the country; but, holding the position that I do, I think it will not be improper, or idle, or a waste of time, if I recall the attention of the House to some of the facts connected with the present condition of this great enterprise, and in doing

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so, I must offer my most humble and respectful apology to my colleague who sits next me, the hon. the Minister of Railways, because he has again and again gone over the whole ground in a manner which I may envy, but which I cannot hope to emulate. It is known that from the time that British Columbia came into Confederation, and I need not read the Journals of the House to prove the fact, that the declared preference of both sides of the House, of the then Parliament, was in favor of the construction of the Canadian Pacific Railway by an incorporated company. We commence from that starting point, and if we look through the whole line of the discussion and the whole line of the policy of the two Governments which have had to deal with that question, we will find this thread running through the whole subject, and connecting it in such a manner that it could not, without complete severance of the thread, be altered. It was felt in the country, in the House, and by every thinking man, that if we should be fortunate enough, if Canada should have sufficient credit in the market where capitalists do most congregate, to induce capitalists to come forward and undertake this great work, we would have obtained for the Dominion a great advantage. Our legislation was based upon that idea in 1872. The legislation of the Government that succeeded us was based upon the same principle, that it was advisable, if possible, to avoid all the trouble, responsibility and uncertainty, and all the danger to be apprehended of making a great work like this a political engine; it was thought by all parties that it was of the greatest consequence that all those obstructions to the successful prosecution of the work, to the carrying out of this great object, and connecting this country from sea to sea and making it one in fact as well as in law, should be removed; that it was of the greatest consequence that the work should be expedited; that it should not be carried on as a political work; that it should not be made a matter over which rival parties could or would fight; that it should be undertaken on commercial principles and be built by a body of capitalists like any other railway, with the hope and expectation that the capitalists would get a fair and full return for all their risk, for all their expenditure, and for all their responsibility. The whole country was in favor of that proposition, if it was possible to have it carried out. We tried and we failed, although we made an effort, a strong and almost a successful effort in 1872, to thus build the railway. I will not drag into this discussion, as far as I am concerned, and as far as my remarks are connected with the subject, any references to the political past. Allusions were made to it by those opposed to the Government, especially by those who desired to asperse myself; but, Sir, there is the record, there is the fruit of the appeal to the country, and I am Prime Minister of Canada. But whatever may have been the cause of the failure of Sir Hugh Allan and the first company that was organized for the purpose of building this road, I can see, without reference to any political reason, why that company was defeated. I can only say it was not from any want of the strongest opposition offered to the Government of which I was the head, but it was in consequence of the two things occurring together: the personal object in attacking the Government and the desire to overthrow the scheme. It has been urged in this House, and I say it has been proved, that the present scheme laid before the House for its approval, is a more favorable scheme than that proposed in 1872. Whatever may be the merits of the offers or tenders, whatever may be the merits of the last offer that has just been laid on the Table, I believe no man of candor and common sense and who understands figures, but will see that the proposition which this Government, on its responsibility, entered into with the Syndicate in 1880, is more favorable to the country than the arrangement made with Sir Hugh Allan in 1872. And I would ask this House and this country if Canada would not have been a great gainer if we had accepted and carried out that proposition of Sir Hugh Allan in 1872. Nine precious years have been lost since that time which can never be recovered, during the whole of which that road would have been in successful progress of construction; the men engaged in that scheme, if they could have got the ear of the European capitalists, were strong enough to push that road across the country, and at the end of those nine years, instead of there being scarcely the foot-print of the white man outside the Province of Manitoba, there would have been hundreds of thousands of people who have gone from mere despair to the United States, crowding into our own North-West Territories. That country, instead of having but a small settlement in the eastern end of it, would have been the happy home of hundreds of thousands —to use the smallest figure—of civilized men, of earnest, active, laboring men, working for themselves and their families, and making that country much sooner than it will be now, a populous and prosperous country. But there is little use in regrets like these. We on this side of the House are not responsible for the delay, we are not responsible for the loss of time, and we appeal confidently to the country, and confidently to posterity. We appeal confidently to every candid man to say if this Dominion of ours of which we are so proud, about the future of which we are so anxious and yet so certain, would not have been infinitely greater in our time, in the time of the oldest of us, if the future of that country would not have been opened out as a great branch of the Dominion if the contract of 1872 had been carried out. Still, Sir, it was not to be; our efforts failed and we feel in those efforts, we were succeeded by a Government strong in numbers, strong in ability, and at the head of it a practical man. The fact of his being a practical man was a matter of boast, and of just boast, among those who rallied around him. He had directed his best energies to the subject. He had at his back a body so strong that no Opposition could effectively thwart him, oppose him, or even to obstruct him. And that hon. gentleman states himself that he was not obstructed, that he was not opposed, that he was not in any way impeded by the Opposition of the day. And he, Sir, took up the same line of policy in essence that we initiated in 1872; and he endeavored honestly and faithfully, I believe, to relieve his Government and relieve himself and his party from the responsibilities of his position, and of the pledges which were made and which he and those who served under him made, and which were obligations which could not without dishonor be broken, which could not be delayed, which could not without disgrace and discredit be postponed. It was admitted that it was a sacred obligation; it was admitted that there was a treaty made with British Columbia, with the people and the Government of British Columbia, and not only was it an agreement and a solemn bargain made between Canada and British Columbia, but it was formally sanctioned by Her Majesty's Government. It was a matter of Colonial policy and Imperial policy in England that the road should be constructed, and the late Government, headed by my hon. friend from Lambton—who is absent from his place to-day, and who I fear is absent from the same cause which compelled my absence on Friday night, and I regret his absence very sincerely—I say my hon. friend felt himself bound to that policy. Both the Government of which I was the head and the Government of which he was the head were bound by the original resolutions that were passed at the time that British Columbia came in, were bound to the policy that this road should be built with the aid of money and land, by an incorporated company, if possible, and, some went so far as to say—built in no other way. He was hampered by that obligation, but although it hampered both Governments, yet inasmuch as it was the

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declared wish of Parliament, and must stand until it was removed by Parliament, that resolution was not an infringement of the original arrangement. The delegates from British Columbia sat here when the motion was carried; they were here assenting to it at the time it became in fact the law of the land, and when they went home there was not a word of objection or reproach from the Legislature and the people of British Columbia. All they wanted was that the spirit of the resolution should be carried out so far as men could carry out honestly and fairly, and straightforwardly, the solemn compact, the obligatory pledge. The treaty not to be broken without dishonor into which we had entered. Both Governments felt themselves bound to make every exertion to build the railway by means of the intervention of a body of capitalists incorporated for that purpose. As we had tried to do so did the succeeding Government, and they advertised in the manner which has been stated and explained, and I need not go through the details again. Advertisements were issued by the hon. member for Lambton, then the head of the Government, calling on the capitalists all over the world to come forward and tender for this work. But the tenders did not come in. Whether it was that Canada had not the credit it now has; whether it was that the Government of the day had not the credit that the present Government of Canada has; whether it was that the circumstances of the money market were unpropitious at the time; whether it was that the country in the North-West was not so well-known then as now, I cannot say. Perhaps all these causes, or some of them, conjoined to prevent success; but at all events the call upon the capitalists of the world by the late Government did not succeed. Sir, as I understand it, that was not a mere offer giving capitalists a certain day to respond, as if you were going to build a house, calling upon them to put in tenders by a particular day at twelve o'clock, and informing them that no offer could be received afterwards. There was, in the first place, an invitation from our Government calling upon capitalists to compete. There was an invitation from the succeeding Government calling upon the capitalists of the world to compete. That was an announcement to the whole world, and when we received, gladly and hopefully received, an offer from parties who, we believe, were in every way able to carry out the enterprise if they undertook it, we felt that we were carrying out the repeatedly expressed wish of Parliament, the desire of every man really on b th sides of the House, that the Government should be rid at once and for all from this responsibility. And, Sir, I might allude to a speech I made before going to England, in the spring of 1880, and I do so, because it was a notice to the country. The hon. gentleman, with his legal mind sticking upon legal technicalities, may argue that a speech of mine was not a legal notice; but upon a previous occasion when the hon. member for Lambton was forcing a measure upon the country without notice, he said, indignantly, to this House: "Every man has read my speech at Sarnia. When I went home to be elected as Premier, I gave notice to the whole country of the policy of the Government, and we have not taken the country by surprise.' I will ask the hon. member, if that did not occur, that if what is sauce for one animal of a particular kind is not sauce for another animal of the same kind?

Mr. BLAKE We do not say he is a goose.

Sir JOHN A. MACDONALD. That is a ready answer from an *anser*. I think my hon. friend will pardon me for the allusion, because he brought it on himself, although he be a biped no one will class him among that branch of bipeds. Let me read what I said in the Spring of 1880. "When I tell you that at this moment that there are a number of capitalists offering to build the road, desirous of taking it off the hands of the Government, and also making their own fortunes by running it and by the settlement of the land set apart for its construction, etc." I also said that "the Government at this moment have the offer under consideration." That, Sir, went to the country. It was copied and commented upon. It was commented upon by the organ of the hon. gentleman opposite. It was published and commented upon by every political paper in the Dominion of Canada. Notice was freely given what our intention was, and so there was no remonstrance made then as to our want of power in doing so. Nobody spoke against our having the right to do so. We were congratulated upon having this offer made. The whole tone of the Opposition press was pooh-poohing the thing. "You cannot get capitalists to build it. You will not be successful, but we wish you God speed." That was the tone of the Opposition press before we went to England. We might have concluded that contract under the spirit and terms of the Act passed by the previous Administration. I would much like to discuss that matter of law with the hon. gentleman opposite, but it is too large a matter for us to deal with in that way. We felt that this scheme was one that must pledge the fortunes of Canada and the revenues of Canada for a great many years, and that it was due to the people of Canada, to the Parliament of Canada, and to the Government, that their sense should be obtained before we put it into execution. We did not in that respect follow the example of the Government that preceded us. Some of the branch lines involved the expenditure of very large grants of money and the present leader of the Opposition took strong grounds against the late leader of the Opposition when the hon. member for Lambton declared that a contract had been given and that certain work was to proceed. The hon. member for West Durham asked him—I forget the exact question put, but the answer was that he (Mr. Mackenzie) had nothing more to give and that he acted upon his own authority.

Mr. BLAKE. I think the hon. gentleman is mistaken. He refers to the question I put asking for the authority on which the hon. member for Lambton proposed to build the Esquimalt and Nanaimo Branch.

Sir JOHN A. MACDONALD. Yes; that was it. The answer will speak for itself. The hon. gentleman questioned him in regard to the authority to build the portion from Esquimalt to Nanaimo. Mr. Mackenzie answered that he had nothing to ask from Parliament. I ask if that was not the answer he gave.

Mr. BLAKE. No; the answer given to that part of the question was that he had already given notice of the introduction of a Bill to authorize the construction of the railway, which was a different answer to my question. In the same speech I asked the hon. member whether he was going to submit the Carnarvon terms for the approval of the House, and the hon. gentleman said that in that particular he had nothing to ask Parliament.

Sir JOHN A. MACDONALD. Well, Mr. Speaker, Mr. Mackenzie told the hon. gentleman that he had nothing to ask Parliament for, and it was after that, after he found he was going to get the sullen opposition of the hon. gentlemen, and that Cave of Adullam, which the hon. gentleman had found behind his back, that he whipped Mr. Mackenzie into that statement. I cannot be mistaken. The circumstance is deeply impressed upon my mind. The Government I say had every right to use all their exertions in order to relieve themselves and the country of the obligation of building this road, and the still greater obligation of running it. Let any one consider for a moment what these obligations are, and how they press upon the Government. We see this in the Intercolonial and in every public work. Why, Sir, it is actually impossible, although my hon. friend has overcome many obstacles with regard to the Inter-

colonial Railway, for the Government to run that railroad satisfactorily. It is made a political cause of complaint in every way. The men that we put on the railroad from the porter upwards became civil servants. If one of these men is put on from any cause whatever, he is said to be a political hack. If he is removed it is said his removal was on account of his political opinions. If a cow is killed on the road a motion is made in respect to it by the member of the House, who has the owner's vote as support. The responsibility, the expense, the worry and the annoyance of a Government having charge of such a work, are such that for these causes alone it was considered advisable to get rid of the responsibility. We have had enough evidence of that in this House. With respect to the question raised by my hon. friend from South Bruce, I have the answer here. It is:

"We have never asked Parliament for the authority but merely communicate to Parliament this decision, and rely upon the House to support us in accepting the terms made through the intervention or mediation of Lord Carnarvon; and that support I do not doubt will be cheerfully accorded."

Well, Sir, we went to England, and though in England we occasionally saw what was going on in the Opposition. Oh, how frightened they were lest we should succeed, and cablegram after cablegram came to Canada informing the country, with an expression of regret, that we had miserably and wretchedly failed. They said it was an evidence of want of confidence of the people of England in the present Administration. How could any body of capitalists put any confidence or trust in a Government stained with the Pacific Railway scandal? It was said that if another Government having greater purity of character, and greater ability, and possessing in a great degree the confidence of European capitalists who had undertaken the enterprise, the result would have been different. There were tears, crocodile tears, perhaps, dropped upon the unhappy fate of Canada in having such an incompetent and criminal Government that could, within nine years from the original transaction, carry out a beneficial arrangement by which it was proposed to endeavor to get English capitalists to take their place and build the road. However, Sir, we did. And in the speech at Hochelaga that I hear so much about, a speech that can hardly be dignified by the name of speech, I announced the fact that we had made the contract firm. I say so now. We made the contract firm. The occasion of my making that speech was upon my arrival at Hochelaga. I was presented with an address by Club Cartier, a Conservative institution, and I made that answer. I do not retract a word. I said: "As for the present I hope it will be equally true, and for the future that I may be able to look down by-and-bye on the Pacific Railway as completed," and I hoped it would be done with the assistance of hon. gentlemen opposite as long as we were in the Government, but the project that has been laid on the Table to-day, shows that they have abandoned all idea of ever building the Canadian Pacific Railway. By a political plot they are trying to put off the blame upon others; but notwithstanding that plot we are going to build that road, and the original treaty will be carried out. The pledge made to British Columbia, the pledges made in reference to the future of this Dominion will be carried out under the auspices of a Conservative Government, and with the support of a Conservative party. That road will be constructed, and, notwithstanding all the wiles of the Opposition and the flimsy arrangement which has been concocted, the road is going to be built and proceeded with vigorously, continuously, systematically and successfully to a completion, and the fate of Canada will then, as a Dominion, be sealed. Then will the fate of Canada, as one great body, be fixed beyond the possibility of hon. gentlemen to unsettle. The emigrant from Europe will find here a happy and comfortable home in the great West, by the exertion of the Conservative party. But then, Sir, comes the interjection. After the arrangements have been made and the Government had made a contract that hon. gentlemen opposite three or four years ago would have laughed at and bragged and boasted of as a wonderful proof of their superior administrative ability—we now have the assertion that the contract was made without due authority. As long as Mordecai sits at the King's gate he will protest. We have had to take part in this discussion with gentlemen who are accomplished actors—my hon. friends opposite. These hon. gentlemen are perfectly trained histrionics. But, Sir, the best actor is not always successful. We have had tragedy, comedy and farce from the other side. Sir, it commenced with tragedy. The contract was declared oppressive, and the amount of money to be given was enormous. We were giving away the whole lands of the North-West. Not an acre was to be left for the free and independent foot of the free and independent settler. There was to be a monopoly handed over to this Company. We had painted the tyranny of this Company that was to over-ride the people by raising a high tariff, and the tyranny of a great monopoly which was to keep in their control a large area of lands—out of which they expect to build this railway—for some hundreds of years, in order that through the exertions of others the value of their acreage might be increased, and this was the tragedy; and hon. gentlemen opposite played it so well, that if they did not affect the whole audience, we could see tears of pity and sorrow trickling down the cheeks of gentlemen sitting on that side of the House. Then, Sir, we had the comedy. The comedy was that when every one of the speeches of these hon. gentlemen were read to them, it was proved that last year or the year before, and in previous years, they had thought one way, and that now they spoke in another way. Then it was the most amusing and comic thing in the world. Every hon. gentlemen got up and said, "I am not bound by that. It is true that I said so a year ago, or it is true that I said so two years ago, but circumstances alter cases, circumstances are changed in two years, or one year, or in eight months in one case, but what I said eight months ago I am not bound now." This was very comic. It amused us all. It amused the House, and the whole country chuckled on a broad grin. These hon. gentlemen said it is true, we were fools eight months ago, and two years ago; but, because we were fools in the past you have no right, being Ministers, to be fools too; you have no right to advocate the follies we advocated then, when now we assert acts of wisdom on our part. This was the comedy. Now, Sir, the last thing that came was the farce. We had the farce laid on the Table to-day. The tragedy and comedy were pretty successful; but the farce I am afraid, with an impartial audience, in theatrical phrase, will be damned. It is a farce, but still whether it will be farcical in its consequence, I do not know. I do not think, for my part, that it will be farcical in its consequences, because the greatest punishment that a farce writer or a farce actor can get when he has played his farce, is that his farce is unsuccessful, and the audience hisses the act, and this will be the consequence of this charming farce. It has been played to change the metaphor, Mr. Speaker, I may say it is too thin. It won't catch the blindest. It won't catch the most credulous. It won't catch the most unsuspicious. No one of common sense, no man who can say two and two make four will be caught for one moment by this flimsy scheme, Mr. Speaker. It was concocted here. It was concocted in Ottawa. It was concocted as a political engine, the reason of it was this: Well, the present Government have committed themselves under their hand and seal, and here is the seal of the Minister of Railways, and here is the Order in Council, and here is the contract signed, sealed and delivered. The Government are pledged to it. They cannot get out of it, and we are quite safe. We can make any offer. We can make an offer to build the

road for $1,000 a mile. We are quite safe. We can get all these gentlemen to sign, and I think, although I was not here at the time, that my hon. friend from Niagara showed that the incorporators and petitioners themselves, who make the offer, under this precious document, seven or six——

Mr. PLUMB. The number is seven.

Sir JOHN A. MACDONALD. Seven of them were disappointed and defeated candidates at former elections. I need not go over their names. I read the speech of my hon. friend, and I find that it is a political plot. I would ask my hon. friend, the member for the West Riding of Durham, if John Walker is not a rather remarkable politician. I would ask my hon. friend if H. H. Cook is not also a remarkable politician, and so on, Mr. Speaker. It is a political plot got up here. It was quite easy, oh, so easy to make an offer knowing that the Government cannot, or ought not, or will not accept it. We made a bargain with a company in good faith, and we promised that it shall be a compact between the Dominion of Canada and them, provided that the Parliament ratifies it. We were bound to submit the agreement to Parliament for ratification, and there it was argued. The Opposition say to themselves: "The Government cannot in honor, cannot in decency, if their policy is defeated, remain in office, and, therefore, we will get in, and we will take care of our friends, of these seven or eight political gentlemen and their confreres. We will make things easy for them, and so arrange it that, even if their offer was accepted by us when we go into office, we can let them out of it." I say that that document shows on its face that it was drawn up here, and for the purpose of removing from these gentlemen apprehension that by any possibility they could get into any scrape, because, on the face of the papers, there is a series of clauses providing that the Government can let them out of it. These hon. gentlemen have made up their minds that we must go, they have made up their minds that we could not respectably remain in office. They said: "Well, our sentiments are known, everybody knows what we think about the construction of the Canadian Pacific Railway, and what we will do, and what our policy is, and what, when we get in, we will carry out, and that is, to let you out of building all the difficult parts of the road." It is a game all on one side, Sir, but it is too thin. It is in vain for the fowler to spread the net in the eyes of a bird. We must be blind as bats, and the country must be blind as owls in the day, if they do not see that there is a net, and they will avoid the net. They will not be caught by it. No web in the net is going to catch the intelligent community with these papers before them. Sir, these hon. gentlemen had better have dealt with this matter in general; they could have said other people are ready to make a contract. If they had said in their places, they knew of their own knowledge that certain people were ready to come forward and build the railway for a small sum; then, Sir, some persons, who would not see that it was merely a flank movement to obstruct the formation of the Company, and to obstruct the organization of the Company, and to delay and postpone the construction of the road, might have had their faith shaken, but no man, be he ever so simple, who is fit to be elected to this House, can read else on these papers than that it is a political trick, and a discreditable trick, as I said before, that will redound permanently to the discredit and dishonor of all those who have concocted it, and of all those who have joined it. I do not believe that the hon. member for the West Riding of Durham will get up in his place and advise this Government or this House to accept the proposition of this second Syndicate. I say I defy him to get up and do so. I know he will not give such advice, I will not believe all he has said, and believe all that those who have spoken from that side of the House have urged respecting the first Syndicate, by advising this House to accept the responsibility of voting for the proposition which has been made by the second Syndicate. These hon. gentlemen cannot do it. What have they told us, Sir? That this proposition was illegal. The hon. member for Gloucester told us it was illegal and unconstitutional for the Government to have made this arrangement with the first Syndicate, and how can he vote to give the contract to this second Syndicate? The hon. member for North Norfolk has told us that some portions of this arrangement are a swindle. Yet those very clauses which he said were a swindle are incorporated in the proposals of the new Syndicate. Those very clauses which the hon. gentleman so eloquently, but rather unparliamentarily, denounced as a swindle and a fraud, he will find here, with the two exceptions. Let me first look over some of these clauses. In the first place our terms were said to be excessive. In comparison with the terms of the present bogus tender there might be a pretence for assuming that. In the next place it was said that we had no right to contract except upon tenders given in reply to an advertisement. But this is the point to which I will call the attention of the hon. member for North Norfolk. The manner of selecting the lands under our proposal was said by him to be a swindle, a fraud and a robbery. Yet these gentlemen, Sir W. P. Howland and Company, say that they must be allowed to perpetrate that swindle and carry out that fraud or they will not undertake the contract. Surely, this being the case, the hon. gentleman will not vote for the second Syndicate.

An hon. MEMBER. He will do anything.

Sir JOHN A. MACDONALD. Then it was said: "Oh, the Government is going to build the road from Thunder Bay to Red River; from Kamloops to Yale, and from Yale to Port Moody. Why the Government will become a partner with the Syndicate, that will never do." Gentlemen who used that argument cannot vote for the new Syndicate. Then there was an argument used that the scheme for issuing bonds was wrong, that the contractors would issue the bonds and leave the bondholders to whistle for their money, and the people of Canada to whistle for their road. Yet the general principle for the issue of bonds is adopted in the proposal of Sir W. P. Howland and Company. Then Mr. Speaker, there was a great grumble at the smallness of the deposit. The offer is a million of dollars. That is the offer made by the gentlemen of the new Syndicate. I have learned from my hon. friend since I came into the House that the new Syndicate gentlemen thought they could go one more—to use the language of my good friend Mr. H. H. Cook—and they have sent down certificates to the extent of twelve or thirteen hundred dollars.

Some hon. MEMBERS. Oh, oh.

Sir JOHN A. MACDONALD. Hon. gentlemen opposite must not be unparliamentary. I am speaking at some disadvantage, because I am not well, but I will make myself heard. The proposition just laid on the Table of the House is that the members of the new Syndicate shall make a deposit of a million of dollars. I understand that they have sent a communication by telegraph stating that they have deposited $1,200,000 as security; that when the contract is signed they will deposit the million dollars permanently. Well, Sir, this is a small trick to put up $200,000 over the million, and yet if you look at the contract lying on your Table you will see that the Syndicate have to put up the whole of $5,000,000 by the 1st May, 1882.

Mr. ANGLIN. No, no.

Sir JOHN A. MACDONALD. I beg not to be interrupted again. I think that an old speaker ought to know something about decencies of debate.

An hon. MEMBER. The 1st of December, 1882.

Sir JOHN A. MACDONALD. They are to put $1,000,000 to remain permanently in the hands of the Government. They are to put up the other $4,000,000 by the 1st December, 1882—and that is a sufficient security to the country and to this House that the Syndicate will not find it to its advantage to sell the bonds and then abandon the work. The proposition that they would do so is so absurd, so discreditable to those who make it, that it is almost unworthy of notice. But, Sir, before I call the attention of the House to the new Syndicate, and show what a complete farce it is—and I do not use a word too strong when I describe it as farcical—I would say that when I intended to speak on Friday it was simply to state that the Government, as a Government, feels itself bound to carry out the contract it has entered into, in good faith, and that it has a right to challenge, and does challenge the vote of this House. They believe it is the best offer that has been made up to that time. They believe it is one which will be satisfactory to the country. We believe it is one that will not involve ultimately the expenditure of sixpence by the people of Canada. We believe it will carry out that for which it was intended; that we should carry out the early construction of the railway; and, we are bound to ask, on its own merits and without reference to any attempted obstruction at the eleventh hour, by the bringing out of bogus tenders—and and I use the word bogus, notwithstanding the respectability of some of the gentlemen who have signed it—that the contract be adopted and the road built according to the wishes of the people and Parliament of Canada. It is not constitutional, and I would not say for a moment or hold any threatening language to the House, indicative of what course the Government ought to take, or would take in the matter, if, when they have submitted their best judgment, which becomes a portion of their policy, it were not adopted. But all I can say is, to use an expression which has been rather celebrated in Canada, that I think we should find and be told by hon. gentlemen opposite—and this document is probably prepared for the purpose of giving them the opportunity—that our usefulness was gone. The hon. gentlemen opposite have not hidden their lights under a bushel; their words have not been spoken in a corner. We knew the governing policy of the Opposition, enunciated on several occasions, and repeated in this House, during the present Session, by the leader of the Opposition. We know he is opposed to the building of the road through British Columbia; that he has, from the time the subject was brought before Parliament, protested against it, using such language to that Province as—erring sister depart in peace. We know he has ridiculed the idea of forcing a railroad through an inhospitable region, a sea of mountains, that would get no traffic, but be built at an enormous expense and be of no real value. The hon. gentleman has adhered to that policy. Last Session he moved that the further construction of the road through British Columbia, in allusion to the contract given out by the present Government under advertisements published by the late Government, and for the purpose of carrying out its policy, be postponed, as also all action with that object; and I express my regret at the unavoidable absence of my hon. friend from Lambton on this occasion. But great as I regret that, I still more greatly regretted his humiliation at the time last Session when the hon. gentleman's motion was in your hands. If I were his worst enemy, and wished to triumph over him, I would not desire a greater humiliation, a sorrier fate, or a more wretched ending of a statesman than that, at the whip of the man who had deposed him—of the man who had removed and supplanted him—he should be obliged to eat his own words and vote in favor of postponing the construction of the road through British Columbia—that he should have to belie—I use not the word in an offensive sense—his own advertisement and all the action of his Government in asking for tenders for the building of that road. What did that advertisement mean and the calling for tenders? Was it a sham, a fraud—assuming, like those who did not know, that the hon. gentleman went down to the depths of degradation, to use that argument himself, and say that he did not mean anything by that advertisement, but merely wished to ascertain the probable cost of the work? Because it was stated in this House that that was the object of issuing the advertisement so that contractors were called upon to come from not only all parts of the Dominion, but San Francisco, the United States, England and the world to consider this matter, and they were to go over the whole ground with their surveyors and engineers, make their surveys and estimates at the greatest trouble and expense in order to ascertain the character of the work, and that the Canadian Government might be able to say to them afterwards, "Gentlemen we are very much obliged to you for the information you have given us, gathered at your expense and not at that of the public." Not one of the gentlemen of the late Government could have done that, I am sure, or have said that the advertisement was not *bona fide*, was not for the purpose of giving out the work, otherwise it was a mockery, a delusion and a snare, an injury to every man put to expense in connection with it and to all the professional men and capitalists of the world. I must say the policy of the leader of the Opposition was avowed and expressed. In the first place his policy as a Minister would be to stop all the work in British Columbia—not a mile would be built—not a train would ever run through British Columbia if he could help it. Not an article of trade or commerce would pass over a line through that Province to the East if he had his will, and that Province would be compelled to appeal to the paramount power, to the justice of the British Government and Parliament, where justice is always rendered, to relieve her from connection with a people so devoid of honor, so devoid of character, so unworthy of a place among the nations, and let her renew her immediate connection with Her Majesty's Government, which would see that justice was done to that long suffering people. That was the policy of the leader of the Opposition with regard to the West. Now, his policy with regard to the East, was hostile to the construction of the road north of Lake Superior. He avows his predilection for the Sault Ste. Marie line, to run off the trade into the United States, to strengthen, to renew, to extend and develop our commerce with the United States, to the utter destruction of the great plan, basis and policy of the Dominion, which is to connect the great counties composing the Dominion from sea to sea by one vast iron chain, which cannot and will never be broken. With our common feelings of loyalty and allegiance to our common sovereign, influenced by all the principles which actuate British subjects to desire to live and die under the British crown, we should have in favor of this means of connection the pecuniary interests of British Columbia, inclining them to unite more firmly to the rest of the Dominion, all of the Provinces thus becoming one country in principle, loyalty and interest. That was the policy of hon. gentlemen, and it was supported, and would be supported, by the whole party. It was supported by their organ also. I do not often read it, for I do not think it very wholesome reading, but I am told it now goes in strongly for the Sault Ste Marie road. Yet we all remember, for I have heard it read many a time, the manner in which that organ in days of old denounced the building of the Sault road as traitorous to the best interests of Canada, and destructive to the future of the Dominion—as calculated to unite as willy-nilly with the States, by a commercial connection, which must be followed by a political connection a little later. Times changed, and I am told that organ strongly supports the hon. leader of the Opposition just as strong as some years ago it vigorously,

and in a loyal British sense, opposed him. Other men govern that paper now, and if the chief man who conducted that paper were now living, I do not believe he would so belie his whole life and all his interests as to surround a great connecting principle which, whatever might be the subjects of contention across the floor, kept him always united with the party of which I am a humble member, always united in defending British interest, in defending monarchical institutions, and in trying as far as possible to keep us a free and independent people of all external relations with any country in the world except our grand old Mother Country of England. Now it is quite clear that this document was prepared here for a political use. I would only call the attention of the House to a very few variations which are made in this contract from the contract that we laid on the Table, and you will see that it is prepared for the express object of enabling the most timid man—including Sir William P. Howland, who would not risk $5,000 unless he were certain of getting it again—it is drawn for the purpose of enabling the most timid man to sign this document, knowing that he was safe. It was—heads, I win; tails, you lose. Those who connected themselves with this expected that the present Government must and would adhere to the first contract, and, therefore, a new Government would take its place, and my hon. friend would take the place which I now unworthily occupy—a place which his individual ability and individual zeal and exertions for his party would enable him to adorn. They knew what his policy would be. He has declared it so recently that I do not think he can change it. To be sure he can change between 1880 and 1881, but then, in this case, the change would be so rapid that even my hon. friend's versatility of talent would not allow him to change so speedily as that. Well, I come to the new offer, and what is the first proposition?

"The Company also hereby offers, in the event of the Government desiring to withdraw from the proposed construction of the eastern section, that the Company shall reduce the said subsidy in money and land by the amount apportioned by the said eastern section of the railway under the 9th paragraph of this proposal."

Now, the gentlemen who made that tender did not intend to build the Lake Superior section, because they believed that the present Government would insist upon the Lake Superior section being built. They hoped we would be defeated by the proffer of the second Syndicate, and that the hon. gentlemen opposite would come in, and in that event of the Government desiring to withdraw from the proposed construction, they would do it for so much less. They had the previously pledged policy of the hon. gentleman that he would withdraw it. Therefore they were preparing in advance, and these other three clauses, convince me, and will convince every man, that this was politically drawn, that this was a political plot, and that these men—some of more means, some of less, and some of none at all—could not by any possibility run a chance of forfeiting a single sixpence, either by building the Lake Superior section or running it for ten years afterwards. The next section is as follows:—

"In the event of the Government desiring to withdraw the said eastern section from construction hereafter, the Company hereby offers to construct within three years, and equip, own and operate as a part of the Canada Pacific Railway, a branch line from South East Bay, Lake Nipissing, to Sault Ste. Marie."

The other section likewise, they were put in the tender which the hon. gentleman opposite would accept, for the purpose of building under this contract, if they get it, the Sault Ste. Marie road and throw over the Lake Superior section. It is so clear that he who runs may read. Now, Sir, the 21st clause, this relates to my constituency and the Province which I represent, and I call the attention to it of my hon. colleague in the representation of Victoria:

"In the event of the Government desiring to postpone or withdraw from the construction of the western section of the said railway, extending from Kamloops to Port Moody, they shall be at liberty to do so at and for a sum of $3,500,000."

There it is again, no chance for a road running towards the sea to Yale. The hon. gentleman is against a mile of railway being built in British Columbia, and how gladly he would receive those gentlemen whenever they came to say: "Well, you don't want to press us to build this, to go on with that now;" and the hon. gentleman would say: "No, we are too glad to get rid of it." The last clause reads thus:

"In the event of the Government desiring to postpone or withdraw from construction, by the Company hereunder, of the westerly portion of the central section of said railway——"

That is to say, the first contract is to build from Kamloops down to Emory's Bar, that is under contract now; but the remaining 450 miles, from Kamloops through the Rocky Mountains to Jasper House, is the roughest of any portion of the country:—

"Being the westerly 450 miles thereof, as mentioned in the 9th clause of this proposal, the Company offers to reduce the subsidy in money and land by the amount apportioned to the said 450 miles."

That is, the first clause does away with Lake Superior section, the second clause provides for the building of the Sault St. Marie road, the third clause provides that the Government may give up the building of the line from Emory's Bar to Port Moody, and the fourth section gives up the building of anything West of Jasper House. Now, Mr. Speaker, it is the policy of the Government to build all these sections; it is the pledged policy of the Opposition to wipe them out. It is the pledged policy of the Opposition. They cannot go back on their pledged policy. It is in fact a tender for the prairie section of the road, the paying section, the easiest section, the cheapest section, the most profitable section, the section that will be built not only inexpensively, but that will pay whenever population comes in, and population will follow the building of the road. And this whole scheme which was ostensibly to assume the responsibility of building and running the whole line from Lake Nipissing to the Pacific Ocean, is simply an impudent offer to build the prairie section, and to do it by means of political friends, who, when they get in power, will grant them all they want, and allow them to confine their exertions, their responsibilities, and all the liabilities for the future; to building an easy road across the prairies, and so connecting with the American system of railways, and carrying away the trade of the North-West by one or more American channels, to the utter ruin of the great policy under which the Dominion of Canada has been created, to the utter ruin of our hopes of being a great nation, and to the ruin of our prospect of getting possession of the Pacific trade, and connecting Asia with England by a railway passing through the dominions of England. It is as easy as rolling off a log to run a railway across the prairies and work it; but this is an endeavor to deprive this country, to deprive Ontario, to deprive Quebec, to deprive the Maritime Provinces of all connection by railway with the North-West.

Mr. ANGLIN. Hear, hear.

Sir JOHN A. MACDONALD. The hon. gentleman says "hear, hear." Yes; I am proud to say that if our scheme is carried out, the steamer landing at Halifax will discharge its freight and emigrants upon a British railway, which will go through Quebec, and through Ontario to the Far West, on British territory, under the British flag, under Canadian laws, and without any chance of either the immigrant being deluded or seduced from his allegiance or his proposed residence in Canada, or the traffic coming from England or from Asia being subjected to the possible prohibitory or offensive restrictive taxation or customs regulations of a foreign power. So that it is quite clear that these gentlemen are safe—safe as a cherry. They would be under no obligations to build the very expensive portions of the road.

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They would be relieved from running any portion of the road that would not pay. Canada might whistle for those connections in her own territory, but the people would gradually see that the colonies would gradually be severed from each other; that we should become a bundle of sticks, as we were before, without a binding cord, and that we should fall, helpless, powerless, and aimless, into the hands of the neighboring Republic. Let us consider what this offer is. These gentlemen are going to build the prairie road for $7,333 a mile, against our $10,000, and they make a corresponding reduction in the quantity of land. But you must remember that if there is a reduction in the quantity of land, that land will lie right alongside the railway on the prairie. They will get all the land where it is most valuable. It has been variously calculated as worth $5, $4, $3, $2, and $1, but it is quite clear that if the prairie section only is to be built, all the land will be taken from the immediate vicinity of the railway, while if the whole is built, much of the land will be taken far away from the railway at diminished value. George Stephen & Co. must take the land where they can get it. They can only get some 11 000,000 acres from Winnipeg to Jasper House, and the remainder of the 25,000,000 acres they must find elsewhere. In order to make it worth a dollar—worth anything at all, they must build branch railways to those points, and this House and country would be only too glad to give them this permission, in order that they might open up other sections of country far away from the main line of the railway. But we have the testimony of hon. gentlemen opposite as to what, according to them, the lands in the vicinity of the railway are worth. The railway will run through the most fertile portion of the land, and still further increase their value, so that the profit to be gained in building the prairie section of the railway out of the lands in the immediate vicinity of the railway which are to be handed over to the new Syndicate, is a much larger profit than all the 25,000,000 will give to a company bound to build the whole line from Lake Nipissing to the Pacific. So it was a very, very safe bargain to make. There is a little point of difference between these two tenders, to which I cannot refrain from calling the attention of the House. I have already stated that, in going over this second offer, I find they have just cut out of the printed paper most of the clauses of the contract and the schedule, but reducing the price. But there are some changes, and there is a change of one little word, to which I think, I ought to call the attention of the House. We all remember the discussion between my hon. friend from Lincoln (Mr. Rykert) and the hon. leader of the Opposition upon the question whether there was any power which could force the railway company to construct the railway, and my hon. friend (Mr. Rykert) quoted the Court of Chancery. I stated that if it was merely a permissive contract, it could not, of course, be enforced. The only consequence of a permissive contract not being carried out, would be that either the charter might be cancelled by Parliament, if that was the law, or there might be an action for damages, by way of compensation. But if there was a statutory obligation, if it was not merely permissive but obligatory, not merely a contract between parties but an obligatory statutory obligation, it became a statutory duty imposed by Parliament with a paramount power upon the individual, and if that duty was imposed, it could be enforced by a mandamus. That is my statement. Well, the second clause of the contract made by us is followed, word for word, I may say, except striking out the words "hereby contracted for"—hereby tendered for, they mean of course. It provides that "the contractors immediately after the organization of the Company, will deposit with the Government $1,000,000 in cash or approved securities." There was an obligation we were told, that they "shall" do it, that they must do it. When I came to the clause about building the road, the word "shall" in the contract that we made, is struck out and the word "will" put in. The parliamentary statutory obligation to pay the money was left, but when we come to the clause saying they shall build the road, the word "shall" is struck out and the word "will" substituted. The word "will" is merely an expression of intention, and the only consequence, if this is carried out, is that the subsequent part of the contract will be inoperative, because it says that on condition of the promise, the Government agree to make certain payments. So if the promise be not carried out, the payments will not be made. If the word shall is good "shall deposit" it is good for "shall build," yet it is left in for the deposit and struck out for the road. There must be an object in that; that is a statutory obligation which imposes that duty which the Government of the day can force as it can force all duties thrown on Parliament on the subject. I had forgotten a paper that is placed in my hands to which I shall call your attention. I spoke about the value of the land along the prairie section which, of course, must be of more value than the land which the whole Syndicate would have to take for their additional burden and their additional responsibility along the whole line of railway. We will take the Canadian section. Now, this is the statement based on the new proposal. We will value the land grant for the prairie section at $1.00 an acre, and that everybody must admit is absurdly low—

Mr. MILLS. Hear, hear.

Sir JOHN A. MACDONALD. Yes, it is absurdly low for the land laying twenty-four miles on each side of the prairie section; it must be worth more, when the railway is built, than a dollar an acre. The cash subsidy, 900 miles at $733.33 per mile will be $6,000,000, and the land grant, 10,000 per mile for 900 miles at $1 per acre, will be $9,000,000, making in all, for building the prairie section, at $1 an acre, $15,600,000. If you take the land at $2 an acre, and that is far too low by the estimates of the hon. gentleman opposite, the cash subsidy of the land grant at $2 an acre will make in all $24,600,000. Value the land at $3.18 an acre and it will be worth $28,620,000, making in all, cash and land, $35,220,000, so that for building the prairie section, the cheap section, the easy section, the section which can be run at a profit—at $1 an acre, they will get $17,333.33 per mile; at $2 an acre, they will get $27,333.33 a mile, and $3.18 an acre they will get $39,133 a mile. And this price would be given by hon. gentlemen opposite who say that that section can be built at $8,110 per mile.

Sir ALBERT J. SMITH. How much would they get on your proposition?

Sir JOHN A. MACDONALD. Now, when the House was discussing the sub-division and subsidy, it was alleged that there was a disproportionate sum given to Messrs. Stephen & Co., and this offer was meant to make the public believe that the sum was excessive. I have shown you, that believing as everybody must who looks at this offer, that it is only intended to build the prairie section, the whole thing will vary from $17,000 to $39,000 per mile, according to the various estimates per mile. That is for the prairie section alone. The reason why the sum was put large and full in the original contract for the prairie section, was because that section must be built, first and speedily. That is the portion that can only be built first, and until that is built the population which we believe will readily and eagerly seek shelter and homes in our North-West, cannot get there. It was of the very greatest consequence to the Government that this road should be built at once. This large subsidy was, therefore, given for the prairie section as an inducement for the contractors to push that road there within three years, which they stated they were quite ready to do that, if they got the contract ratified by the 1st of January, and they will build that as shortly after

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that time as possible. It makes no difference if the security is good; if the capital is in the hands of gentlemen of honor and means, it is of no consequence where the money is expended. The division is made for the purpose of hurrying up the 1,000 miles across the fertile prairies of the North-West, so as to enable the population to go in at once. And, Sir, you must remember they can get no lands near Lake Superior nor in British Columbia, which had been described by hon gentlemen opposite as valueless, that Province being a "sea of mountains." Therefore all the land to be given is concentrated in the prairie country, and we endeavor to induce them to build the road and as many branches as possible by grants in that region. The great object was not only to have the line running from east to west, but to assign the Company lands to be selected by the joint action of the Government and themselves. To encourage them to build branches, we give them a large and valuable allowance, so that that whole country may not only be opened up east and west, but be penetrated by herring-bone lines running northward and southward far into the interior. I hear a voice behind me saying that they are to build the Lake Superior section at the same time. We took good care of that. I believe that the men who signed the first contract are men of honor and great wealth, who cannot afford too lose their character, prestige and credit in the markets of the world by breaking a contract. But we felt we had no right to take their word for it, and therefore stipulated in the contract that the Government commence from the beginning of the Canadian Pacific line, possibly at Callandar Station, and proceed vigorously and continuously, and in such a manner that the annual progress—shall not secure completion at the end of ten years but shall be such as to show the Government that the Lake Superior road could be finished in ten years. You must remember that this is one contract, and not a separable contract, to build the eastern or the western section. It is a contract to build both, and if the Company failed in performing their contract in carrying out their obligations as to the Lake Superior road, or the prairie road, they have no right to claim a subsidy in land or money because of having done so much work on the prairie section. If they fail on one section, although they may have built twice the number of miles that they promised across the prairie, and may have finished them to our thorough satisfaction, when they come to demand the land and the money, if they have not worked vigorously and continuously on the Lake Superior section, achieving a rate of annual progress, assuring us that it will be finished within the proper time, then we shall say: "No you don't—you shall not have this money; true, you have built the prairie section, but you have failed at other parts of the road which must go on *pari passu*, and we will not give you a dollar or an acre, because, though you have done the full amount on the prairies, you have made a failure to a great extent elsewhere." In order to make a great flourish on the new sections or proposals, the opponents of the old scheme have struck out the 15th clause as follows:—

"For 20 years from the date hereof, no line of railway shall be authorized by the Dominion Parliament to be constructed South of the Canadian Pacific Railway, from any point at or near the Canadian Pacific Railway except such line as shall run South West or to the Westward of South West; nor to within fifteen miles of Latitude 49. And in the establishment of any new Province in the North-West Territories, provisions shall be made for continuing such prohibition after such establishment until the expiration of the said period."

That was a clause put in deliberately for the same reason that we asked Parliament to build the Canadian Pacific at all. We desire, the country desires, that the road, when built, should be a Canadian road; the main channel for Canadian traffic for the carriage of the treasures and traffic of the west to the seaboard through Canada. So far as we can, we shall not allow it to be built for the benefit of the United States lines. Why a train starting from the foot of the Rocky Mountains—and I am glad to know perhaps one of the most fertile, if not the most fertile section, lies directly at the eastern slope of the Rocky Mountains—with freight from British Columbia for the east, we desire to keep on our own railroad as long as we legitimately can. We believe it will carry freight as cheaply and satisfy the wants of the country as fairly as any American railway. But, Sir, we desire to have the trade kept on our own side—that not one of the trains that passes over the Canadian Pacific Railway will run into the United States if we can help it, but may, instead, pass through our own country, that we may build up Montreal, Quebec, Toronto, Halifax and St. John by means of one great Canadian line, carrying as much traffic as possible by the course of trade through our own country. I do not mean to say we can prevent cheaper channels being opened. There is nothing to prevent other railroads running across the continent through our own country. Our Dominion is as big as all Europe, and we might as well say that the railways running from Paris to Moscow might supply the wants of all Europe as that this railway might supply the wants of the whole North-West. There will be room for as many railways in that country by-and-bye as there are in Europe; and if there be any attempt—the attempt would be futile—on the part of the Canadian Pacific Railway to impose excessive prices and rates, it is folly that would soon be exposed by the construction of rival lines east and west, which would open up our country in all directions and prove amply sufficient to prevent the possibility of a monopoly which has been made such a bugbear of by hon. gentlemen opposite. I was going to say that a train starting from the foot of the Rocky Mountains might obtain connections by a line running through in a south-easterly direction with roads in the United States. The hon. gentleman says it is only for 20 years; but I was going to say, that a train starting from the foot of the Rocky Mountains, might be bled by a line from any southerly direction connected with the United States, and so much traffic will be carried off to the United States; and a few miles further another line might connect with another American line, and so on, Sir, until long before we got to Winnipeg or Red River the main portion of the trade would be carried off from our line into American channels. That magnificent river, the Rhine, starting with pride from its source, runs through the finest portions of Europe, and yet has a miserable, wretched end, being lost in the sands as it approaches the sea; and such would be the fate of the Canadian Pacific Railway if we allowed it to be bled by subsidiary lines, feeding foreign railways, adding to foreign wealth and increasing foreign revenue by carrying off our trade until, before we arrived at the terminal points in Ontario, and at Montreal, it would be so depleted that it would almost die of inanition. No men in their senses would undertake to build the 450 miles through that stern country to the north of Lake Superior and run it for ten long years, when they knew that unless there was some check placed upon those lines, not a pound of freight would go to the North-West, but it would almost all go to the United States. Some of it would come to us, but the great portion of the trade would go through the United States by the favored line of hon. gentlemen opposite, without any hope of getting it back to Canada at Sault Ste. Marie. Sir, we know what a great amount, what an enormous amount of capital American capitalists possess who are connected with the railways of the United States. We have seen evidences of the mad rivalry which has existed occasionally between some great railway lines of that country. We have seen them run railways at ruinous rates, in the hope of breaking each other down. Sir, with our road, backed by a country of scarcely 4,000,000, with our infant country and with our infant capitalists, what chances would they have against the whole of the United States capitalists?

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What chance would they have? The Americans would offer to carry freight for nothing, and aye to pay shippers for sending freight that way. It would not all come by Sault Ste. Marie. It would come to Duluth. It would come to Chicago. It would come through a hundred different channels. It would percolate through the United States, to New York and Boston, and to the other ports, and, Sir, after our railway was proved to be useless, they might, perhaps, come into the market and buy up our line as they have bought up other lines. Railway and telegraph lines are under no protection from foreign capitalists coming in and buying them up, getting control of our markets, and cutting us off from the trade which should come from the great West and by Canadian railways to the River St. Lawrence. They could afford for a series of years with their enormous wealth, with their enormous capital, exceeding the revenue of many, many first-class Governments in Europe, to put their rates for freight down to such a figure as would ruin our road, as would ruin the contractors, as would ruin the Company, and render them utterly impossible to continue in competition, and, Sir, what can be more wretched, or more miserable, in any country, than an insolvent railway. What could be more wretched and miserable and destructive to the future of a country than the offering on the market of the stock of insolvent railways? They cannot supply, they cannot renew the rails, they cannot maintain the road-bed in repair, they cannot keep the line supplied with railway stock. Sir, the road would become shrunken, shrunken, shrunken until it fell an easy prey to this ring. We cannot afford to run such a risk. We saw what a wheat ring did in Chicago. They raised the price of the necessaries of life,—the ring in Chicago raised the price of the poor man's loaf for a whole year in order to make a profit at the expense of the laboring poor of Europe, and of all the rest of the world, and a similar combination, but infinitely richer, with infinitely more capital, and infinitely more unscrupulous—and no men are so unscrupulous and so reckless, and are proven to be so unscrupulous and reckless, as the railway speculators and proprietors in the United States—would be found in this case. Sir, it was essentially as a matter of precaution, a matter of necessity, and a matter of self-defence, that we provided that this road should not be depleted of its traffic in the manner which I have mentioned. That road shall be allowed fair play for twenty years from now, and only ten years after construction; and that it should be protected from the chance of being robbed of all the profits, robbed of all the gain, the legitimate gain, which the Company expects to get from this enterprise, and the employment of their capital. This was done only to protect them for the first ten years of their infant traffic. We know perfectly well, it will take many years before that country is filled up with a large population, and the first ten years will be most unprofitable; we know perfectly well that it will require all the exertion, and all the skill, and all the management of the Company to make the eastern and western sections of this road fully compensate them, and fairly compensate them for their responsibility, and for their expenditure during these ten years. In order to give them a chance, we have provided that the Dominion Parliament—mind you the Dominion Parliament: we cannot check any other Parliament; we cannot check Ontario, we cannot check Manitoba—shall for the first ten years after the construction of the road, give their own road into which they are putting so much money and so much land, a fair chance of existence. The very fact, Sir, that these gentlemen are willing to strike that bargain, and the very fact that they are willing to have their road built so, shows that they do not mean to run the line east of Red River. They can well afford, Mr. Speaker, to allow railways to run into the prairie line. Any railway as a local colonisation line, as a line to supply the wants of the country lying along the line from east to west, the local traffic, and the trade which the road will obtain from Jasper House to Red River, will be amply sufficient to keep it up, and therefore, these gentlemen can well afford to say: "We do not want any such exemptions." But, Mr. Speaker, if they are going to build the road to the north of Lake Superior—if they meant to do it—and run it for ten years they should not allow that road to lie useless, actually useless in their hands, because its traffic would be all robbed and depleted long before their trade or a pound of trade could cross the Red River to run through Canadian territory. Sir, this is one of the many evidences of the innumerable evidences, patent on the face of the second contract, showing that it is not a *bona fide* contract, and it is not a *bona fide* and honest offer to build the road through Canadian territory; but that it is an offer to build a road which is to carry out the declared policy of hon. gentlemen sitting on the opposite side of the House. It is intended for that purpose, and that purpose only. The next clause, Mr. Speaker, is the sixteenth——

An hon. MEMBER. Six o'clock.

Sir JOHN A. MACDONALD. I do not think it will do to divide my remarks, and commence again to-morrow. I shall have an opportunity of speaking again I have no doubt. I may say, however, Sir, that my hon. friend opposite simulated indignation very well,—as he always does—when I moved that the Orders of the Day give way to the discussion of this subject. He appealed to the House and to the country to witness the wickedness of our course. It was well done, Sir, but is was rather significant, because the hon. gentleman had given us fair notice when we were in Committee, that he intended to speak at full length on the subject when you were in the chair. We did not desire to do anything, but to give every latitude for discussion. God knows we have given every latitude for discussion. But we wanted to get on. I knew perfectly well that when you were in the chair the discussion would be renewed, and all we wanted was not to be losing time. We were never such fools as to suppose that the second offer would not come before the House. Any hon. member could bring it up. The parties themselves could present petitions setting forth that they had made the offer. We wanted to go on with the discussion. I appeal to the members of this House as men who are patriots, as men who have the destinies of their country in their hands, not to be hoodwinked, not to be fooled, not to be led away by a disingenuous and discreditable trick. I know we can appeal to our countrymen; I know we can appeal to the patriotism of the people of Canada. We can tell them that we want a line that will connect Halifax with the Pacific Ocean. We can tell them, even from the mouth of our enemies, that out of our lands we can pay off every single farthing, every cent taken out of the pockets of the people, twenty-fold, and we will have a great Pacific Railway. This is what we will have. Let me draw a contrast! You are asked to have a railway running from the United States and to the United States. You are asked to have a line by which the trade from the east will run into the States, and by which the legitimate profits of the Lake Superior road will be destroyed. You are asked to have a line by which the trade from the West will run into the States. Mr. Speaker, the whole thing is an attempt to destroy the Pacific Railway. I can trust to the intelligence of this House, and the patriotism of this country, I can trust not only to the patriotism but to the common sense of this country to carry out an arrangement which will give us all we want, which will satisfy all the loyal legitimate aspirations which will give us a great, an united, a rich, an improving, a developing Canada, instead of making us tributary to American laws, to American railways, to American bondage, to American tolls, to American freights, to all the little tricks and big tricks that American railways are addicted to for the

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purpose of destroying our road. Look on this picture and then on that and I know which choice will be made by the people of Canada. And, Sir, I believe before the general elections in 1883, hon. gentlemen opposite will try to make the people forget, will try to make the people disremember, to use a western phrase, this publican plot, and will eat their own words before the people as they are trying to do now with regard to the National Policy—and in doing so they will lose the respect of the people of Canada.

Mr. BLAKE moved the adjournment of the debate.

House adjourned at Six o'clock.

HOUSE OF COMMONS,

TUESDAY, 18th January, 1881.

The SPEAKER took the Chair at Three o'clock.

PRAYERS.

REPORT.

Sir CHARLES TUPPER presented the annual report of the Minister of Railways and Canals.

PAPERS.

Sir CHARLES TUPPER presented a statement showing deposits made on account of certain persons offering to construct and operate the Canadian Pacific Railway.

Mr. BLAKE asked the hon. Minister to state the aggregate amount.

Sir CHARLES TUPPER said that the amount so telegraphed was $1,420,000; but there was evidently an inaccuracy in one of the telegrams stating that two amounts of $75,000, mentioning the sum total as $100,000 had been paid in, and so, he supposed, the total sum was fro.. $1,420,000 and $1,450,000.

BILLS INTRODUCED.

The following Bills were introduced and read the first time:—

Bill (No. 31) to enlarge and extend the powers of the Crédit Foncier Franco-Canadien.—(Mr. Girouard.) Jacques Cartier.

Bill (No. 32) to incorporate the Credit Foncier of the Dominion of Canada.—(Mr. Ives.)

QUESTION OF PRIVILEGE.

Mr. WHITE (Cardwell). Before the Orders of the Day are called I desire to call attention to a paragraph which appeared in the Ottawa *Free Press* last night, to the following effect:—

"We have no hesitation in saying that the *Hansard* report of Mr. White's (Cardwell) speech on the evening of the 13th, has been cooked outrageously. Perhaps Mr. White was ashamed of his utterances and had them struck out, but, in doing so, he has made the report of the debates worthless, because unreliable."

So far as this statement refers to myself personally, I am indifferent to it, and I certainly would not call the attention of the House to it, or to keep the time of the House in respect to it; but it reflects very seriously upon the gentlemen performing the very difficult and laborious duty of recording the debates of this House. I have only, therefore, to say that I did not see the *Hansard* report of that speech until after it was published, and, so far as I could read and understand it, it contained everything I said on that occasion, even those passages which some gentlemen might consider rather strong. The suggestion that the *Hansard* reporters in any way "cooked" the speech is entirely incorrect.

Mr. HESSON rose and said he desired to call attention to a matter of some importance to himself and the hon. member for South Perth (Mr. Trow). At page 9 of the debates of January 13th, that hon. member is reported as saying:—

"The meetings in this district have been unanimous in the condemnation of this scheme, and I have received resolutions, bearing five hundred signatures from a township in that hon. gentleman's riding, condemning the scheme."

He had carefully examined all the petitions placed upon the Table by the hon. member for South Perth, and he found there were 315 names upon the petition purporting to come from his (Mr. Hesson's) riding. The total number of signatures to the petitions presented by the hon. gentleman was 686, of which 371 were from his own riding, and the balance from North and South East Hope. The speaker also corrected the statements published in the debates of same date, at page 10:—"And the petition from an important township containing nearly 100 electors," and stated that instead of 100 the number should be 400.

CANADIAN PACIFIC RAILWAY.

The House resumed the adjourned debate on the proposed motion of Sir Charles Tupper for the second reading of the Resolutions reported from the Committee of the Whole on the 13th of January instant, granting certain moneys and lands for the construction of the Canadian Pacific Railway.

Mr. BLAKE. I feel, Sir, deeply impressed with the sense of responsibility which, I am sure, must weigh on every independent member of this House who knows he has a free vote to give, and will, for that vote, be responsible to his constituents and to the country, as to the course he shall take upon this question. I regret that the hon. First Minister, who may be said to have introduced the regular debate upon the resolutions of the Minister of Railways, should, upon a topic whose range was certainly wide enough to have given every opportunity for legitimate discussion, have introduced some observations ill calculated to preserve that judicial temper, that calmness of tone which it is desirable should prevail during this debate. The hon. gentleman was good enough to express words of sympathy, for which I am sure we all feel grateful, at the unfortunate illness of the hon. member for Lambton (Mr. Mackenzie); and I am sure the whole House will regret to know that my hon. friend, as the First Minister stated, is confined to his bed by severe illness, and is utterly unable to participate in this debate. Under these circumstances, I think the hon. gentleman might have abstained from certain further allusions of a very different tone and complexion, which he made in the course of those remarks. My hon. friend's course, as a public man, has been before the people of this country for a great many years. His course of procedure on which the hon. gentleman animadverted in terms of very great severity, has been discussed last Session and this Session. His explanations and statements are before the country. It was utterly unnecessarily and exceedingly untimely that the occasion of his absence should have been seized upon to repeat those accusations then made. My hon. friend clearly stated last Session, that he had always adhered to the view that the railway should be so constructed as not to necessitate any increase in the rate of taxation, that his action as the leader of the Liberal party, and as the controller, to a large extent, of the destinies of the country for a long term of years, had been in that direction. He pointed out that this House, in the year 1876, had, by a vote almost unanimous, with, I think, only ten dissentients in the whole House, reaffirmed that often affirmed resolution; had incorporated it into the Statute-book, and it had become once more the law of the land; and he affirmed that in all he had done subsequently, as in all he had done before, he had no intention to disregard that important part of the policy so re-affirmed, and that it

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was not his intention, if it should be found that the cost of the construction of the section in British Columbia, having regard to the financial position of the country, was such that the construction could not be proceeded with without increasing the rate of taxation, to have proposed to this Parliament to prosecute that construction. My hon. friend, looking to the condition of this country in the two last years, burthened as it was by the largely increased rate of taxation imposed by hon. gentlemen opposite, and with a deficiency notwithstanding in the revenue, could not consistently with those well known views of his agree in the proposal that the railway should be proceeded with in British Columbia at that time. That was his statement, a satisfactory statement, and at all events a statement which should have saved him from the aspersions which the First Minister took the opportunity yesterday of attempting to throw upon him. The hon. gentleman was also pleased to use language with regard to myself, which even in this critical position of the country coming from him cannot be passed by without one instant's notice. I have borne in silence, from an anxiety not to trouble the House with personal observations, from a feeling that a man who takes a leading part must endure in silence a great many aspersions, the insinuations which from time to time have been made by some of the hon. gentleman's followers upon that topic. But a sensible man—to compare great things with very small ones—who, passing through the village street, finds himself assailed by a pack of village dogs, will not, of course, turn round and heed their barking at his heels; while he takes that attitude toward the pack, if the master of the pack assails him he may be well entitled to answer his challenge. Sir, I have to say, with regard to the hon. gentleman's statement that I had supplanted the hon. member for Lambton in the office of leader of the Liberal party which I now occupy, that that statement could not, within his knowledge, be true, and that it possesses in itself not one particle of foundation. I am not about to enter into lengthy details, but my views with respect to positions of leadership or of place and power are tolerably well known to all good enough to interest themselves in my public career, and are best known to those who know me best; and they know well that I have never coveted any position of that kind; that, on the contrary, I have always shunned it; that I assumed this position with the utmost reluctance; that I remain here to-day with the utmost reluctance, and if I had the wishing cap of Fortunatus for one moment, the wish I would use it to accomplish would be that the path of honor and of duty might allow me to retire from this position. But, Sir, while that is so, and while the only thing that abates my desire to see hon. gentlemen opposite defeated is the reflection that their defeat would involve my accession to office, I will use it, so long as I am entrusted with a position of influence such as I now occupy, with a desire to effect some share of good for the country in which I live. It is but the hope that I may, to some extent, increase the happiness and advance the prosperity of my countrymen that nerves me to my task; and it is only because I believe that the legalization of the contract, which it is in effect proposed to legalize by these resolutions, will be not merely injurious, but almost fatal to the future of my country, that I now oppose them. It is the advancement of the country which is the only legitimate aim of party. Our belief is that the advancement of the country requires the withdrawal of this contract, and therefore, our belief is that it is a proper party aim. If we made party an end instead of a means, we would, as an hon. friend near me said the other day, desire by all means the legalization of this contract, for I believe in my conscience that the legalization of this contract means the ruin of the Government which legalizes it; but we prefer to save the country although we save the Government. We do not choose to injure the country in order to destroy the Government, and our earnest effort, therefore, is that the country may not be ruined, even though its preservation involves the retention of their seats by hon. gentlemen opposite. Now, Sir, the hon. gentleman often quotes a motto which is a very good one—country first and party afterwards. It is an admirable motto, but it seems to me to be a little misapplied as applied to this case, because it means, as I read the future, that they propose to ruin the country first in order that they may ruin their party afterwards. That seems to me to be the inevitable position into which their leaders are plunging hon. gentlemen opposite. This is a great occasion for private members of Parliament; it is just such an occasion as my hon. friend from Bothwell (Mr. Mills) said the other day, as is seldom vouchsafed to private members—one in which they can with effect assert their independence—assert their position; assert their right to consider what is really in the interests of the country, and press on hon. Ministers, those who are, in fact, their servants or agents, the necessity of reconsidering their position, and not plunging their country, their party and all, in one common ruin. Now, Sir, what is the present situation and the future outlook? At this moment there are various courses of action which are open to Parliament. You may adopt this contract which is before you. You may adopt the offer which is before you. You may call for tenders on the new conditions which are contained in the contract. You may proceed only with the construction of the prairie line At this moment you may do various things. Your hands are not tied as a Parliament by anything that has occurred. You may assert that they are; you may pretend to the people that they are, but I warn you that the people will not accept any such pretence. You have before you various alternative courses of action. But it is only necessary just now, for the purpose of a decision on the motion which is before you to determine this: Whether the course which is proposed to you by that motion to take is or is not worse than any of the other courses. I maintain it is. I maintain that the consummation of this contract is the worst course that Parliament can take of any which can be suggested. And if it be not the best but the worst; if it be not even the worst, but if it be inferior to any other course which is open, then that suffices to determine us to condemn the contract and seek some better way. Anybody who believes that any other course that is open to Parliament is better than the course to be taken in confirming this contract ought to vote, will, if he votes according to his duty to his constituents and his obligation to his conscience, vote against the legalization of this contract. Are we free to accept or reject this contract? If we be not free, why this resolution? Why are we asked to assent. Is this a question put to us to which there is only the answer "Yes" to be returned? May not we say "no," as freely as "yes"? It is clear that the question being put we are to answer it in such a way as is most consistent with the interests of our country; and we are therefore free, from the very fact that it is put before us, free to reject—as free to reject as we are to accept. Even had the contract been made under the provisions of the Canadian Pacific Railway Act expressly, we would have been free. Under that Act, it is expressly provided that no contract shall be binding until it has been laid on the Table of the House of Commons for 30 days without disapproval, unless sooner approved by resolution. So that if it professed to be, and in fact was a contract under the Act by the very terms of the Act, there was reserved or to this House the power to decide whether the contract should be agreed to or not, and until such decision the contract was not binding. But the contract is beyond, and is not merely beyond, but contrary to, the provisions of the Act, and it has no life not even such a life as a contract under the Act would have before ratification; it has no life whatever,

unless Parliament breathes into it the breath of life. Else, why these proceedings? If it has life why the resolutions upon which to found a Bill, which Bill is to become an Act of Parliament. If all this be needful in order to make this a legal contract, then it is not now a legal contract. Is there then some obligation upon Parliament to ratify this contract—to ratify the proceedings of the Executive in this matter? No, there is none whatever. Even in the case of a treaty which is a thing within the prerogative of the Crown—which is a species of transaction under the forms of the British Constitution to be accomplished by the Crown without the assent of Parliament—save in a certain class of particulars—even in the case of a Treaty Parliament may disapprove. I will take the views of the First Minister upon the analogous question—though that was, in my opinion, rather the case of a treaty than of a contract like this—but I will argue from them that we are perfectly clear that we are wholly free to act. What said the hon. First Minister last Session in the discussion upon the Boundary Award? That was, if you will, a case of treaty; it is the nearest analogy to it; it was an arrangement between two powers independent in their own sphere—a transaction between the Government of the Dominion and the Government of the Province of Ontario, for the establishment of a particular tribunal, in order to the determination of the question at issue between them. After that arrangement had been made it was communicated to Parliament without dissent. After its communication votes of money were taken in order to meet expenses which were to be incurred by the investigation, without dissent—unanimously. The transaction proceeded for several years. Fresh arbitrators were appointed to succeed those who, by change of office, or death, had been removed. There was no vote proposed in Parliament against those steps; the award was ultimately made, and answering the argument that under those circumstances the case resembled that of a treaty and that Parliament would be taking a most grave step—though I admit one not beyond its power—if it repudiated the mode of trial which has been so adopted and so sanctioned. The First Minister said:

"But the Government, without the previous consent of Parliament, left the question to three arbitrators, only one of whom was a lawyer, the other two being laymen, and provided that the decision of the majority should be final. So that we might have had the two laymen differing from the legal arbitrator, and deciding as to the construction of a statute, upon the question of the boundary according to that statute. It seems to me it was a most unwise thing to assume so great a power without the previous solemn deliberation of Parliament. It is well enough to say it was afterwards mentioned in Parliament, after the good faith of the Government was pledged, and that no objection was taken by Parliament. That is not the way in which Parliament ought to have been treated by the Government, its servants, who ought to have taken it into their confidence. The right to submit the question in this manner ought to have been given by Parliament, instead of its being assumed to be within the proper jurisdiction of any Government, which I deny. No Government could thus decide to give away hundreds of miles of country, or millions of acres of land, without the authority of Parliament. The member for Bothwell says that this Government is continuous. Yes, but Governments are not despotic; and this act far exceeded the right of any constitutional government."

Again he says:

"It is clear that it is a conventional line, and, being a conventional line, I do not think we can do better than to have it looked into in order to ascertain whether it is a good or a bad bargain. If it be a bad bargain, there is no question of good or bad faith in the matter. This is a question for Parliament to decide, whether they will agree to diminish the eastern boundary and give up a certain tract of land which is claimed to belong to the Dominion, or not."

I call the attention of the hon. gentleman's supporters to these words. The question, he says, is whether it be a good or a bad bargain. And Parliament is bound to decide whether it be a good or a bad bargain; and if they think it a bad bargain there is no question of good faith—they must reject it. Let us apply these plain words to this bargain now before us. This, however, is not the case of a treaty at all unless, indeed, you invest the Syndicate beforehand with those powers—I might almost say the despotic sovereignty—which the contract proposes to give them. But to-day, at any rate, perhaps for ever—if hon. gentlemen will do their duty here, I say for ever—the Syndicate will not assume the position of an independent power a compact with which may properly be dignified by the name of treaty. It is not then the prerogative of the Executive, it is contrary to the power which was given by Parliament to the Executive in this matter. I say it is not merely a thing for which there was no authority, it is a thing in respect of which Parliament gave a limited authority; and where a limited authority has been given to the Executive to enter into a contract in a particular way, contracts beyond, outside, and contrary to that way, are absolutely in contravention of parliamentary polity, and are entirely beyond the power of the Executive. There has been as yet no ratification; as yet this House has not sunk so low as to ratify this contract.

Some hon. MEMBERS. Hear, hear.

Mr. BLAKE. I hear some sounds from which I am disposed to believe that some hon. members of this House—I hope not a majority—are inclined to sink so low as to ratify this contract. It is admitted to require our consent in order that it may become binding. Then, if it requires our consent, we are free to consent or to dissent. It is in terms dependent upon our consent. The contract says, that it shall be binding only in case a Bill is passed in certain specified terms appended to the instrument. We are certainly free to reject or amend that Bill, and unless we pass it in precisely those terms, this contract is not binding. Its nature renders it dependent upon our consent. It involves the grant of large public works, exceeding 700 miles of railway, of many millions of public monies, of large areas of land; It involves the Government entering into an obligation with private individuals, to become contractors for the construction of a railway, and, for all these reasons, in its essence, it is such as can be operative only by the free action of this Parliament. I have shown that it is immaterial for this purpose, whether the contract is within or without the Canadian Pacific Railway Act; because, even if within the act, it can continue to live only by our voice; if without the act it can obtain life only by our voice; in either event our free consent is necessary in order to its being a legal contract. Now, that is our situation. We are free to accept or reject the contract as the interests of this country shall seem to us to demand. The hon. Minister went back to the Allan contract. I shall take a very short space of time with reference to that portion of his speech. He said that the Allan contract was the best for this country except this one, and he threw the responsibility for its failure upon us. Well, Sir, Sir Hugh Allan and the hon. member for Argenteuil (Mr. Abbott) went to England in order to arrange bonds for to float the Allan scheme. They came back again and applied to Government for better terms in two particulars. First, they wanted an extension of time of, I think, four years for the completion of the work; secondly, they wanted that the subsidy of $30,000,000 should be so applied as that they might use it as coupons for interest on bonds to be floated by them. The Government determined that it was not in the public interest to agree to these concessions, and they refused to agree to them; although Sir Hugh Allan's company declared that with thase concessions they would be able to float the scheme. Sir Hugh Allan's company then asked the cancellation of the contract and the return of their million, and the Government did cancel the contract and return the million. Now, Sir, either the Government was confident that they could do better than Sir Hugh Allan's proposal at that time, or else they were so very friendly to Sir Hugh Allan, that they were determined to relieve him from his difficult position; because you find that they abandoned the caution

money and gave up the million, and left the public without any contract, and without any deposit or security to answer the default which had been made by Sir Hugh Allan. Again, the Government was satisfied that Sir Hugh Allan's proposal was not in the interests of the country, because, for the trifling extension of four years, and a slight alteration in the terms of the payment of the subsidy, easier to the country than the other mode,—he said he could go on, and yet the Government refused to let him go on with these alterations. I fail to see, therefore, how the Liberal party can be responsible for this transaction, ended by the Government's own decision to cancel the contract, and return the deposit rather than make some trifling modifications upon which Sir Hugh Allan declared the readiness and the ability of his company to proceed with the work. The hon. gentleman insinuated that the course which the Opposition had taken, relative to the Government, had interfered with Sir Hugh Allan's success. I have proved to you, if you accept his own testimony upon the subject, if you agree to adopt his own views, what his difficulties were, and all that he asked in order to overcome them. But suppose that incidenatlly and indirectly the action of the Opposition had affected the contract. It is a new doctrine to say that the Opposition is responsible when the Government has failed. Sir, the Opposition could not have acted if hon. gentlemen had not supplied the facts. It was not our exposure of the facts, but the existence of the facts, that troubled them. We are not responsible because the hon. gentlemen opposite made the bargain they did make with Sir Hugh Allan. We are not responsible because an hon. gentleman opposite received one-third of $100,000, and because the hon. First Minister called for $10,000 more. It is not we who are responsible for those events which moved this country as it had never been moved before or since, until now as it is moved this day by the transaction before us. It is the men who committed these acts who are responsible for the their consequences. Well, Sir, I dislike to recall these occurrences, and had the chief actors in this exhibited a proper penitence, had they confessed their fault and promised not to sin again, my mouth would have been sealed on that subject from that time out, for I cannot but feel that this transaction, which reflecting upon the honor, the integrity and the high standing of men invested by the people of Canada with power, has reflected upon the honor, the integrity and the high standing of the whole country itself. But, Sir, when hon. gentlemen flaunt this subject before us as the hon. Minister of Railways does once or twice every Session, when they declare that it is the proudest act of their lives to vindicate and defend it, and when the hon. First Minister brings it into this discussion, as he did the other day, it becomes necessary to observe that what hon gentlemen glory in as a thing proper to have been done in the past, we have no security that they will not commit in the future; it becomes proper to observe that they may repeat, at the earliest opportunity which is open to them, these transactions which they avow and vindicate to-day, and if they were proper then, I suppose they are proper now; it becomes proper to point out that there is a serious danger to this country from the attitude which is taken by hon. gentlemen opposite with reference to this painful business. The hon. gentleman observed that although Sir Hugh Allan's contract was good, this was far better. I deny it. The Allan contract was for half the money, and although it was for a much larger acreage of land, it was for an acreage of land given at a time when that land was infinitely less valuable than the smaller acreage now is. Hon. gentlemen opposite have always talked of 50,000,000 acres being equal in value, acre for acre, to 25,000,000 acres. But after the statement of the leader of the Government last night, that 25,000,000 acres along the line of railway would be worth more than 25,000,000 further away, I suppose hon. gentlemen will not longer argue that the outer 25,000,000 acres is equal in value to the inner 25,000,000 acres But irrespective of that, the questions of ease of construction, of time, of the condition of the country, of knowledge of the country, of immigration, and all the consideration to which we have adverted in this discussion, are potent factors in determining of how much less value any particular parcel of land was in 1871, 1872, or 1873, than it is to-day. At that time there was more work to do, and railway work was more expensive. At that time hon. gentlemen had more expanded ideas on the subject than they have now. They settled that the terminus should be at Esquimalt; they were going to build the railway across the Narrows, and in that way reach Victoria. That was their plan. An Order in Council is on record showing the hon. gentleman's wisdom and far-sighted views. The hon. Minister of Public Works defended that policy; but we do not hear him to-day telling us what a splendid harbor is to be found at Esquimalt. We have heard a good deal of discussion about the impropriety of abandoning the Island Railway——

Mr. BUNSTER. No.

Mr. BLAKE. I am taking the hon. gentleman's part. I am pointing out to his friends that they are abandoning his cause. I have been accused of destroying that railway very unjustly, though all I did was to record a vote with the minority, along with many hon. gentlemen opposite against it.

Mr. BUNSTER. Your advice has always been to abandon British Columbia altogether.

Mr. BLAKE. I deny that. What I said was that, if the Province of British Columbia insisted upon the bargain as to railway construction being fulfilled according to its terms, which I believed was impossible without ruin to this country, and if, so insisting, they demanded as an alternative to be released from union with us, I would say let them go, and I say so again.

Mr. BUNSTER. Well, you have just repeated it.

Mr. BLAKE. I never said I wanted them to go. I only said I wanted them to be reasonable, and I am sure, if they were all like my hon. and amiable friend from Vancouver (Mr. Bunster), we should not hear so much of this tall talk as we hear from that quarter. Those vast ideas that prevailed in 1871, 1872 and 1873, beginning with the rash and reckless, mad and insane bargain, to commence this railroad in two years and to finish it in ten; going on with the determination that Esquimalt should be the terminus, before they had a survey made at all; going on to let a contract before they had any knowledge whatever; have ended in this rash and reckless, and improvident bargain which is an appropriate remedy for the difficulties in which the Conservative party have been involved since their original falt, in the shifting plans which for three Sessions they have been presenting to accomplish this work. The hon. First Minister says that the Government of the hon. member for Lambton (Mr. Mackenzie), acknowledged that the obligation with British Columbia could not, without national disgrace, be postponed, and with curious inconsistency, at another portion of his speech, declares that the resolution which we passed, and which declared our determination that the work should be so accomplished as not to increase the rate of taxation, was no infringement of the bargain with British Columbia, since it was assented to by its delegates here present, reported by them to the Legislature at home, met with no dissent, and must be taken as part of the bargain. If so, how could there be national disgrace or dishonor in proceedings according to the terms of that resolution? My hon. friend from Lambton, in his address to his electors, previous to the election of 1874, stated that it was impossible to proceed according to the terms of that bargain, that there must be a relaxation of those terms, that we

could proceed no faster than the resources of the country would allow, and that British Columbia must be communicated with so to arrange in what manner that could be done. British Columbia was, to my mind, wholly unreasonable. She declined, in effect, to treat, and an arrangement better than which was subsequently discussed might have been then accomplished had she assumed a different attitude. But she stuck to the letter of the bargain, insisted on the pound of flesh, was determined that there should be a commencement within two years, protested because there was not a commencement within two years, and a vigorous prosecution of the work at that. That was the attitude British Columbia assumed, and to which is largely due the small progress which has been made in the accomplishment of her desires. The hon. gentleman must remember that both parties in this Parliament, in 1878, adopted a resolution, and placed it on the Statute-book as part of the Supply Bill, declaring the agreed policy of all parties, with but ten dissentients, that the work should be prosecuted only in such a manner as would not involve an increase in the then existing rates of taxation. Well, that was the policy on which the elections were run—the policy of both parties. No man was found to raise his voice and say that any arrangement should be made which should violate that proposition, which commanded practically the unanimous assent of this House. The Government of the hon. member for Lambton advertised for tenders in 1876 and 1878. That advertisement was expressly under the conditions of the Canadian Pacific Railway Act; and, if I rightly remember, my hon. friends in this House repeatedly stated that the contractors were to take on account of their cash subsidy, at their cost, the works under construction. The Government was not to go forward in building, but was to hand over existing contracts to the contractors who were to take over the works at cost, and that was to be so much on account of the $10,000 per mile cash subsidy under that Act. As the hon. gentleman has stated, no success resulted from those advertisements for tenders.

Sir LEONARD TILLEY. Hear, hear.

Mr. BLAKE. That is quite correct; they failed of success. The hon. gentleman has said there were certain reasons, some or all of which might have conduced to that result. He pointed out some which, no doubt, had to do with it. First of all the money market was very different from what it has been lately. We were in a period of very great depression. The United States had, during several previous years, been engaged most extensively, in advance of the real wants of their country, in railway construction. The collapse of the Northern Pacific had occurred and had precipitated a general collapse of credit in that country. That collapse had principally affected railways and railway enterprises, so that it was almost impossible to get European capitalists to look at railways, at any rate in the United States. I do not believe I exaggerate in saying that hundreds of railways in the United States defaulted in the payment of their bonds; scores of them fell into the hands of receivers and were foreclosed, etc. Such was the discredited condition of railway enterprises on this continent. There was a general crisis and depression. There was, therefore, a scarcity of capital available for such enterprises, even if they had not been discredited by the circumstances to which I have alluded; and the North-West was not so much developed or so well known as it has since become. These were three of the circumstances to which the hon. gentleman, more slightly than I, did allude, as closely bearing on the non-success of the tenders at that time. The hon. gentleman was good enough also to suggest that there were other circumstances. He said that the credit of Canada, under a Liberal Government, was, perhaps, not so good as it would have been under a Conservative Government. Well, I am not about to enter into that question, except for one instant, and for one proof. The credit of Canada was such under the Liberal Government, that in face of those adverse circumstances to which I have alluded, in face of the general discredit of, at any rate American railway securities, in the face of the heavy cloud which the great burden of the Canadian Pacific Railway obligation had cast on this country, my hon. friend beside me, (Sir Richard Cartwright), was able to achieve the placing of our securities at a reduced rate of interest, by issuing four per cent. bonds. For the first time in our financial history, he was able to inaugurate that great advance of Canadian credit which was involved in that step.

Sir LEONARD TILLEY. Hear, hear.

Mr. BLAKE. He was able to place his loan better than any loan had been placed before. And hon. gentlemen opposite, who have walked in his footsteps in the fours, and were successful enough to achieve additional profit through the improved condition of the money market, by placing them a little better——

Sir LEONARD TILLEY. Hear, hear.

Mr. BLAKE. Will choose to forget the progressive increase of Canadian credit which occurred under the Liberal Government, and will forget they are walking in the footsteps of my hon. friend from Centre Huron (Sir Richard Cartwright) when they go on placing the fours which he gave them the opportunity of placing, by initiating that transaction on the Exchange.

Sir LEONARD TILLEY. Hear, hear.

Mr. BLAKE. This Government found themselves in this position: that advertisements for the construction of the Pacific Railway, under the Act of 1874, had been issued and had failed of success. They determined on a new policy. They did not propose to continue those advertisements; they did not propose to continue to invite tenders under that Act. But they determined to ask Parliament to agree to a fresh policy. What policy was that? It was the policy brought down the Session of 1879, in the shape of resolutions to which Parliament by a great majority assented, the gist and essence of which resolutions were that Imperial aid of a substantial character should be sought in order to the accomplishment of this great enterprise. At long and at last, hon. gentlemen confessed that the burden was too heavy for the back. At last they decided that it was an Imperial enterprise, in a large measure, and that the Imperial Government should be called upon to bear their share of the burden, and they proposed to us that they should be authorized to ask for—and they said they had no doubt they could obtain—that Imperial aid. Well, I need hardly say that plan, had it resulted in a grant—I do not say in a guarantee—but in a grant, in the production of substantial Imperial aid, would have been introduced a wholly new factor into the problem of constructing the Canadian Pacific Railway. The proposal of the hon. gentlemen was significant and important. They went with great *éclat*. From time to time we were told great results were to follow. We were told, when they returned, that great results had followed. I remember the organ of the Tory party announcing that in due time they would be revealed. But, we never got any reports of the proceedings of these hon. gentlemen, never a scrap of paper which showed what they had done in England; and it turned out in the end that, at any rate, so far as the obtaining of substantial Imperial aid was concerned, their mission had been a failure. Hon. gentlemen were then face to face with the problem afresh, and last Session, some eight or nine months ago, they once more brought down a scheme for solving it. What was that scheme? Was it that the Canadian Pacific Railway

Act of 1874 should be utilized, to let to a company; that advertisements should be issued for tenders, that a private contractor should be called on to build the road? Not at all. That scheme was that it should be constructed as a Government work, leaving out for the present the eastern link. This was declared to be, in their opinion, the true policy. It was justified by the proposition that the conditions had wholly changed, and that now the most proper and profitable thing to do was to proceed with the construction of this as a Government work. Was it that they said it would be difficult to obtain its construction by a company? Not so. They declared that if they now issued advertisements, the response would be satisfactory and immediate; but although that was their opinion, they were determined to proceed with the construction as a Government work. In order to show the hon. gentleman that I am speaking by the book, I will read from the speech of the hon. Minister of Railways in laying the policy of the Government before the House last Session:

"Hon. gentlemen must not forget, as I said before, that the whole aspect of affairs in this country has entirely changed within a brief period; that that which would have been properly regarded as highly imaginative in relation to the development of the Canadian North-West, must now be looked upon with very different eyes indeed. My hon. predecessor need only recall to his mind the fact that he publicly advertised, in 1876, offering $10,000 a mile and 20,000 acres of land for the construction of the road, and asking how much more capital tenderers would require four per cent. upon for twenty-five years to induce them to undertake this work. And what was the response? Not a tender. So completely had the hon. gentlemen opposite succeeded in imbuing the minds of capitalists in this country and abroad with the hopelessness of this enterprise, that not one of them would undertake it as a commercial enterprise."

Then he proceeds with the statement of an offer he had at that time:

"Supposing the Government were to put an advertisment like that in the papers asking on what terms capitalists would come forward and construct the road from Red River to Kamloops, and repay us all the expenditure we have made beyond Red River, and undertake to maintain and operate not only all that part of that road, but the rest of the road down to Yale or Burrard Inlet? Would there be no response? If such a proposal were made to-morrow, does he not know that the first capitalists of this country would come to the front and offer to construct and operate that road on terms that would forever settle the question as to whether this undertaking would be a serious burden on the people of this country. I have good reason to state that such an offer as that would secure the construction and operate of the whole line from Red River to Kamloops, with the operation and maintenance of all the road to the Pacific, at a cost not exceeding $13,000 or $10,000 per mile from Red River to Kamloops, and 26,000,000 acres of land. In that case, we would be in this position as the hon. gentleman would see, that the whole expenditure of an unknown quantity, proving a burden that could not be calculated, would be entirely removed, and we would be in a position of having this great national work accomplished within ten years, and on terms that would involve comparatively light expenditure from the people of this country, and that would be a thousand times recouped from the development of the North-West."

Being so persuaded, he said, "I will not advertise for tenders—I will not give the opportunity—I will proceed myself to construct this as a Government work." That then was the declared, defined policy of the Government last Session. Now they ask their followers to agree to these views. I dissented from them, as did my hon. friends. We did not believe that it was prudent for the Government to proceed at that time with the work in British Columbia. We did not offer any dissent, and, on the contrary, we heartily consented to the completion of the road from Thunder Bay to Selkirk, and to proceeding with the road into the prairie region. But we said we ought to confine ourselves to that and to getting people into the country, and that when we had developed the country, and given it a backbone, the middle would sustain the rest of the scheme, and that it would be time enough to deal with such questions as the ends of the railway on the attainment of such results. Then there was no issue raised by parties last Session as to the construction by the Government of the prarie part of the road. The only issue was whether the Government should go on with the British Columbia section. But the Government, by a large majority, secure of the adhesion of their followers, did avow that they should go on with it as a Government work, not merely through the prairies, but also through the most difficult region of all, from Yale to Kamloops in British Columbia. Will hon. gentlemen opposite say that all this time they were perfectly satisfied that it was the wish of every man in Parliament that they should adopt a reverse course. Ministers say that after the Session they proceeded upon their new departure—that they were satisfied they were carrying out the unanimous wish of the people's representative in making an effort to do that through a company which they had persuaded the people's representatives to agree they should do themselves. How did the people's representatives signify their wishes? I dare say they signified their wishes in a caucus room in one way and expressed them in this House in another way. But we can only tell the mode in which they signified their wishes by their votes, and so far as votes or speeches, or public action of any description went, I deny that hon. gentleman opposite had the tangible, visible and moral support of Parliament in proceeding on this new departure after last Session. On the contrary, they had themselves committed Parliament and their supporters to a wholly different proposition. Now I will give my own opinion as to the reason of this post sessional departure: that couse, I believe, was takeu by the Administration, and the Premier, with a view of receding from what they considered was a dangerous path; that they learned from day to day after they had taken their line, that they were pursuing a dangerous path. The Minister of Public Works the other day, the First Minister yesterday, and the Minister of Railways on more than one occasion, have admitted that the people of this country were disquieted and alarmed by the policy of the Administration—not by the policy of constructing as they were proposing to construct the prairie road, but by the policy of constructing they were proposing to construct the western end by the policy of expending $10,000,000 on a difficult piece of railway in the middle of British Columbia, on the 127 miles. That was what alarmed hon. gentlemen opposite. Ministers knew they had succeeded in alarming the country, and the alarm in the country reacted upon themselves. They felt that they could not pursue their policy without bringing upon themselves ruin and destruction as a party, and they therefore determined to retrace their steps and revert to some other mode of constructing the Pacific Railway; but I wholly deny they had obtained the authority of Parliament, in any way, for the new departure. But they determined to do a great deal more than was required, as I think, and as the Speech from the Throne puts it, by a recurrence to the old proposal that the work should be let to a company. What the proposal should be, it is not now necessary to discuss in the abstract. What we have got to discuss is the proposal to let the work on the conditions before us. Ministers determined or found after they had commenced that they must change their policy, and were obliged to let the work on wholly new, hitherto unheard of and undreamt of conditions. I hold, first of all, that if there be new conditions there was no authority from Parliament to make them. The very suggestion that they are new, shows you that Parliament did not agree to them. Second, they determined to let it without inviting tenders, and for this there was not merely no authority from Parliament, but Parliament had expressly said that no contract for the construction of any section of the railway should be let without obtaining tenders; and therefore they were not merely going without the authority but flying in the face of Parliament when they proceeded to let without inviting tenders. I have said they determined upon wholly new conditions, and I proceed to point out to the House what those new conditions were. By the Act of Parliament no power whatever is given to the Government to agree with the contractors to construct, for the benefit of the contractors, sections of the

work which are to be handed over to them. That proposition I lay down unhesitatingly. By the contract now before us the Government binds itself to complete the unfinished sections—to begin and finish the heaviest sections now unlet, and to hand over to the contractors the whole works, comprising more than 700 miles of completed railway, including the Pembina Branch, with a net earning of nearly $70,000 a year, to the contractors for their own benefit. I maintain there is in this particular an entire departure from and reversal of the authority of the Act of Parliament. By the Act, the cash expenditure of the Government, as principal money to be paid to the contractors, was to be $10,000 a mile, or about $27,000,000 for the whole line, apart from the cost of surveys, which might or might not be made part of the amount. By the contract, the cash expenditure as principal money, of which the contractors are to receive the benefit, is at least in cash and works, $53,000,000, apart from the cost of surveys, which are not to form part of the amount. So that the cash expenditure of the Government by the contract as principal money is to be about double the cash expenditure of the Government as principal under the Act of Parliament. By the Act the land grant was to be taken, so far as obtainable, along or in the immediate vicinity of the whole line to the Pacific Ocean, and it was to be of fair average quality, thus embracing a large proportion of land not fit for settlement. I will not enter into the discussion—for it is entirely unnecessary for this purpose—whether you are to embrace the land between Lake Nipissing and the Ontario boundary, wherever that may be. It suffices to establish my proposition, that from the Ontario boundary to the Pacific Ocean, in the tract of country through which the railway is to pass, and from which the lands not merely were to be taken, but could be taken, according to the report of Mr. Marcus Smith, published in the Engineer's report of 1880, the 605 miles from Pembina River to Burrard Inlet, containing 515 miles unfit for settlement, and but 90 odd miles fit for settlement; and, if you add to this the most moderate allowance possible, say 200 miles from the boundary of Ontario to the Pembina River, including the water stretches, and the unfertile parts, you get over 700 miles out of some 1,500 or 1,600 in which the land along the line of the railway lands grantable by the Dominion Government unfit for settlement. The hon. gentleman opposite says the true way to strike an average under those circumstances is, first of all, to leave out all the bad land and then take the average of the good. But I do not understand that to be the meaning of average. I understand that an average is ascertained by taking the bad and the good and arriving at the mean. By this contract the land is to be taken, not along the whole line of the railway, not down to the Pacific at all, not from the infertile parts, but in the North-West Territories between Selkirk and Jasper, and it is not to include any land not fairly fit for settlement. Now, if the average of the whole would involve a reduction in quality by virtue of the circumstance that there are large areas of infertile and barren land, it is clear that the exclusion of the infertile and barren land by the new contract, is of itself a difference, so great as to revolutionize this part of the agreement altogether. The Minister of Railways has stated not in this House, but elsewhere, that he takes the two expressions to be equivalent, that he takes lands of fair average quality along the whole line of the railway, to be the same as land which shall not include any unfit for settlement, but I do not believe that the hon. Minister will, by reason, justify that argument in this House; and I do not believe, if he attempts his justification, that he will find any supporters in that view. But if it be so, if it be that these terms are equivalent, I hope that he will use the influence which he used before to cover the disgrace in which he was involved with reference to the standard of the railway, and press upon the Syndicate to write him another letter, saying that at the time of making the contract, it was supposed that there was no material difference between lands of fair average quality along the whole line of the railway, and lands to be taken in the fertile belt, excluding any not fairly fit for settlement, and that they are willing to take lands of fairly average quality. If the terms mean the same, and the result to the Syndicate be the same, let us have the change of words, and I venture to say that this trifling change of words would be a change which would save millions upon millions to this country. The contract as to the lands also provides that the area of those portions of sections which are covered by lakes or water stretches shall not be counted, and that the Company shall take fresh lands for those covered by water. Mark you, it is not that they are deprived of the land covered by water; it is not that they are to refuse sections which contain large portions covered by water, but they are entitled to the dry land and the wet land, the water privilege and the wharf privilege, the harbor privilege and the water frontage, and everything which arises out of the circumstance of their being proprietors of a section fronting on a lake or river, only they are not to be charged with the lands covered by water, but are to get good dry fertile land elsewhere to an equivalent area. That is not contemplated by or provided for in the Canadian Pacific Railway Act. By the Act the land which is not to be found near the railway is to be appropriated at other places to be determined by the Government; by the contract the contractors are given very large powers of selection. It is provided that they may select the place anywhere in the fertile belt or elsewhere. And if they lay out a branch line of railway which they can lay out as they please—and lay it out as all they need do—then alternate sections fronting on a projected branch line, not upon a built branch line, are to be appropriated by and to belong to them. Their title does not depend on their completing a branch line, but only on their completing sections of the main; and they take the land as they complete sections of the main. So the only branch railway they have to build in order to secure branch sections is a railway projected on a piece of cartridge paper and fyled in the office of the Secretary of State. And even if they do not lay out such a branch railway they can still select the places where to take the lands, and in that case the front line, as between them and the Government, is to be a matter of selection and agreement. The vital point is where the land shall be taken, and that is the Company's right; the minor point is where shall the front line be chalked out, and that is arranged between the Company and the Government. By consent of the Government, they may take whole blocks and areas of land not in alternate sections to meet the deficiency, anywhere in the North-West Territory. These are some of the changes which exist between this contract and the Canadian Pacific Railway Act. By the Act Government was to have control of the sales of two-thirds of the land grant; by the contract, the contractors obtain the lands, and the Government has no control, whatever, over those sales. By the Act, the subsidy and the land grant are to be payable in proportion to the value of the work done, as compared with the estimated value of the whole work contracted for; so that the Government, estimating that the whole work would cost $80,000,000, would give land and money just in proportion to the part of $80,000,000 represented by the work done. By the contract, the subsidy and the land grant are to be payable in amounts wholly disproportionate on the prairie section, which is the easiest and most profitable to be constructed, and which is intended to be first constructed. I do not suppose I need enlarge on

this point. I could not do justice to it as the hon. First Minister did last evening. You heard him; he was discussing a proposition that went $10,000,000 better on this point, which proposed to take $10,000,000 less in cash and land than the Government proposed to give for the prairie section. He pointed out that that comparatively moderate proposition would give enormous profits, as he said, on the prairie section. He went into the figures; he showed you that at $1 an acre the amount of money would give millions upon millions of profit; that at $2 an acre the profit was trebled; that at $3 an acre the profit was quadrupled. This was his position. He pointed out the disproportion of the figures, and he showed you, too, a demonstr tion that there is here a serious departure from the provisions of the Canadian Pacific Railway Act, under which, and according to which, the Government could have given land and money only in proportion of the cost of the prairie section as compared with the cost of the rest of the work. The hon. gentleman declared that this was defensible, because he wanted to encourage the contractors. He thought it would encourage them, and I rather think he was right. I think it was a very great encouragement. The Minister thought it would encourage them, not merely to give them enough money to build the whole line, not merely to give them enough hard cash to do everything that is wanted to be done on the prairie; not merely, as the hon. member for Westmoreland (Sir Albert J. Smith), demonstrated the other day, to build the first 100 miles for them, then to allow them to take it over and to say: "Now, we will pay you the cost of this; what is your bill? $800,000 is our bill! Here is the cheque for that amount, now you will please in exchange give us a cheque for a million, because we are to have $10,000 a mile on that section, and therefore we are entitled to have a million for your having built it. So we exchange, and upon that part of the transaction the contractors are to put $200,000 coolly into their pockets, and then they are to perhaps obtain 1,250,000 acres of land more because the Government has built 100 miles of railway which the contractors are immediately to own and work, and which is to return a revenue from the very hour they begin to work it. I need hardly say that a very considerable basis of credit is given by this transaction. What is the hon. member for Lisgar (Mr. Schultz) doing for his railway? Why, he has bought some 130,000 acres of land from the Government, and is to pay them $1 an acre for it, and upon that basis of credit he is building a railway 300 miles long; while these people are to get ready built a paying railway of 100 miles, perhaps $200,000 in cash, 1,250,000 acres of land, and then, as they go on, they are to get $10,000 a mile and 12,500 acres a mile as they go. I do agree with the hon. gentleman that it is a great encouragement. Well, Sir, if the proposition which is laid upon the Table is, as to the prairie section, indefensible and monstrous, and offers prodigious and inordinate profits to the contractors, what is the proposition which is $10,000 000 worse? I am, however, at present concerned only to point out to you that these conditions in this particular are obviously not merely beyond, but contrary to the conditions of the Canadian Pacific Railway Act. Now, the hon gentleman said in this connection—I will refer to it though it is a little out of the line of my argument—that he trusted to the honor of the Syndicate. I have known the time when the hon. gentlemen had not so much confidence in their honor. That has been referred to before, it is good to refer to it again, when the hon. gentleman makes an argument of it. Why, I remember when he turned George Stephen out of the Harbor Commission of Montreal, and said he was not fit to attend to the harbor work of that city. But, now he says he is just the man to take control of the interests of this domain. I remember the time when he and the hon. the Minister of Railways gave a character to the wealthiest man and the most influential man on this Syndicate, in fact though not in name, then an hon. member of this House, wholly inconsistent with the character he now gives him. But these appeals to reliance upon the personal honor of men are wholly out of the question, because these gentlemen expressly stipulate in this contract that they shall not be personally engaged. The only personal engagement is this single one, that they will undertake, after the Company is organized, that the Company shall deposit a million dollars for security. That is the sole personal undertaking they make. The next minute after the organization and the deposit of the million dollars, there is an end to all personal obligation. They may depart with every shilling of interest in this concern, without loss of honor. We give them leave to do so. We do not restrain them in any way. There is nothing to prevent Mr. Stephen or Mr. Smith or anybody else, from selling out to New York capitalists, the day after the Act passes, every shilling of interest in this concern. The Canada Southern Railway passes through Ontario, but, do you know where it is owned? It is owned in Belgium, to-day. It is controlled from Belgium, and the great majority of the stock of the Canada Southern Railway is owned in Belgium. American railway securities are finding their way into every market, and the mode of action which is being adopted by large syndicates of capitalists is to obtain control of a railway by investing in its securities. That is the principle of action in the United States and in Europe just now, and it is competent to, and would not be in the least dishonorable on the part of these gentlemen, to depart with the contract the moment after you have given it to them, and sell their shares and stock to whoever they please. Therefore, there is no question of personal honor, there is no question of personal or financial ability, there is no question of the capacity of the Company, whose corporators two months hence you may have no idea of now at all. That is not all. Under the Act the capital stock of the Company and all its property remain liable for Dominion, provincial and municipal taxation. There is nothing to exempt them. Government have no power to exempt them. Government could make no binding contract that they should be exempt. Under the authority which Parliament gave, and which is on the Statute-book, no contract could be made that would exempt their property from taxation. By the contract all that property, their station houses, their harbors, their elevators, telegraph lines, road-bed, rails, rolling stock, the equipment and all their property and capital stock are wholly free forever from Dominion taxation, from taxation in new provinces, and from taxation by municipalities in new provinces. Hon. gentlemen will observe that here is an important departure from the Canadian Pacific Railway Act, a departure of great consequence, upon which it will be my duty, and the duty of others, further to enlarge at a later stage. While under the Act the land grant of the Company would remain subject to taxation, under the contract that grant is exempt from taxation of all kinds until used or occupied for twenty years from the date of the grant. That also is an exemption of great value to the Company, of enormous value to the Company; an exemption which, added to the right of selection, makes the land grant a wholly different thing from a land grant subject to taxation. A land grant subject to taxation, in a country like that, is as different from a land grant not subject to taxation as a fertile field is different from a rugged hill. There is an annual burden increasing as the country grows and prospers, of the most serious character, upon all the lands which are subject to the common burden, and this makes the contract altogether different, and makes the value of the Company's possession enormously greater, besides which we have to consider its injurious effects upon the development of the country and upon the prosperity of the adjoining settlers. Under the Act all the materials required by the contractors

is to be subject to import duties; there is nothing in the Canadian Pacific Railway Act to say that the imports the contractors require should be free of duty; but under the contract a large part of these materials are exempted from import duties. I will point out later on what that exemption, so far as one can guess it, really is. I will prove that it is very much more material than hon. gentlemen opposite seem to suppose Under the Act, Canada or any new provinces are not hindered in any way from constructing other railways as the people may, from time so time, require them. There is nothing in the Canadian Pacific Railway Act saying that the Company shall be permitted and that other people shall not be permitted, to construct railways. But in the contract it is stipulated and agreed that this Parliament and new Provinces shall not for twenty years be allowed to construct any railways in certain directions or to the boundary, which may be supposed to interfere to some extent with the Canadian Pacific Railway. By the Act the Government has unrestricted power to regulate from time to time the tariff of tolls; but by the contract the power of the Government to fix a tariff is limited to the case in which the railway company is receiving a net profit of ten per cent. on all the capital, from whatever source derived, invested in the construction of the railway. Under the Act the Government would have power to prescribe from time to time the accommodation and the trains to be provided by the Company, but by the contract no such power is reserved to the Government, and there is no regulating power in those regards at all. Under the Act the Government would have power to acquire the railway at any time that the public interest might demand; by the contract the Government is given no such power. Under the Act, the grades of the railway, the materials, the manner of construction, and the mode of working, including the construction and capacity of the rolling stock, were to be such as might be determined by the Government in Council, and it was as we all know, formerly the declared policy of the Government and Parliament that the grades should be very low. By the contract, however, the Union Pacific Railway as at first constructed, is fixed as the approximate standard, and it is well known that the grades of that railway are very high. By the Act no power is given to the Company to build branch railways, except one to the Georgian Bay and one to Pembina; by the contract power is given to the Company forever to build branch railways in various parts of the Dominion, and by the contract many other important privileges and powers are given to the Company, which I shall not now recapitulate, but which privileges and powers are not at all authorized by the Canadian Pacific Railway Act. Now, Sir, I think I have proved to you with some degree of fulness and clearness that this contract cannot be said to be one authorized by the Canadian Pacific Railway Act of 1874. I defy any hon. gentleman to rise here and argue seriously that this contract, such as it is, is authorized by that Act. On the contrary, I maintain that the conditions to which I have referred, and which are, some of them, not contained in, and some of them expressly contradicted by, the Canadian Pacific Railway Act, are conditions wholly novel, unheard of and undreamt of, until the 10th of December, when this contract was laid on the Table of this House. Had the Government invited tenders for the construction of this railway on the basis of the Canadian Pacific Railway Act of 1874, and failed of receiving them, and then proceeded to make this bargain, they could not have justified themselves by that invitation at all, because you must have invited tenders on some general basis, like that on which you proposed to make your bargain. I deny that you have authority to make a private bargain until after tenders have been obtained, and you must obtain them on the general basis of your bargain. To do that you must communicate the general terms on which you propose to deal. You must give the public the opportunity of knowing that you are willing to accept tenders on wholly different terms; you must say, "Gentlemen, we invite you to tender for the building of the Canadian Pacific Railway; we do not hold ourselves bound by the Act of Parliament, or by its price. Tell us how much land and how much money you want, what works you would like us to construct, what privileges, what exemptions you want, what restrictions, what alterations in the Act of Parliament you want." It must be a sort of go-as-you-please tender. So far from there being such an invitation, there was no invitation whatever, except indeed the invitation which the hon. First Minister says he gave at a religious pic-nic at Bath, on the 29th of June; and he rather sneered at me when I asked if that was a notice, saying that I was taking a legal view of it. He admitted that it was not a legal notice, but he said, notice is notice among men of sense. Well, let it be so. What did the hon. gentleman do at the picnic? He said—and as if he thought people did not believe his own words, for which I think he had no ground, he called on the Finance Minister beside him, to corroborate him—that the Government—I speak from memory—had two offers for the construction and working of the railway. Capitalists, he said, of undoubted standing and ability have come to us, and want us to allow them to build this railway, and make fortunes out of it. The Government is considering these offers, and you may relieve yourselves from any anxiety that this road is going to cost the country a cent of money. Was that a notice to the rest of the world that tenders were being invited from the rest of the world for the construction of the Pacific Railway on any terms that the rest of the world pleased to offer? Was it a notice that the Government was prepared to arrogate to itself authority to set aside every one of those essential principles of the Canadian Pacific Railway Act, and to make a bargain wholly dissimilar from, and contrary to, those principles? Am I taking a legal, a technical, *nisi prius* point when I say that no capitalists other than these favored men with whom the Government are dealing, can be supposed or expected to offer for this work on such an invitation as the hon. gentleman gave at this religious picnic? I was really surprised to hear the First Minister of this country, himself a distinguished statesman, at the head of a very large majority of too faithful followers, I was surprised to see him in such straits, driven so hard that he was obliged to justify his course as First Minister of this country, by arguing that because at a picnic he had said he had got offers from two sets of capitalists, he was really inviting the public to come forward and tender on the conditions now upon the Table. The hon. gentleman said that no one then complained of want of authority. Why, we did not know what the hon. gentleman was doing. He took good care then, he took good care since, he has taken good care now, not to let us know what he was doing. Where are these tenders? Where are these offers? Where is this correspondence? On what conditions were these offers? On what conditions was the Government bargain made in England? We do not know it now; the capitalists of the world do not know it now. And yet the hon. gentleman tells us that we did not complain that he was violating the authority of the Act. It was not until he put that paper on the Table that we knew how far he had violated the authority of the Act of Parliament. However exacting our duty to be vigilant may be, it cannot bind us to warn against errors that we do not know have been committed, to complain of improprieties whose existence we are not aware of. The hon. gentleman contends that he might have contracted under the advertisement of 1878. Now, I will read you that advertisement, under which the hon. gentleman says he

might have let this contract which is now on the Table. That advertisement reads as follows:—

"The Government of Canada will receive proposals for constructing and working a line of railway extending from the Province of Ontario to the waters of the Pacific Ocean, the distance being about 2,000 miles.

"Memorandum of information for parties proposing to tender will be forwarded on application as underneath. Engineers' Reports, maps of the country to be traversed, profiles of the surveyed line, specifications of preliminary works, copies of the Act of the Parliament of Canada under which it is proposed the railway is to be constructed, descriptions of the natural features of the country and its agricultural and mineral resources, and other information, may be seen on application at this Department, or to the Engineer-in-Chief at the Canadian Government Offices, 31 Queen Victoria street, E. C., London."

Well, if I have proved to you that this contract could not be made under the Canadian Pacific Railway Act, I have proved to you that it could not be let under the authority of that advertisement. I am sure, interested as we always are in all the hon. gentleman's speeches, excited by curiosity as we are always when we see that he is going to address the people, hanging, as we make up our minds to hang, upon his utterances, we will, for the future, regard them with double interest and excitement, because we do not know what advertisement may be contained in them, we do not know but that we may be getting notice of something or other in some ambiguous terms at any moment when he makes a speech at a picnic. After having given this notice to Canadian capitalists, that tenders were about to be invited on the conditions now upon the Table for the construction of the Canadian Pacific Railway, and, therefore, expecting as the hon. gentleman did, no doubt, from the speech of the hon. the Minister of Railways, that on an advertisement of that kind being issued tenders would flow in abundance, he did not wait; he went to England to let the contract there. So far as I know, the trio that went to England on that occasion did not there invite tenders, but there, as well as here, conducted everything in secrecy. They engaged in private negotiations, in diplomatic feats, but, as the hon. Minister himself said the other day, very nearly ended in failure. Well, now, was this asking for tenders? Was this letting the contract under the terms of the Canadian Pacific Railway Act after tenders have been obtained therefor? And was the public at large fairly alive to the view that there a railway contract was to be let on the terms and conditions laid on the Table, because of those mysterious and secret proceedings? Well, they returned. Extraordinary to say, notwithstanding that formal notice that the hon. Minister had given at Bath, notwithstanding his immediately running away to England so as to be ready to receive tenders, he did not receive tenders for the construction of the railway on these terms from Canadian capitalists; and the moment they came back they announced no day of grace—they did not tell us they were surprised or disappointed that the Canadian capitalists did not come forward and ask once more—but they told us before their arrival, and more elaborately in that speech at Hochelaga, that a "contract firm" had been made. Well, if the contract firm was made in England—though my belief is that the contract was made by these gentlemen in England cabling to Mr. George Stephen on this side—and closed before these gentlemen came out, I need hardly say that after that period at which they announced the contract was closed, there was no opportunity for Canadian capitalists to tender. But, even then, although the matter was said to be ended—we do not know how it was in fact, because publicity is not allowed in this matter, and we have not been permitted to see what the contract was that was made in England; we do not know how much of this extraordinary bargain was made on this side of the water, and how much is to be found in the language of the document—the negotiations went on as to what are called minor details for several weeks, and on the twenty-first October the document was finally signed and sealed by the hon. Minister of Railways. Even then secrecy was observed. Although the whole thing was concluded, although that opportunity for the public to tender, which these hon. gentlemen seemed to have apprehended, would have been taken advantage of, if they made the conditions public, had now passed, although they had made the bargain, although they had signed, sealed and delivered it, still there was secrecy observed. It must not be made known. We will wait a little and let out just as much as will induce the country to believe the best possible bargain was made. We will tell them we have arranged for the building of the railway for $25,000,00 and 25,000,000 acres of land. Do not let us say anything about where the acres are to be obtained, how they are to be selected, the quality of the acres, the non-taxation of the acres, the non-taxation of the company, the monopoly created by the fettering of the country as to new railways; nothing must be said about all those other things; and above and beyond all, for any sake, do not let us say that the Government, announcing that it has got a Company to construct the Canadian Pacific Railway, is making a further bargain itself to build the most difficult unlet section of that work for the benefit of the contractors. Let us announce first so much as shall mislead and delude the people into a false frame of mind with reference to the thing we have done. Let us keep the rest carefully dark. Let us not even announce that Parliament is going to meet early until the latest possible moment. Let us convene Parliament a fortnight before the time for adjourning at Christmas for the holidays and bring down the statement that it is of the utmost importance the railway contract should be let at once, and propose to Parliament to sit *de die in diem* and close the bargain by the 23rd December. Let us disregard the statements made at Hochelaga, that the contractors were prepared to go on entirely irrespective of the time when Parliament should sit; let us wholly disregard that statement made before the Session; let us, when an adjournment is proposed for a day, say at once, "no, no,—the contractors want to get out the ties, which they cannot get out till this contract is let," although the First Minister had pledged his word that they would go on immediately, even if Parliament did not begin its sittings till February, with that work. Let us forget all that, and put every pressure upon members of this House and lacerate their domestic affections even, if only by any means we can delay to the latest possible moment to divulge—what shall I call it?—yes, I shall call it our plot—then let us do everything in our power to secure the consummation of this plot before the country at large can speak, or anybody else can make any proposal which shall put in a different light the bargain we are supporting We shall be bound to acknowledge, no doubt, that the conditions of this bargain are onerous, but representing that 50,000,000 acres, of which a large portion is remote, is worth as much acre per acre as what is near—that land was worth as much acre per acre in the North-West five years ago as to-day—that average land is worth as much as selected land—representing that $55,000,000 or $60,000,000 is not more to-day than $30,000,000 was then, we may be able to befool the people into the belief that this contract, with all its privileges, pre-emptions and monopolies, is better than any previous proposal; but let us for any sake guard against the possibility of its being brought into dreadful contrast with any other proposal on this subject. Let us expedite matters; let us ask His Excellency to say that the public interest requires the immediate completion of the road; let us tell those who propose serious and deliberate discussion that they are factious and obstructive; let us threaten them with a dead lock, and say we shall depart from the usual course of Parliament, and refuse the periods for consideration, deliberation and discussion which Parliament usually gives on a question of this transcendent importance; let us do everything and press

everything we can in order that this scheme may be got through with before any contrast can be made between it and what capitalists may do, if we but let them have an opportunity—I ask you and every hon. member who saw this Syndicate contract on the morning of the 11th of December last, whether he was not thunderstruck at the conditions which, until that time had been concealed—whether the circumstance that the Government was to build the road from Yale to Port Moody did not take away his breath—whether the circumstance that there were those monopolies, privileges, exemptions did not astonish him—whether the circumstance that the contract was so diametrically opposed to the Canadian Pacific Act, 1874, which was the only authority the Government could look to, did not strike him with surprise—whether he did not feel aghast at the prospect before him and the country? If that view existed as to the distribution of the subsidies and all the other points of the scheme, I ask you how is it possible to contend, as until this moment hon. gentlemen have chosen to contend, that there was a fair opportunity given other capitalists before this tender was laid on the Table—to contend that no men could be found to form a company, and that therefore the Government was justified in letting the work without competition. The First Minister acknowledges that Parliament is free to decide on this question. He says, contrary in my opinion, to the constitution and the law of the country, that he could have let this contract in a way that could have bound us without our consent. I know he is a strong Minister, but not strong enough for that. The law and the constitution do not permit it; but the hon. gentleman was kind and gracious enough to add that he thought it his duty to obtain the consent of Parliament to so important a transaction. So he has kindly given the people of Canada the opportunity, through their representatives, of deciding whether they will consent to this contract. I hope he will not make that opportunity a merely nominal one, and that the consent of those representatives will be a free consent; that he will not tell hon. gentlemen, as I suppose he has told them elsewhere as well as last evening, that they are quite free to act, but that they must act in one way; that they are quite free to decide, but must say "yes." I hope it will not be said that the Parliament of Canada is called to decide in this matter just as the Ministry decided before Parliament came together; else Parliament might as well not have been called, and Ministers might as well have been entrusted with the decision. But since Parliament never gave the Government authority to bind us—since that is acknowledged, and they have submitted the question for our decision—I trust that in this, the most vital, transcendent question that ever engaged our attention, the decision of Parliament will be a free decision, not obtained by the authority of a party leader or the crack of the party whip.

Mr. WHITE (East Hastings). They have only a majority of seventy.

Mr. KIRKPATRICK. Yes; ninety.

Mr. BLAKE. The hon. member for East Hastings says they have only a majority of seventy. I thought it was more. Another hon. gentleman says it is more than seventy. Well, all I can tell him is, that if there is a majority of seventy or more for this contract, to-morrow or next day, there will, I believe, be a majority of many hundreds or thousands against it, as soon as we have the next general elections.

Mr. KIRKPATRICK. That is what you said in 1878.

Mr. BLAKE. I did not say it in 1878.

Mr. KIRKPATRICK. Then your friends said it for you.

Mr. BLAKE. I did not say it, however. I assert, and the House will recollect, that the country was wholly surprised on the morning of the 11th of December, when it found what were the conditions of this contract; and, within five weeks of that day, a proposal has been handed to the Government, and is now upon the Table, based very largely, too largely in my opinion, upon those conditions, but compared with the first contract, infinitely preferable. The persons who have made that proposal are men of the highest standing in this community for wealth, for credit, for business ability and knowledge of railway construction and management. They comprise in themselves the most successful men, taken all together, that we know of. The combination is the strongest combination, as I said the other day, that been ever witnessed of Canadian capitalists. To that combination names are being added every day. I received a few minutes ago a telegram from one of the new Syndicate who informs me that Messrs. E. and C. Gurney, of Hamilton, gentlemen well known here and everywhere, strong supporters of hon. gentlemen opposite, men of active business ability, who have made fortunes for themselves, and are worth certainly much more than a million, have requested this day to be added to the new company. I have no doubt that in the course of the next few days many similar applications will be made from various parties, by those who believe that the old bargain is so desperately bad and involves such enormous and extravagant profits, that the new one, comparatively moderate as it is, contains within itself the elements of a large future. The men who have made this proposal, are men who do not owe such money as they had to one lucky speculation. They are men whose commercial position and present wealth are the result of a long course of honorable toil and of long and well tried business ability and experience. These have proved, by more than the outcome of one satisfactory speculation, their capacity successfully to deal with whatever they choose to grapple with; and at this proposal made by such men, men at whom the hon. gentlemen opposite cannot sneer, men whose position and standing in this community is beyond the power of a sneer to affect; they may attempt to sneer at it, but they cannot do it successfully—this proposal, made by business men with such means and capital, is now upon the Table. It is made, as I have said, within five weeks of the time at which any body, except the favored Syndicate, had the opportunity at even guessing at what was the basis of the conditions the Government would propose for the construction of the Canadian Pacific Railway at all, and the Government took three or four months in negotiations, and they took, after they came out here and said they had made the bargain, six or seven weeks in concluding the details; and yet, they say you ought to have come sooner. They say you should have come almost the moment after you saw our proposal—you should have jumped into the market.

Mr. KIRKPATRICK. They ought to have come before they saw the proposal.

Mr. BLAKE. I am quite aware the hon. gentleman and his friends are accustomed to "go it blind," but business men do not go it blind, and business men like to see what the general terms and conditions on which a tender is to be made are before they make an offer. The new offer for the construction of the whole line contains, however, proposals which are objectionable. The objections are those common to both. The new proposal is, notwithstanding, infinitely better than the old one. It may not be the best possible. I do not believe it is the best possible. I believe if fair opportunity were given to the capitalists of this country, there would be a much better offer yet submitted; but if you are to choose between these two, if the anxiety of Parliament and this House to complete this bargain, to take this subject out of the political arena, to relieve themselves from all trouble and try to determine their fate by having this question at once determined is to preclude further competition, I say that as honest men, choosing between

one proposal and the other, we cannot, and ought not, to hesitate in our choice. I say the new proposal is infinitely better than the contract on the Table. You say it is too late. The hon. member for Frontenac (Mr. Kirkpatrick) says it is too late, and that they ought to have made a bargain before they saw the conditions.

Mr. KIRKPATRICK. I said they ought not to have waited until the contract is laid on the Table of the House, and that before that they ought to have considered whether they could have made an offer or not.

Mr. BLAKE. They had the idea that the Pacific Railway was under the Act to be built for $10,000 a mile.

Mr. KIRKPATRICK. They had that before them.

Mr. BLAKE. And they assumed that was your bargain. They had not before them the fact that the Government was willing to build the line from Kamloops to Port Moody; and that they were willing to grant these various extraordinary privileges. For one hour I have been pointing out the enormous difference between the Canadian Pacific Railway Act and the basis for this contract, and yet the hon. gentleman says they had the Act before them, when I have shown that the whole basis of letting is wholly different from that Act. The Government did not let the public know before Parliament met what they proposed to do. Why did they not? And the Minister of Railways, who is never at a loss when cornered by an argument, but always states that that makes his position infinitely stronger, said, the other day: "Why, of course, we did not advertise; it would have been the very worst thing possible to have advertised." Allow me, for it is a precious morsel, to correct the hon. gentleman out of his own mouth. The hon gentlemen said:

"What is the condition of things to-day, supposing this Government were to put an advertisement like that in the papers asking on what terms capitalists would come forward and construct the road from Red River to Kamloops, and repay us all the expenditure we have made beyond Red River, and undertake to maintain and operate not only all that part of that road, but the rest of the road down to Yale or Burrard Inlet? Would there be *no response*? If such a proposal were made to-morrow, does he not know that the first capitalists of this country would come to the front and offer to construct and operate that road on terms that would forever settle the question as to whether this undertaking would be a serious burden on the people of this country."

The hon. gentleman at first thought that by advertising capitalists would be induced to come forward, but he subsequently changed his policy, determined that he would not advertise, and ran away to England to negotiate with foreign, instead of domestic, capitalists, for the construction of this work. Well, the hon. gentlemen say it is too late, but I think it will not be so held by the country. My belief is that it will be held by the country that "it is never too late to mend;" that it is never too late to save many millions of dollars; to save exemptions, concessions, and privileges infinitely more onerous than the many millions you are spending. I can, with confidence, challenge hon. gentlemen opposite to meet their constituents on this question—whether it is too late for this Parliament to choose the better, and whether it is bound to accept the worse.

It being Six o'clock, the Speaker left the Chair.

AFTER RECESS.

Mr. BLAKE. I heard an hon. gentleman the other evening, with reference to this subject, and, he thought, as applicable to this transaction, quote the old French proverb, "After the marriage of my daughter I found plenty of sons-in-law." But, Sir, I do not think the proverb will apply to this case. Had we, indeed, entrusted the Executive with power to make a binding contract in this matter, had we handed over the fair North-West to the Executive, with power to contract her in marriage to any person, however old, ugly or deformed, on whatever condition as to dowry they might fix, then the proverb might be applicable, and we might not be able to quarrel about the conditions of dowry. But the fair North-West is ours yet. The question whether there shall be a contract or not is free for decision. It is not until we have decided to ratify the contract that it is too late. You say it is too late. Are we, then, as a Parliament, bound to accept the worse instead of the better value? Those who so declare themselves are bound to justify themselves, and they can justify themselves only by declaring that the action of Parliament ought to be, and is in effect, that of a mere machine for registering the decrees of the Executive, and is not a free judgment as to whether this contract is fit to be made legal or not. If this contract is not fit to be made legal we are bound not to make it into a law. If we do not, we are free to see what better we can do, but you must not first determine you will make this law which without your consent is not law, and then say because you have made it into law, it is too late to look ahead and do better if you can. I say this new offer is tangible evidence, real, substantial evidence of the most plain and palpable description, that the contract is not fit to be legalized; and each of us must justify upon that basis the vote he is called upon now to give upon this question. Too late! Too late to save $12,500,000 in money, and in land! Too late to dispose with all those monopolies, those exemptions, those privileges! Let us see for a moment, now, what it is too late for us to do. In the first place, the contract on the Table provides for a cash subsidy of $25,000,000 and 25,000,000 acres of land. For the same work those who submit the offer, propose to accept $22,000,000 and 22,000,000 acres of land. There is thus a saving of $3,000,000 in hard cash, and 3,000,000 of acres, equal, at the Government valuation of $3.18 per acre, to $9,540,000, or a total of $12,540,000. Next the contract provides as a standard the Union Pacific Railway as it was when first constructed. The proposal is to take the Union Pacific as it stood in 1873. Neither of them is good; but the offer is very much better than the contract. The hon. Minister of Railways will say, I have got a letter. I have to say the letter is not worth the paper on which it is written. It is a voluntary statement made without any consideration by three members of the Syndicate, as to what they are willing to do; but they cannot be bound by it. Still less can the incorporated company which is to have the contract be bound by it in any way. But, further, that letter takes the date of February, 1873; and large improvements were made in the construction of the Union Pacific during 1873, and the early part of 1874; and therefore a proposal to take 1873 is much better than to take the road at the very beginning of 1873. Next, the contract provides for giving $9,000,000 and 11,250,000 acres, for the prairie section, 900 miles, while the offer proposes to accept $6,600,000 and 9,000,000 acres for the same work, making a saving on the prairie section of $2,400,000 and 2,250,000 acres, or a total saving, at the same estimate, of $9,550,000 on that part of the work. Now, hon. gentlemen opposite may say that the distribution of the subsidy as proposed in this offer is wholly disproportionate to the relative cost of the prairie and of the other parts of the road. I shall have the pleasure for once in my life of agreeing with hon. gentleman. While it is wholly disproportionate, the only observation I have to offer is, that in the offer the sum is not so disproportionate as in the contract. If an inordinate share of profit, as the Minister of Interior observed, is awarded by the offer for the prairie section, a still more inordinate proportion is awarded by the contract; if it is bad to offer $6,600,000 and 9,000,000 acres as proposed by the offer, it is very much worse to give $9,000,000 and 11,250,000 acres as is proposed in this contract. Well, the contract proposes to give $6,000,000 and 7,500,000 acres for

the western 450 miles at Kamloops, while the offer proposes $5,400,000 and 6,750,000 acres for the same work, making a saving of $600,000 cash and 750,000 acres, or a total, on the former estimate, of $2,985,000. To that the same observations apply I will not discuss whether the prices arranged in the contract are excessive; but this is clear, that whatever they are the prices proposed in the offer are very much more satisfactory. Then the contract provides that the Government:

"Shall also permit the admission free of duty, of all steel rails, fish plates and other fastenings, spikes, bolts and nuts, wire, timber and all material for bridges to be used in the original construction of the railway, and of a telegraph line in connection therewith, and all telegraphic apparatus required for the first equipment of such telegraph line."

The offer proposes to undertake the work without any exemptions from duty, and this will effect a large and direct further public saving. It is clear that every dollar which is paid into the Treasury in consequence of the duties not being removed, is a dollar diminished from the contractor's price. Now, let us see, so far as we can judge, what the number of dollars is in this particular. The hon. Minister of Railways says it is a mere trifle, about $60,000 or $70,000, and in one speech he placed that the sum of $90,900, and on another occasion placed it at between, I believe $90,000 and $100,000. The hon. gentleman omitted, however, to consider two material questions. He seemed altogether to ignore the question of material and telegraphic apparatus required for the construction and equipment of the telegraph line. The duty on the materials required for a telegraph line 2,700 miles in length must be very large. The hon. Minister did not omit, but gave, in my opinion, an inaccurate view of exemptions in regard to rails. The Minister said that was nothing, that steel rails are exempt now, and therefore nothing is given to those gentlemen. Does he suppose that those gentlemen, or their lawyer, were so foolish as to have a clause inserted in the contract except they derive some benefit from it? Why was this exception inserted in regard to steel rails if they were practically exempt already. They had it inserted because there could not be a practical exemption for them. Steel rails are by law subject to a duty of 10 per cent., but by the law it is provided that until 1st January next they shall be exempt from that duty. All steel rails imported after that date will be subject to the 10 per cent. The Government is to hand over to these gentlemen 5,000 tons of steel rails, and I believe they will want no more, or if they do, they will require but a trifle more before the period arrives at which the duty comes upon steel rails. Are you to suppose that the men who are not to complete their enterprise for ten long years are going to buy, between now and the 1st of January next, 180,000 tons of steel rails, which is the whole quantity they will require to complete the railway. The question of interest, on which I have heard some astounding calculations by hon. gentlemen opposite, with respect to a former purchase of steel rails, crops up. There is also the question of rust, of which we have heard time and again, and that rails rust a great deal faster when not used. These important considerations which have been referred to in connection with the purchase of steel rails, were no doubt present to the minds of the Syndicate. It is made plainer that the Syndicate would have practically to pay the duty on the rails, except for this special provision exempting them from duty. It is plain that the provision was not intended to be nugatory, that neither the Syndicate nor the Ministry inserted it as a mere farce, as a useless provision and as one suggesting nothing, but that they inserted it because they knew the duty would otherwise have to be paid, and they intended it should not be paid. Estimating only the price in September and October, the duty on the rails would amount to $576,000. It has been estimated that the duty on the fish-plates would amount to $42,000, the bolts and nuts $60,000, the spikes to $108,000, making a total, including rails, of $786,000 for rails and fastenings. But besides these you have bridge material and also telegraphic apparatus. Now, as to bridge material, even if wooden structures only are used, we know that in some cases, these wooden structures will be gigantic, and a large amount of bolts will be required for them. The exemption for even wooden bridges is a serious matter, but there is no provision that wooden bridges shall be used, and the Minister said that this exemption would be a temptation to use iron instead of wood. If they bring in iron bridges, it is quite clear that the exemption will be a most serious matter. We know what duty has been paid for the Hull bridge. It is somewhere about $22,000 or $23,000, and the Minister of Customs has it under seizure for under-valuation and is claiming some thousands of dollars more for that bridge. I think the exemption from taxation may be reasonably estimated at, under all the circumstances, at least one million dollars, and very likely it will be a great deal more, and that, therefore, if we compare the contract with the offer, in this single particular you find the contract one million of dollars in cash, and probably much more, worse than the offer. If then it is too late, it is too late not merely to save the $12,500,000 to which I have already adverted; it is too late not merely to secure something nearer approaching a reasonable distribution of the subsidy, but it is also too late—and how much these hon. gentlemen regret it!—to save one million dollars more of hard cash in respect of duties. Well, Sir, there is the railway monopoly. The contract provides:

"For 20 years from the date hereof, no line of railway shall be authorized by the Dominion Parliament to be constructed south of the Canadian Pacific Railway, from any point at or near the Canadian Pacific Railway except such line as shall run south-west, or to the westward of south-west: nor to within fifteen miles of Latitude 49. And in the establishment of any new Province in the North-West Territories, provision shall be made for continuing such prohibition after such establishment until the expiration of the said period."

While the offer proposes to undertake the work without any such restriction. Now what does this railway monopoly mean? What does this freedom from competition for the through trade of the North-West really mean? I say that although this subject has been discussed at some length and from various points of view, the public mind and this House has not yet grasped the full significance of that part of the business. I regard it as by far the most serious question of all. I regard it as infinitely surpassing in seriousness all the other questions before us in connection with this matter. I have proved to you what the gentlemen to whom you are now about to entrust, if you do entrust them with the future of the North-West, to whom you are about to award this monopoly power, do with that monopoly which they now have. I have proved to you what they do with the single talent with which they are entrusted, and you may depend upon it they will make usury of the ten talents if you please to give it to them, and will be in that respect faithful servants, but not to you Sir, but to themselves I have shown you that their rates on the St. Paul and Manitoba are monopoly rates; I have shown you that their rates for wheat are between five and six times the competitive rates charged on railways south of St Paul, or at any rate on the series of railways between Montreal and St. Paul. I have shown you as to other goods —mixed goods similar results; as with respect to agricultural implements upon which I gave freight quotations. I have proved to you that the way these gentlemen use their power on the 390 miles they have got, as an avenue or gateway to the North-West, is to charge between five and six times the rates of railways to the South. It is not unreasonable to say that a somewhat high rate may be allowed in respect to the

smaller traffic, though I believe that that hardly applies to the traffic as extensive as that which even the St. Paul and Manitoba Railway has. But if you do allow extra for a smaller traffic, still the surplus, after making an allowance say of one-half the additional rate, is enormous. It amounts to paying them one-and-a-half rates, and afterwards for the transport of one bushel of wheat, paying them 25 cents per bushel extra beyond the rate and a half. Now what does this mean? That a toll shall be taken to the tune of 25 cents a bushel beyond an ample compensation for the transport of wheat. An hon. gentleman at a former stage of this debate whose soul was above buttons, said he would not consider a question of this kind in reference to fractions of cents on freight, or any such paltry thing as that. He will allow me to tell him when we get down to the bushel, and find how much it is, it is easy to go up to the millions of bushels and find how much it is then. The farmers of the North-West will understand, as he a farmer ought to understand, what 25 cents or 27½ cents means very well. In 1870 Minnesota, with a population of about 400,000, produced between 17,000,000 and 18,000,000 in bushels of wheat and a large quantity of other grain. If you assure that you can get into the North-West within a reasonable time 40,000 farmers raising 400 bushels each you get a production of 16,000,000 bushels. I say nothing of other grains or of cattle, but I take wheat alone, and going far inside of the figures which hon. gentleman gave as to immigration and settlement, as to the improvement of the land, you find a production within a few years—take ten years if you like—of 16 million bushels, and that there is a surplus making a liberal allowance for domestic consumption and seed of over 13,000,000 bushels. Now, what does 25 cents a bushel mean? It means $3,250,000 a year of a tax upon the farmers of the North-West on that particular item of their produce. It means that reduction in values to them; it means a rent on these lands for wheat only of three and a quarter millions a year. I have taken a fair profit; I have added to that fair profit half as much again; I have tried to satisfy a fair-minded monopolist, and after I have done so I have shown that if you give these same men the exaggerated opportunities for continuing their tax as you propose to do, you will compel the farmers of the North-West to pay a rent in respect of their wheat lands of $3,250,000.

Mr. PLUMB. Who would buy the land under those circumstances?

Mr. BLAKE. I tell the hon. gentleman that they are the existing circumstances. I am projecting into the future the existing circumstances, because the policy of the Government proposes to project into the future, the existing circumstances; because at this day you have a monopoly which, on the 1st of July, 1882 you could be free from, but which you are determined to make perpetual. I am, therefore, entitled to say that the men to whom you are giving the power to keep closed the avenues of the North-West who have at present control of those avenues, who are using that control as I have pointed out, will continue to use it in a manner in which they are now using it. But that is not all, because the people of the North-West must import as well as export, and they must pay freight on their imports as well as their exports. We know quite well that there are, among the imports which will come into that country, goods which are charged for at much higher rates by the railway companies. We know, also, from what I have informed the House as to agricultural implements, that somewhere about the same proportion of extra rates, of monopoly rates, of toll, tax, duty, imports, in addition to a fair charge for transportation, is levied by the St. Paul and Manitoba Railway. I say it is a moderate estimate to double what I have estimated as the rent for the wheat lands in ten years, as the toll, or rent, or charge, that they will put upon the imports of the North-West. I say it is a low calculation that the monopoly will be worth $10,000,000 a year to this Company in ten years, if the North-West be one-half at that time what you now depict. Now, mark that I have dealt with this subject apart altogether from local trade. I am not considering what local rates that Company may charge for the large quantities of timber, coal and produce which may be larger than the through trade. They will, no doubt, have much local trade, and for that local trade there may be competition, and you may have fresh railways in the North-West which will do some portion of the local trade, and which will, to some extent, control their total monopoly. But I am not dealing with local traffic, I am dealing only with the through traffic which depends not upon mileage, but upon the monopoly. You give them the southward gate to Pembina, you give them the eastward gate to Thunder Bay, you give them control of both gates, and you allow them to put up the bars, and to charge such a toll as will just leave it worth a man's while to live in that country and to raise wheat and buy goods. Now, Sir, what is the result at present? Why, even in summer time when you have got free navigation, when you have got a great water highway to within a comparatively short distance, the rates are but a trifle lower. I told the House before that they are only about $10 a car lower on the whole distance. It is true we have but a short railway mileage, but they are determined to exact their toll as long as they alone furnish the means of access. Now, I say the question of the price of land is nothing, it sinks into insignificance, whether you shall charge a man $1, $2, $3, $4 or $5 for his land, compared with the toll that it is competent to this company to exact, and that this company is at present exacting on the St. Paul and Manitoba Railway; whether you charge him $2 or $5, for his land the interest on that sum measures the amount he loses per annum, a few cents for each acre. Your monopoly taxes him dollars instead of cents. The hon. gentleman has said that there are various remedies. The hon. Minister of Railways has given us on sundry occasions—not so much here as elsewhere—several remedies. I will proceed to consider them one by one. His first remedy was branch lines south of the Canadian Pacific Railway. He said that there were three lines chartered which may stretch away to the Rocky Mountains, and if the Canadian Pacific charged too much those three lines would compete with it. Why, these lines are feeders to the Canadian Pacific. It is possible that they may to some extent affect a certain amount of the local trade of the Canadian Pacific Railway, but it is quite clear that whatever goods from outside the North-West into the North-West and into the interior, even if they pass along either one of these three lines, must reach them by the monopoly gates, by Thunder Bay, or by Pembina. They have the gates, they have the avenues, and they can charge such tolls as they please, and leave to the local railways the remainder what they choose not to charge as the price at which it shall carry the stuff. Therefore, that argument of the hon. gentleman as to through traffic, as to that traffic in which the people of those territories and ourselves are chiefly interested in this moment, as to the tax upon the grain of the North-West, as to the tax on the imports into the North-West, it is quite clear that these lines will furnish no relief and it is also clear that it is the intention of the Administration that there shall be no such relief, because this prohibition is expressly designed to prevent a competitive railway. On the face of it it is so designed, though it permits railways which would be feeders to the Canadian Pacific Railway. On the face of it it prohibits railways which could be so built as to be competitors with the Canadian Pacific Railway for the through trade. The hon. the Minister of Interior gave this as his only remedy, and, therefore, I deal with it at this stage. I have said that

it is no remedy, there is only one, and that an impossible way in which you can make it a remedy. If this monopoly becomes so intolerable that it shall pay the people of the country to build a fresh railway of a thousand miles long, from Selkirk down to Nipissing, and then to make connection with some independent line to Ontario or Quebec, then, indeed, you may get competitive through traffic. But that is the price—to compete with private or public capital in constructing 1,000 miles less of railway. That will be imperative in order to get a competitive through line. And that is the only feasible remedy against a monopoly that you suggest to us. Your competitive line inside the country is no competitor as to through traffic. Your competitive line, reaching outside the country and becoming effective, must not merely reach through the prairie, but through 1,000 miles or thereabouts of unproductive territory, and then compete with a railway built through that territory wholly at the expense of the State. The second remedy of the hon. Minister was like unto the first, only worse. He said, we have not confined ourselves to chartered railways to the south; there are two railways already chartered to the north; and depend upon it if this monopoly is so oppressive as is predicted, if these people continue to charge too high rates, those railways will be built out to James' Bay and from James' Bay is the shortest route to Liverpool, with an ocean open for a considerable portion of the year, and trade will go that way, and thus the monopoly will be destroyed. The hon. Minister of Railways in his discourses in the city which he lately adorned, and in which I now reside, and also in the city of Montreal, a remedy for the monopoly he is proposing to create, and that if it is only oppressive enough, if it is only grinding enough to induce a resort to relief, the relief is open, they are not actually shut up to it. They can, and he said they soon would, build a railway to James' Bay to take the wheat to Europe, and bring back the imported goods by that quarter. Now, do you think it would be a good thing for this country, first, to establish a monopoly under which the people would groan, so that they would be obliged to build that railway, in order to relieve themselves, and so deprive you of the whole benefit of the trade of the North-West, by sending away from your ports, the wheat and grain to come down, and by sending away from your ports and merchants, the imported and manufactured goods to go up, by providing a new *entrepot*, a new emporium, on the shores of James' Bay, a rival to Montreal and Toronto, leaving them, not figuratively, but literally, in the cold, while you have provoked the destruction of that which you hoped from the acquisition of the North-West. To what end are you spending all these millions? To what end are you incurring all these burdens? What is your interest in the North-West? I have said before, and I repeat, you have a noble interest, the interest of those engaged in the task of building up a great country. But you also have, you avow it, and it is not discreditable to avow it—a material interest. You believe your own prosperity will be largely augmented by the prosperity of that country. You believe that you will be compensated, not only in the sense to which I refer, but also by the large development of your trade and commerce. You believe that your seaboard and inland towns will be stimulated, that a tide of trade will flow through their veins, that their wealth will be increased by the prosperity of the North-West; and a Minister seriously tells us, "True it is that there is a risk of a monopoly, but true it also is that we have provided for deliverance by the building of a railway to St. James' Bay, the shortest route to Liverpool;" so that you have the hope that the whole of the trade of the North-West will be lost to Canada. "Oh, but," said the Minister, "we have self-interest. It is the interest of any Company to stimulate traffic;" and he applied a phrase which I quoted from the joint letter of Messrs. Vanderbilt and Jewett, in that direction. These Railway Presidents said it was the interest of any company to charge as high as the traffic would bear, and yet stimulate production; but the hon. gentleman said it was to their interest to stimulate production; the lower they charged, the more production was stimulated, and, therefore, they would charge low down. The hon. gentleman, blind to the facts, deaf to the complaints coming from the neighboring Republic, ignorant of the committees, the senatorial and State investigations, and the various bills directed to the remedying of the mischiefs arising from the excessive charges of railway companies, says this glorious principal of self-interest will insure you low charges. Well, does it? Do you not know that everywhere the railway companies charge just as high as they can, not as low as they can? Do you not know that they consider, not how low can we carry this stuff and make a profit; but, how high can we carry this stuff, and get the stuff to carry? The hon. gentleman said that the leading men in the St. Paul and Manitoba Railway Company would charge low rates, because it was their interest to stimulate production. Well, the St. Paul and Manitoba Railway Company have a large interest in stimulating production now, and do they charge low rates? You know they do not! The hon. Minister himself admitted that they charged exceedingly high rates, so that his axiom as to the principle that would modify charges does not appear to be strictly axiomatic in their case. No, Sir, this question is too serious to be burked in this way. It is, I do not hesitate to say, the practical question in the politics of the United States to-day. It is a question increasing in magnitude every day. It is a question on which we are bound to have regard to the complexities and difficulties which have grown up and are growing up about it, and to take care that we do not ensure, as by this contract we will ensure, their creation on an enormously exaggerated scale in the domains of the North-West. The Committee on Railways of the New York Board of Trade and Transportation has recently issued a report which, I dare say, has got into the hands of a good many members. I want to read some extracts from that interesting report as perhaps the latest exhibition of popular sentiment on the part of a very large commercial body, having an enormous, perhaps the deepest, practical interest in the redress of those abuses, except the farmers and others laboring under them in the West. That report states:

"Since last year, public sentiment, regard ng this question, has steadily advanced and has crystalized into demanding that railway charges shall be based upon cost and risk of service and be alike to all under like circumstances. Governor Cornell, in his recent message to the Legislature, alludes to this subject as follows:—

"'The last Legislature devoted a large part of its Session to the consideration of measures designed to remedy certain evils in railroad management. The two Houses having failed to agree, the unsatisfactory condition of this important subject still continues, and should receive your thoughtful attention. Aside from public taxation, perhaps no question so seriously touches the people at large. Every community and all branches of business are directly affected by it. Unjust discriminations in the rates of transportation cause embarrassment and unnatural competition.'"

Then they quote the testimony of Mr. Blanchard, a railway officer, who says:

"It has been our policy in this matter, while keeping within the Statute law as far as I knew it, or had occasion to know it, that wherever this public unwritten law comes into contact with the interests of the shareholders, I believe it to be my conscientious duty to decide in favor of the shareholders; I knew of no claim that the non-shareholding interests had upon me as a railroad officer so long as I was within the written law, to concede its views in the matter of rates, and in the management of our traffic."

I will also again read the passage of the letter to which I before referred, and from which the hon. gentleman drew his inference. Vanderbilt and Jewett say:

"That the managers of a railway company desire to make all the money they can for their clients, and to do this they have before them the question what rate within their chartered limits will an article bear that will yield the largest profit and at the same time stimulate its production."

This report goes on to say:

"An illustration of the workings of this policy is found in the present situation of the New York Central and Hudson River Railway. The earnings for the past year were nearly 12 per cent. net upon its grossly inflated capital, besides adding largely to equipment, which was charged to operating expenses. It is now reported in Wall street that a further inflation of its capital is to be made under the guise of a consolidation with the Lake Shore road. In 1867 and 1868, $47,000,000 of watered stock were added to the capital of the New York Central and Hudson River Railway, upon which regular 8 per cent. dividends have since been paid, and these dividends upon that water, with the interest thereon, compounded annually for 13 years, now amount to over $75 000,000, while the stock itself is quoted in the market at $150 per share. In other words, if instead of watering the stock of these roads in 1867 and 1868, Mr. Vanderbilt had reduced the rates for transportation to a point which would have yielded 8 per cent. net upon the then outstanding capital, the public would at the present time have been $75,000,000 better off, and $47,000,000 of stock, which cost only the paper and ink with which it was printed, and which is now quoted at $150 per share, would not now be in existence and form a pretext for further taxing the industry and commerce of this State and country for all time to come."

Well, Sir, this proves that it might carry freight and passengers at very much lower rates and pay a handsome dividend on the cost, and it proves that the rates in the United States are, as I have contended, very exorbitant yet, as a rule, if the hon. gentleman's statement is correct. This extract goes on to say:

"This is but a single illustration; there are hundreds of others equally flagrant, but this will serve to illustrate how the public health is being concentrated in few hands by a system of taxation, under the guise of tolls or charges for transportation, compared with which the tolls exacted by the robber-Barons of the feudal ages were petty, and between the justice of which it is hard to distinguish. In the one case there are, to be sure, forms of law, but they are forms only, and have been enacted to suit the wishes of our modern Barons of the rail. * * * Of course the direct tendency of these abuses in our transportation system is to nullify the principle upon which our Government is founded; instead of the equal distribution of wealth it tends to make a few very rich, and the many poor. The feudalistic tendencies of the age are very marked, and unless prompt and vigorous efforts are made to check this rapidly-growing power it will be too late. * * * Your Committee believe that the American public, and especially the people of this State, are not yet ready to acknowledge that there is a dominant and privileged class to which all the rest of the community must pay tribute; that every barrel of flour and ton of coal must be depreciated to the producer, or unduly enhanced in cost to the consumer, in order that the few may live in undue luxury at the expense of the many. We have faith that the intelligence and patriotism of the American people will be equal to the emergency of controlling the creatures of their creation, and invoking the influence of every citizen to this end."

There, Sir, is the feeling of that body of business men in the State of New York as to the evils under which they at present labor, evils under which they labor in consequence of the gigantic power and strength which these aggregates of wealthy corporations have obtained, very largely through their power, by reason of their monopoly. Because in a sense, all railways, even where there is competition, are monopolies, as to some part of their trade. There is a local traffic always in respect to which there is no competition. They are all more or less a monopoly; some are absolute monopolies, such as the monopoly you propose to create in this North-West, and these are the most odious examples; some are only limited monopolies. But the evil exists in all and the remedy must be applied, more or less stringently to all. Now, the question of cost of railway transportation—I mean, not what they choose to charge, but what it absolutely costs—is still an unsettled question. The hon. member for Lincoln (Mr. Rykert) quoted the other evening a speech which I made in 1874, in which I expressed the opinion that a bushel of wheat would not come down from the Saskatchewan by all-rail route to the seaboard, because it would cost too much. Well, that opinion was, I believe, a sound opinion, according to the existing lights and condition of things, and I will give the hon. gentleman the reason. First of all, let me give him an authority or two. Mr. Poor's book on railways for the year 1880, states that freight is now moved at a rate per ton per mile which five years ago would have been regarded as impossible. The rates of 1873 on the New York Central, to which I have just adverted, would have given for 1879 $31,000,000 of

return, instead of $19,000,000. In 1870 it was thought that the lowest possible rates for all, rail from Chicago to New York would be 24 cents a bushel, but in 1878 the average all, rail rates between Chicago and New York was only 16½ cents, and the lake and canal rate was as low as 10 cents or under; and in 1879, wheat was taken from Chicago to Liverpool for 17 cents. On this subject I have some statistics which, of course, the hon. member for Niagara (Mr. Plumb) may use, as he just now suggested, as indicating that notwithstanding the monopoly there was a reduction in rates. The railway rates per ton per mile show a decrease from 1873 to 1879 of nearly one half, as will be seen by the following table:—

	1873.	1879.
N. Y. Central,	1.57	.80
N. Y. Lake Erie & Western,	1.45	.78
Pennsylvania	1.41	.79
Pittsburg, Fort Wayne & Chicago,	1.41	.76
Lake Shore & Michigan,	1.33	.64
Michigan Central,	1.22	.69
Chicago & Albany,	2.12	1.05
Chicago, Burlington & Quincy,	1.92	1.02
Chicago, Rock Island & Pacific,	2.29	1.43

That does not prove there is no danger of a monopoly, but that, to a certain extent, competition has, where competition was brought to bear, had had an effect in reducing the rates; but to by far the largest extent, those rates have been reduced by economies in the conduct of railway business. We have, as I stated before, the steel rail which of itself has effected perhaps the most important economy, the heavy engine, the large car, and divers minor improvements which have reduced the actual cost of moving a ton or a bushel to something like one-third of what the actual cost was ten years ago, And therefore it is that I say those figures do not prove in the slightest degree that there has been a great reduction which is due to competition. I admit that a certain portion of the reduction is in certain cases due to competition, but I say that the actual cost has fallen far below the reductions, that a larger profit is made by many railway companies than was made when the higher rates were charged. Now, what I want is that you should realize that the cost of railway transportation is, as yet, in a state of flux or transition. There is no doubt, whatever, in my opinion, that very large improvements will be made, which will still further reduce the actual cost of transportation to the companies I cannot believe that for many years there will continue to be a waste of ninety-three per cent. of the motive power of the coal burned on the locomotives.

Mr. PLUMB. That was Mr. Atkinson's calculation.

Mr. BLAKE. I believe, with reference to steel rails, that a prospect exists, indeed, it is said that certain results have been accomplished, enabling the trade to make steel rails from a very inferior class of ore; and if that be so, and the cost of those rails is very much further reduced, a most important item of railway economy that has been already considerably advanced will be much further enhanced. It is, therefore, quite possible that the cost to the Companies of railway transport may be still further reduced. I am not, therefore, ashamed of having expressed, five years ago, the opinion I did; and I believe the reduction by these improvements in the actual cost of railway transportation is an element we are bound to take into consideration as most important in settling the conditions of this contract. I believe the fact that you can build and work a railroad so much cheaper, that the cost of transporting goods is so very much reduced, is a thing you should consider when you talk of paying a company many millions to meet the cost of building and running such a railroad. If I prove the cost of running is reduced enormously, I prove the cost of transportation is reduced enormously. Therefore, the whole situation as to the unproductive and productive parts of the enter-

prise is immensely improved in favor of the Company by the power of using the road cheaper than it could have been used ten years ago, even cheaper than five years ago. I say it is not wise to hand over the savings which result from this economy, and the further savings which will result from further economies, to a Company. I say those savings belongs to the people. Transportation must have relation to the cost of the service, and if you know the cost of the service has been very much diminished, and it is possible it may be very much further diminished, it is your bounden duty to see that that saving inures to the public and not to the corporation you are creating, and to whom you are making a present of the railway. If, then, you exclude competition, and if you decline to provide for power to acquire the railway, so as to be relieved from competition, what do you do? You practically tell the Company, "Go on, apply all your economies, get all your improvements, reduce the cost of transport of freight as much as you can, and when you have done that you have simply enlarged the margin of your profit, because you are still allowed by our provision, which forbids competition, to charge as high a rate as the traffic will bear and therefore the saving is yours and has been effected for your sole benefit. The Minister of the Interior, however, justifies these restrictions as not merely good in the interest of the Syndicate; but in the interest of the North West. He said it was a political conception which they wanted to introduce into the scheme of the Company—that the Government themselves were anxious that those restrictive provisions should be put in, and that we must protect our infant country, our infant railway, and our infant industries. Such a lusty batch of infants I never heard coming together at one breath. But the hon. gentleman does not carry out his National, his Japanese, Policy; because, while in the interest of the North-West, he says he imposes a restriction upon the building of railways which should communicate with the frontier, he leaves to the Syndicate the liberty to build those railways if they will. He places in their hands and at their tender mercy this new plant, this offshoot of the National Policy, he allows to an American company, which this one may be converted into in 24 hours, if they choose, in furtherance of the American interests to build railways with the calamitous results which the hon. gentleman has depicted, connected with, uniting with the railways on the American frontier. He gives them by this contract the absolute right to build such roads and make such connections. Whoever heard of a Minister propounding, as a great state policy, that there should be no railway connections, between the Canadian North-West and the United States, and saying that he had accomplished his object by preventing everybody else from making that connection, while, at the same time, he puts it in the hands of a company of speculators to make it as often as they please, Whatever be the true policy of this contract, let us effectuate it, and forbid the Syndicate as well as the rest of the world violating it; but do not pretend to defend and justify such restriction as things done in the interest of the North-West, and proper to be continued, while you allow this Company, which is largely American to-day, and may be altogether American to-morrow, to have exclusive power to destroy your new national Railway Policy. The views of hon. gentlemen opposite with reference to our North-West seem to me of the gloomiest character. They say, first of all, when you want to get an emigrant into that country, the only way you can do it is to practically blindfold him; because if you let him see or get within 100 miles of the American frontier he will be quite sure to go to the United States. After you have blindfolded him and settled him in the North West, what is the present phase of the Government policy? They say, if you intend to keep him in our country, you have got to fetter him, and if you wish to keep his trade you must also fetter his trade; if you build the railway close to the boundary both himself and his trade will go to Dakota and Minnesota and stay there too. If I thought that the future of the North-West depended on this drastic application, upon this compulsion, this forcing, upon this insisting upon particular measures, and lines and routes of railway, I should have very little hope in that future. My own belief is that if people do not want that country, they will not go there —that if they do not like it they will not stay there, and if they do not like the avenues of trade, they will seek a place where it is freer; and my own opinion is that you will accomplish nothing by the restrictive and constructive process you propose to apply. The right hon. gentleman says that not a pound of freight will go by the North Shore if other routes are open. Well, I never said half so hard a thing of the North Shore as that. I never thought but that some trade would go over it. But it appears there are other routes so infinitely more advantageous in the hon. gentleman's view that not a pound of freight will go that way unless you render impossible that it shall go any other way. Other ways are so much better, so much cheaper, that it must go by them, and you only get a chance of staeblishing a business by the North Shore route only by rendering it impossible for freight to go by any other line. If that be so, I would strongly recommend you not to build it. That is the state of things existing with reference to that road, a road which has a shorter mileage, and is at no expense for capital account at all, so they have only to earn the expenses of management in order to make it pay them handsomely; yet it cannot compete with other roads, and in order to get a pound of freight over it you must prevent other roads from being built, and other means of ingress and egress from being given to the country. There must be something wrong in this, Sir, I would like to know the reason why the North Shore Road having no interest account to pay, and being also the shortest road, can never get a pound of freight if it is allowed to be bled by other roads. Well, what is wanted is not that. This story is not correct in my opinion. These views of the hon. gentlemen are altogether exaggerated views. I will tell you what is wanted It is that this Company should have power to charge a higher rate for going over the railway than they could charge if there was competition. It is not because they could not take a pound of freight over the North Shore if there was another road, but it is because they could not get the monopoly rates they want to charge on the North Shore, if you allow the people the choice of routes and the benefit of competition. The hon. gentleman waxes eloquent upon this subject. He said, you are going to do this only for ten years after the railway is established. He said the American railways were very powerful, that they would carry for nothing, that they would take hold of that trade and insist on having it and having over got, would hold it for ever. What are you going to do by your policy for ten long years. You are going to leave the only all rail outlet from the country by Chicago. You are not merely not creating competition, but providing that they shall have the traffic at their own prices. And if it be true that channels of traffic once worn, it is difficult to get out of them; if it be true that connections once formed are important factors in the commerce of the country, I say that the future of this country is seriously bound up in the hon. gentleman's policy. I say that a policy which determines that for ten long years there shall be no all-rail connection except by Chicago and Southern lines is one more calculated to carry out the views he deprecates and create the result he dreads than any other conceivable policy. And I repeat that the Sault line which within three years would give you a chance of getting the traffic back again after passing a few hundred miles through American territory is the best chance of relief from ten years bondage to the American system, to the Chicago and South-Western interests that can be

conceived, and if you do not adopt that view you will rue it, not for ten years, but for all your lives. The hon. gentleman denounced me as a traitor for supporting a scheme which would give you seven years during which your scheme declines, an all-rail connection within the North-West, which would give you within three years, not merely an all-rail connection with the North West, but would take the commerce of the Western States as well as the North-West down to Ontario and Quebec. The hon. gentleman denounced me as a traitor for proposing that scheme. I did not propose it; it was he that proposed it, in this House, last Session, and the leader of the Government in the Senate announced last Session that it was the intention of the Government at this Session of Parliament to propose a subsidy for the construction of that very line. The Minister of Railways at Montreal and Toronto applauded the plan and said it was of the utmost importance to this country. If I am a traitor it is from him I learned my treason. The hon. gentlemen says it is a grand thing to join the Provinces. I want them joined soon. I want them joined quicker than he does. I want them joined by the easy, cheap and expeditious route I have pointed out, by a route which will cost you little money, and which will give you connection seven years sooner than you propose to get it. If you want the Provinces joined adopt my plan. The hon. gentleman says my policy is never to build the British Columbia section. Not so. That is not my policy. I know that hon. gentlemen choose to say so, as they have frequently chosen to misrepresent and mistate my views. I have said: "Wait until the country is strong enough for the task; utilize our resources in the construction of the road where we most want it and which will produce the earliest results. I have said my policy was to supply a strong backbone to our railway system, with a population which would maintain it, and develop the North-West, and enrich ourselves as we hope to enrich ourselves by its trade and traffic, and then proceed with the construction of the ends. I have said that my policy is not one of abandonment but of postponement, and I believe that postponement just now in the work of building the ends, would result as the hon. member for North Norfolk (Mr. Charlton) said in his speech, in our being able to construct the ends on much better terms, five years hence and to complete them almost as speedily as we can do by beginning to-day. But that is not the question now. You have here two proposals for the construction of the whole line, and between those two proposals you have to choose. The hon. gentleman gave another remedy against high rates, the remedy of the Governor in Council, but this is one which I will discuss later on if the House will permit me, as I desire for the moment to pass to another point. I shall show you that the remedy proposed is inadequate, and the other remedy by the fettering, cramping that conditions which it imposes, is still more inadequate. I have shown you that the contract proposes the creation of the most odious monopoly, with reference to the North-West Territory, that was ever proposed to any country in the world, at any time in the history of the world. A monopoly more oppressive and monstrous in its creation, at this time, when we know what the railway companies are doing, and the evils and difficulties which are already in existence owing to the creation of these gigantic enterprises—a monopoly which not we only, but our children, and children's children will rue, if you choose to create it. Well, Sir, the old contract creates this monopoly; the new proposal abrogates this monopoly. It leaves you perfectly free to charter railway lines where you deem meet. It leaves you perfectly free to create proper conditions and such competitions as may be desirable, and it leaves the Provinces free to do the same. It does not tie your hands. Do you want that your hands should be tied, or that they should be free to act as the public interest may require. If you want to tie them, take the contract; if you want to keep them free, take the proposal. The choice is yours; the responsibility of choosing is yours. Choose, then, and choose wisely. The contract frees from taxation, the railway, its property and its stock. That exemption is contrary to the general rule in the United States. A little book which contains the report of Charles Francis Adams and others on the subject of railway taxation in the United States, and elsewhere, summarises the law upon this subject and makes it to appear that in the whole of the States of the Union there is no instance of general exemption from taxation. There may be one or two isolated cases in particular States of partial and temporary exemptions from taxation of particular railways under special circumstances; but the general rule of almost universal application is that there is no exemption in one form or another from taxation. The instances which the hon. Minister of Railways quoted in other places in Minnesota and Wisconsin, are instances of exemption from taxation by one Statute and the imposition of taxation by another—a license tax, a tax upon gross receipts, is imposed in lieu of other taxes, and it may be that this is the fairest mode of taxation. Some hon. gentlemen have said that it is of very little consequence, that the road-bed is taxed very lightly in Ontario, that some of our Legislatures have declined to tax railway companies at all. But what kind of railway companies were these? They were railways built with private capital and were not paying interests on their investments. I do not say that a rule of this kind does not apply to a railway that is built at the public charge, and that is given a monopoly to secure it in obtaining good rates for its traffic. But this is no temporary exemption, it lasts for ever; no matter how bloated this corporation may become, no matter how magnificent may be its network of railways, no matter how blooming its country, no matter how prosperous the towns which are tributary to it, no matter how exaggerated its dividend, forever, and forever and forever you free it from Dominion, new Provincial and municipal taxation. In considering that you have to look at the general resultof taxation. Some of the United States railways you find paying a tax of $300 or $400 per annum, and $600 or $800 per annum is paid as taxes by the English railways. You find, therefore, that the possibilities of railway taxation are very great. You find the Illinois Central Railway paying almost the whole expenses of the Government of that State, and you find the people so nervous less the Legislature should be corrupted and should dispense with that, that they have actually put a clause in the constitution providing that the taxation of the Illinois Central Railway shall not be modified by the Legislature, but shall be referred to the general voice of the people. But you do not keep your hands free, you tie them, and you say for all time we will never charge this railway company any taxation upon its property, its stock, or its capital. I say that I can well conceive a time when a tax on the gross receipts of railways might be a very satisfactory tax and a very satisfactory source of revenue to this Dominion. A tax for transportation would apparently be a very equal taxation, and if the necessity arose of adding to the revenue, it is quite possible that we might wish to avail ourselves of such a tax. There is another point in which this exemption is objectionable. It places this Company in the position of a monopoly by itself, because it places at a disadvantage all competitors who are to raise the funds themselves to build their railways. The contract requires perpetual exemption, the offer does not demand any exemption at all. Choose! the choice is yours; take the perpetual exemption in the contract or take the liability to taxation in the offer. Yours is the choice, for it you will be held responsible. Then the contract provides that the land grant shall be exempt from taxation for twenty years, unless

sold or occupied from the date of the grant. The money gain to the Company is enormous, there can be no doubt about that. There can be no doubt that the burdens which this Company are freed from are most serious. Hon. gentlemen opposite have said so. They have said they could not use this land grant otherwise, that nobody would buy if they supposed the Syndicate was to be subjected to the same taxes as the rest of the world. They get the choice of land and they are not to pay the same taxes as the rest of the community. Why should they not? Is it because they get a large profit? Because they are getting altogether four prices for building the prairie section, that therefore they are to be untaxed and free? Then the indirect loss is still greater by this mode of settlement, by the burdens it imposes on the adjoining settlers for the benefit of the railway company itself, by the imposition of double taxes on those who go in for the benefit of this great corporation. I do not know of anything that will more interfere with the development of the North-West than this clause of exemption from taxation. Will you free the lands, or will you make them subject to taxation? Will you give the Company the benefit of the exemption from taxation, or will you let the lands be subject to taxation, and let the progress of the North-West country be advanced by those lands, like other lands, being subject to taxation? The choice is yours; choose, there is no power for the Government to acquire the railway in the contract. In the Pacific Railway Act there was express power to for your choice you will be held responsible. Now, again, acquire the railway; in the offer there is express power to acquire the railway. The problem of the regulation of railways is a difficult one, and I do not think that a satisfactory solution has yet been reached, I believe it to be still under discussion. I have read a good deal of the discussion on that subject by the acute minds who have been for some years engaged in its investigation in the neighboring Republic, and something of what has been done in England and on the continent of Europe; and I repeat that I do not think that it can be laid down by any man with any degree of positiveness that the true solution of this gigantic development of modern commerce, ever increasing in size, in importance, in portentiousness, has yet been reached. In its solution it may be necessary that there should be radical changes, that you should provide new conditions altogether; it may even be necessary that Government should owning and run or lease to others the right to run on railways. That may be one solution. Now, I say that it is improvident in the last degree that with this question, in this state of undetermined solution, you should tie your hands and in creating a new railway, not give yourselves the power, if at any time the public interest shall demand it, to acquire the railway with a view to regulate the question of rates. I do not say you shall acquire; I hope the day will never arrive that you may want to acquire it, but I say you ought, if you be prudent men, to take the power into your hands to acquire it if the public interest should demand that step. That, as I have said, was the unanimously agreed policy of this country as embodied without dissent in the Canadian Pacific Railway Act of 1874. Now, I want to know whether you propose to keep that right in your hands or to give it away. The contract gives it away; the offer keeps it in your hands. The choice, I say again, is yours; choose! You will be held responsible for your choice. Then there is a limitation of the power of the Governor in Council to reduce the right of tolls. By this contract the General Railway Act is varied in favor of this great corporation. By the General Railway Act the Governor in Council can reduce at any time the established toll to any point. Under any circumstances whatever they think the interest of the public requires they are free to do. They are free to do this with reference to railways constructed by private capital and at private risk; but in reference to this railway, to be constructed by the public money and really at the risk of the public, a limitation not conferred, not given in favor of the railway companies, is imposed. This company must earn a dividend of ten per cent. before you can reduce the established toll. I admit that the first toll is to be fixed by the Governor in Council, and I have already pointed out that the first toll is necessarily to be sanctioned at rates which should not be permanent. You have a sparse population, a minimum traffic, and therefore increased cost in transporting passengers and goods. That is to be taken into account in your early freight tariff, and you cannot reduce this early freight tariff unless ten per cent. dividend is being paid, not on the private capital but on the whole capital, public and private which is invested in that railway. There may be $8,000,000 a year of dividend before the Governor in Council can interfere. Such is the result of the contract. The offer contains no such limitation. It leaves the Governor in Council to the same power as to the Canadian Pacific Railway which it has as to other railways. It leaves them free to deal with this case as with other cases as the interests of the public require. Will you create the limitation and restrict the power of the Governor in Council in order to carry the contract, or will you take the offer which says that the Governor in Council is free to deal with this railway as with others? The choice once more is yours—choose; and take the responsibility! There is no provision whatever in this contract for a Canadian interest in the Company. This is a contract made by persons whose interests are outside of this country altogether. I do not think much of the English holding in point of extent. I do not believe the house of Morton, Rose & Co. has any substantial interest in this undertaking at all. They may be brokers for the sale of the bonds; they may have some trivial interest in it; but I do not believe they will have more.

Mr. KIRKPATRICK. What about the French house?

Mr. BLAKE. I do not know the French house with the Dutch name. As to the American house we know about them, and as to the American railway proprietors we know about them. Hon. gentlemen opposite who assumed an ultra-patriotic tone, as to the connection of Americans when they prepared the Allan contract, took at that time extraordinary precautions to obtain a Canadian holding. They took care to obtain subscriptions in the different Provinces, in some sort of proportion to the wealth of each Province, and they arranged that those subscriptions should be by Canadians, and that there should be no transfer for at least, I think, six years. All that is now reversed. You have a Canadian policy as to non-connection with American Railways, unless the Syndicate agrees; but you have an American policy as to the holding; for it need hardly be said that the potent proprietors in this company are the proprietors of the St. Paul and Manitoba Railway, and that they and the New York representatives of Stephen and Company, are the ruling spirits of this concern. But why not give some Canadians an opportunity to hold some interest in the Canadian Pacific Railway? Do you not think you would by that means have a better security that the railway would be run in Canadian interests, than by the precautions you are now taking? At any rate, do you not think it reasonable that you should give Canadians a chance to have some interest in a railway which they are to pay for with their taxes and their lands? The contract contains no such provision, but the contrary. The offer contains a proposal that stock books shall be opened in the principal cities of the various Provinces, with the view to the allotment of stock to Canadians in each Province. Your choice is free again. Such are the terms of the contract as compared with the terms of the offer, and I do not hesitate to say, that whether you regard the money,

the lands, the allocation of the subsidies, the monopoly, the exemption from taxation of the property, the exemption from taxation of the land, the exemption from duties, the provisions as to the regulation of rates and fares, or the provisions as to the Canadian holding, you find most important improvements in the offer over the contract; you find that these two instruments cannot be looked at at the same moment without the conviction being impressed upon the mind that there is no comparison between them as to which you should choose. The options to be given to the Government in this offer, I entirely agree with the hon. gentlemen opposite, are not advantageous. I adhere to the view I have expressed in this House and elsewhere, that if you were going to open this question and to deal with it, as we were dealing with it last Session, the true view would be to construct at this moment the line only across the prairies, and to build the Sault Branch. I am however of opinion that these advantages could be bought too dear, and I am of opinion that the terms which these gentlemen propose for these various options are quite inadmissable, because I believe that the work of the middle section by itself could be done, as the hon. Minister stated the other day, very much cheaper than it could be done if you adopted those options. I am, therefore, quite in accord with him in the view that it ought not to be in the policy of any Government or Parliament to accept those options at all. But, refusing to avail ourselves of these alternatives, the offer stands as an offer to build and work the whole line, and must be so dealt with. It is an offer to do just the work which the contractors propose to do, to assume just the obligations which the contractors propose to assume, to enter into just the liabilities which the contractors propose to enter into, to do just the same things as they propose to do, only on terms directly and indirectly infinitely better for this country. So treated, it saves you in cash, irrespective of all other points, $3,000,000, with which you can build the Sault line without a penny of expense. You can go to work and build this whole railway. and take the $3,000,000 which is saved over the other contract, and with that aid a company which willin that give you the Sault line too. The hon. gentleman said that this offer was a plot--a discreditable plet—concoted *male fide* and not intended to be carried out, and another hon. gentleman seemed to insinuate that I knew something of its terms. I may say that I knew nothing whatever of its terms until I saw it after it was signed. Had I been consulted on the subject, and had I chosen to offer advice, I certainly would have offered advice that many of the blemishes which are common to both offers should be removed from this offer. I was not consulted on the offer, not knowing, as I said, what was in the papers until the offer came down here signed. I do not know, then, where it was drawn. I think if it was drawn here, some of these blemishes would not be in it. But I am in the region of conjecture, as the hon. gentleman was, and I, therefore, do not assert anything positive on the subject, as he when dealing positively with the subject chose to do. Now, Sir, the hon. gentleman says that there are Reformers in the offer. It is true the large majority are Reformers. Mr. Hendrie, a man of skill, means and great ability and success in railway construction, is an important member of that Syndicate, and he is well-known to be a strong supporter of hon. gentlemen opposite. It is not, therefore, exclusively a Reform combination. But I have heard a good many complaints about the political color of the other Syndicate. The hon. member tor Ottawa (Mr. Wright) almost wept the other day because he said, the old Syndicate was a grit Syndicate; and really it seems to me that this is a choice of evils. I wonder why it is you cannot get people with pluck, energy and capital enough to build the Pacific Railway, unless you go to the Reformers. The hon. gentlemen said there were some defeated Reform candidates in the new Syndicate. Well, the most recently defeated Reform candidate happens, I believe, to be in the old Syndicate, for we know that Mr. Donald A. Smith, whose seat was taken by the hon. member for Selkirk (Mr. Scott) is the latest defeated reform candidate whose name is connected with that offer.

Mr. PLATT. His name is not there.

Mr. BLAKE. I know you do not see it, but it is there for all that, and you know it well. So that the latest defeated Reform candidate, and, I will add, the Reform candidate most obnoxious to hon. gentlemen opposite, to judge by their expressions, is in the old Syndicate; and, therefore, if it be calamitous that defeated Reform candidates should be in it, you will reject the contract of which Mr. Donald A. Smith, although not in name, is practically the most important, substantial and effective member. Now, I will give you an answer to my question. It is because the Reformers have so very large a proportion of the wealth, business ability, and pluck of this country.

Mr. KIRKPATRICK. We represent the poor people.

Mr BLAKE. And very poor representatives of them you are! The hon. gentleman said, using an expression which I had supposed was hardly parliamentary, and which had better, perhaps, not have fallen from the lips of the First Minister, that this was a bogus contract. He said it was bogus because those that presented it knew perfectly well that the Government was absolutely pledged to the old contract, and he proceeded, as I said before, to crack the party whip, to apply the lash to his followers, to tell them that the Government must say they felt their usefulness gone if they rejected this contract. Well, if the hon. Minister who has been using for the month past all his persuasions in private to induce his followers to keep an unbroken front——

Mr. ROCHESTER and several hon. MEMBERS. No, no.

Mr. BLAKE. Well, Sir, I am quite sure that he did not apply to the honorable member for Carleton any persuasion, because he was quite well aware that hon. member would do exactly as he wished. I do not believe that he talked to everyone of them. I said that he had been using all his powers of persuasion to keep an unbroken front.

An hon. MEMBER. You speak from past experience, no doubt.

Mr. BLAKE. No; I never was under the hon. gentleman. I never had occasion to use any persuasion. I say that these private suggestions and requests from recalcitrant followers proving ineffective, the hon. gentleman was obliged to propose yesterday to change his course and make a public declaration. He, a powerful Minister, with a majority of 70 or 80 at his back, declared that this must be treated as a question of confidence, and that his followers must understand that the Government would stand or fall by the assent, or dissent from this contract. He told them, in fact, that they must choose between the Government and the contract. The hon. gentleman says that this contract is a bogus one, that these gentlemen have put it in dishonorably, without any intention of fulfilling it. Well, I think the people of this country who know the names and the characters of these persons, will resent that insult to them, an insult wholly undeserved, an insult which the First Minister had no right to cast on such a combination of persons as are represented in that paper. I say these gentlemen are incapable of acting the treacherous part which the hon. gentleman assigns to them, that these gentlemen are utterly incapable of so acting. Punish them, if you please, if they are guilty of it. Their deposit is an answer to your challenge. It was said a while ago that

they meant nothing, and that there would be found for them an easy way to escape; that if the Government rejected the other contract some hitch would take place. But you know by what has been laid on the Table that over $1,400,000 in cash now stands deposited as security, that these gentlemen will, if this charter is granted and this Company formed, put in the million dollars which the contract, in common with the offer, requires that the Company should deposit. Therefore, the forfeit of that $1,400,000 is the price these gentlemen must pay for not carrying out their agreement. Punish them, if they are guilty. The hon. gentleman speaking, to use a phrase which I borrow from hon. gentlemen opposite, from past experience, said: Oh! these gentlemen know that if their friends got in, they would let them off. He knew what hon. gentlemen opposite had done with the Allan contract.

Mr. McCALLUM. What about the Foster contract?

Mr. BLAKE. I am speaking of the Allan contract. He knew what the evils were, what the difficulties were, and knowing them the determined to hand over without the authority of Parliament, a million dollars of security which had been deposited by the Allan Company for the performance of this contract and to cancel its obligations; and he supposed that others would go and do likewise. It is very easy for this House to make it impossible for any government to cancel the contract or to return the deposit. For my part, I would say these gentlemen would deserve to be punished if they were guilty of the conduct ascribed to them. They ought not to be allowed to escape if they made an offer which was going to involve them in loss, but should be held strictly to its terms, and the last dollar extracted from them. I have no doubt these gentlemen are animated, in the first place, by a desire to assume a profitable undertaking. But I have no doubt they are also animated by the feeling that the terms of this contract are wholly inordinate, that they involve losses to this country which it can hardly endure, that while they may make their fortunes out of a more moderate offer, they will have the satisfaction of saving their country from losses by monopoly and otherwise which are involved in the contract on the Table. Now, I ask what better proof could be given of the madness of your course in not advertising for tenders, than the offer backed by the names to which I have referred, and the deposit of $1,400,000 affords? What better proof could there be that you ought not to have attempted to let this gigantic contract on these unprecendented terms in a hole-and-corner secret fashion, without giving the public, Canadians and foreigners the opportunity of tendering, than the circumstance that this offer is given? How can you defend it—your departure from the principles of the Canadian Pacific Act, from the principles of the Public Works Act, from the well known and appured general principles that ought to regulate public affairs—how can you defend it from the statements made by the Minister in charge of this measure last Session, in the face of such a resolution as this? The hon. gentleman said that I would not dare to advise the Government and the House to accept the second offer. I have no hesitation, if you shut up this House to a decision of this question, this Session and at this time—if there is no choice, but between these two schemes—in saying that the offer shall be accepted and not the contract. It is perfectly plain if you have no further choice, no other way, and can make no change of policy, that of the two offers on the Table, the offer should be accepted and the contract refused. The offer may not be all I could wish—indeed it is not; it may not be all that could be desired, I believe it is not; but if you tell me the question is now in this state, that we are to decide between the contract and the offer, I unhesitatingly say that I advise you and my friends to accept the offer instead of the contract, and I believe that such will be the opinion of the country too.

Mr. ROCHESTER. But there is a talk of a third contract.

Mr. BLAKE. That may be. I have said if we are shut up to these two, I prefer the offer; I do not say that I would not go for a better offer. I said expressly, that, with the proposals before us, I have no hesitation in saying that the offer should be accepted, and that benefits incalculable would result to the country from its acceptance in preference to the contract. The hon. gentleman says it is not intended to be carried out; but you can make its authors carry it out. These names are as good as the names to that contract, and better. These names are names which, without any discredit to the gentlemen connected with that contract, would compare favorably with them and would command public confidence as fully as theirs do. In addition you have the deposit of $1,400,000 as security for the carrying out of their undertaking; with the gentlemen of the Syndicate you have nothing but their word and their statements. I do not say these are not good enough; I believe they are. I believe that the agreement of these gentlemen to deposit $1,000,000 would be implemented if the contract was less favorable, and that it will be implemented of course in such a contract. But, I believe the security of $1,400,000 is as good as you can have, and that you can make the tenderers carry out their obligations. The hon. gentleman called the offer fraudulent. If that name is to be applied to either of these instruments I have no hesitation in saying to which it should be applied. I have read the papers and looked at the offers accompanying them, and I believe that if you are to call one of them a fraud, the contract is the fraud, and not the offer. The hon. gentleman said that these men knew that the Government must stand by the contract, and that therefore they never could be called to carry out their offer. I did not know it—I do not know it yet—I do not know there is any obligation under which the Government rests to stand by this contract. Are Governments infallible? Do they never make mistakes? Are they bound to ruin their country to preserve their reputation for infallibility? Should they not retreat from a false step? Is it not the nobler, more moral, more patriotic course, if you find you have erred, to acknowledge your error, retrace the false step and return to the right path. For my own part I will say we would undertake never again to mention that error, that false step, if we could only induce you to retract or withdraw, to do the thing which is for the interest of the country, instead of shutting yourselves up in an attitude of infallibility, which I do not know belongs to a Government—and declaring, no matter what the arguments of your followers and of the Opposition may be, no matter what the feeling in the country may be, no matter what better offers you may get—that you are bound and shut up to do nothing else than to stand to the contract which you imprudently signed. The hon. gentleman says it must be so and that he or his party must stand and fall by it. But is this so in fact? They need not. They may if they please take more than one course which would be better for their country than to stand or fall by it. If they do choose by that course to insist and force their followers to agree upon this contract being passed into a law, it is their voluntary act. There is nothing binding them to do it. It is their own choice to stand by the contract in the face of light—in the face of argument—in the face of the opportunity of doing better, and upon them and those who support them, in that course, the penalty will fall. For my part, I would be glad to see the Government strengthened, by taking a different course. I have no doubt, that they would be thus strengthened, in the minds of the country, and that it would experience a feeling of relief, on both sides of politics, if

they should hear, as a result of this debate, that hon. gentlemen opposite, controlling public affairs, had agreed to yield a little to the wishes of the public; that Government had agreed to look on this question in the light in which, I venture to suggest, it should be looked at and not to insist upon the attribute of infallibility, to which, certainly, their action, on this occasion, does not indicate they have any very great claim. If they will persist, what is the secret motive? What should induce hon. Ministers against the will of the country, against the will of many of their own friends, against common sense, against light—

Ministerial cries of "no, no," and expressions of dissent from Mr. Rochester.

Mr. BLAKE. Against light, against reason,—I do not mean to appeal to the member for Carleton.

Mr. ROCHESTER. I am glad you do not.

Mr. BLAKE. I do not pretend that he is open to conviction. Why will hon. gentlemen opposite, against light and reason, insist upon this contract? What is the reason we could not get the first offers? They are secret, concealed from us. The old contract was secret, and concealed from us. No advertisement was issue for this contract. The whole work was done in the dark. What is the secret reason or motive for all this mystery, andwhy is it that we can learn so little of the circumstances which preceded that fatal action? We know not. But we may conjecture for ourselves that this, no more than those other things, was concealed from the pure air and light of day without some reason. What is the secret reason and notive of this persistence? Let the House and the Country answer. The hon. gentleman has alleged that if I had my way I would be disposed to give those acres and subsidies for the middle section on the prairies alone, and give up the ends of the road. The hon. gentleman had no right to say so, and I tell him he is wholly wrong. I have already stated, and I will now repeat, that I believe that the errors of the contract, in regard to the distribution of the subsidies, exist in a modified form, though to a highly important extent, in the offer that I believe three prices for the prairie section would, perhaps, instead of four, be prescribed in the offer, and that I would not affirm it to be advisable for the House to give three prices for the prairie section standing alone. My opinion is that the prairie section ought to be constructed itself by a company for a subsidy much less than its cost, because if the company was to work it would be a profitable section to work after a while. Entertaining that opinion it would certainly be an act of treason on my part to propose to pay three prices for its construction standing alone. But this this does not interfere with the offer for the whole line. The hon. gentleman says that the fact that the monopoly clause is struck out of this present offer is a proof that it is not genuine, because no man in his senses would offer, he says, to build and run the railway without the monopoly clause. Well, Sir, this gives us a little of the true inwardness of this monopoly clause. It proves to us that this is a Syndicate clause and not a Government policy, and that proof is quite consistent with the observation I formerly made that the Syndicate is free to build if it pleases, and that all the rest of the world is restrained. I say, Sir, that there could be no better proof of the monstrous character of the policy in which the hon. gentleman proposes involving the country, than that he should tell the House deliberately that no company would undertake to construct and work this railway including both ends, without a monopoly of the North-West Territory for 20 years, and I say that if that is the price we are called on to pay for the immediate construction of the road, it is a price too great, and one which we should never be called upon to pay. The hon. gentleman says that we shall destroy the future of our country by our suggestion; that we expose it to American subjugation, that American railways and American combinations will control us, and that we shall be a miserable country under the heel of these great corporations, and under the control of their working. Well, Sir, my opinion is that if this contract goes into force you will have this American system of working railways introduced into the North-West. It is the working of the American system and their views that we have demonstrated as applying to the St. Paul and Manitoba Railway, and you will simply be importing that system into our own North-West Territories. But the hon. gentleman doubtless intended to go, and did go, further. He says that the policy of proceeding slowly with the building of the ends and getting in the meantime the connection by the Sault was one involving American subjugation. I say that there is but one way in which you can imperil the future of this country and render possible that dark future which the hon. gentleman depicts, and that is by so burdening the resources and crushing the energies and the standing the development of this country that you drive it into this course of destruction. I say that what hon. gentlemen are proposing to do to-day, at once inflicting great burdens on us and at the same time taking away our hope of relief, from the monopolies and the exemptions they are creating in the North-West, is the real road to that American subjugation which the hon. gentleman professes to dread. Give us a reasonable taxation, give us no undue burdens, give us a rapid development of the North-West, give us an early all-rail connection with that country, and you leave us free from those inducements to change which the plan which the hon. gentleman proposes may perhaps involve. But tell us that with one hand you will impose on us all these heavy, heavy burdens, and with the other withdraw from us as you are doing all the expected compensations from the North-West, and then you yourselves commit the mischief you profess to deprecate. We know what the politicians of Prince Edward Island say. They say that her local men raised her debt by building a railway to such a pitch that she had to go into the Confederation because she could not pay her taxes. They say she was railroaded into Confederation. We know that the local politicans of Newfonndland proposed to build a railway, and it was immediately charged against them that they wanted to raise her debt so as to throw the Province into Confederation. And such was the feeling that I believe it is an ordinary custom for the electors of that Province, to require from their candidates that they shall take a solemn oath not to advocate Confederation, before they will trust them with their suffrages. If Prince Edward Island was taxed into Confederation, and Newfoundland was threatened to be taxed into Confederation, what are you doing with regard to the Dominion of Canada? You propose with one hand to tax us and with the other to withdraw those resources out of which taxation may be paid. You are proposing to make our condition almost intolerable. It is easy to see the game of the Government. The game is to call this proposal, signed as it is, and backed as it is by money and means, a mere farce, a trick, which they say we shall be ashamed to mention two years hence. Sir, the hon. gentleman will find it mentioned two years hence, and that other parties than ourselves will be ashamed to refer to this transaction; he will find it is not the offer which will be a source of shame, but the contract which he proposes shall supersede the offer. He will find that not now, not two years, nor ten, nor twenty years hence will the Liberal party have occasion to be ashamed of any proposition or sugges tion they have made, of any action they have proposed to take. We can point with pride to our efforts to save the country, and we can contrast those efforts with your determination to ruin our common country. I want to know whether, under

all these circumstances, in the face of all this, you are determined to persist. If you determine to persist, I can only say that you remind me of nothing so much as those of old who being possessed by evil spirits rushed violently down a steep place into the sea and all perished in the waters; for sure I am that those who propose to vote for this contract under these present circumstances, are first ruining their country and afterwards committing political suicide. But, Sir, I will hope for better things, and in order that the feelings of this House may be tested and its opinion obtained upon the state of things as we present it, I move in amendment, that the said resolutions be not now read a second time, but that it be resolved :

That the late Government invited tenders for the construction and working of the Canadian Pacific Railway, under the Act of 1874.

That no tenders were received in answer to those invitations.

That the policy of the present Government approved by this House in the Session of 1879, was to obtain Imperial aid towards the work.

That the policy of the present Government approved by this House in the Session of 1880, was to construct the Railway as a Government work.

That it appears that during the recess the Government determined to attempt to make a Contract for the construction and working of the Railway on wholly new conditions.

That the Canadian Pacific Railway Act provides that the works on any section or sub-section of the Railway shall not be given out to any Contractor except after tenders shall have been obtained therefor.

That the Government did not invite tenders on the basis of the said new conditions or at all.

That such new conditions were not made known by the Government at any time prior to the making of the Contract nor until the night of the 10th December last, when the Contract was laid on the Table.

That the said new conditions, not authorized or contemplated by the Canadian Pacific Railway Act, are of the most vital importance, and amongst the same are the following :—

1. By the Act no power is given to the Government to agree with the Contractors to construct, for the benefit of the Contractors, sections of the work to be handed over to the Contractors.

By the Contract the Government binds itself to complete the unfinished sections, to begin and finish the heaviest section now unlet, and to hand over to the Contractors for their own benefit the works, including those now in operation, and comprising over 700 miles of Railway, of which the Pembina Branch alone is yielding nearly $70,000 a year net revenue.

2. By the Act the cash expenditure of the Government, as principal money to be paid to the Contractors, is to be $10,000 a mile, or about $27,000,000 for the whole line; apart from the cost of surveys which might or might not form part thereof.

By the Contract the cash expenditure of the Government, as principal money of which the Contractors receive the benefit, is to be in cash and works to be handed over to the Contractors, at least $53,000,000, apart from the cost of surveys which do not form part thereof.

3. By the Act the land grant is to be taken so far as obtainable along or in the immediate vicinity of the whole line of Railway to the Pacific Ocean, and is to be of fair average quality, thus embracing a large proportion of land not fit for settlement.

By the Contract the land is all to be taken in the North-West Territories, between Selkirk and Jasper, and is not to include any land not fairly fit for settlement.

4. By the Act the land not to be found near the Railway is to be appropriated at other places, to be determined by the Government.

By the Contract the Contractors are given large powers of selection of the land.

5. By the Act the Government is to have control of the sales of two-thirds of the land grant.

By the Contract this power is taken away.

By the Act the subsidy and land grant are to be payable in proportion to the value of the work done as compared with the estimated value of the whole work contracted for.

By the Contract the subsidy and land grant are to be payable in amounts wholly disproportionate on the prairie section, which is the easiest and most profitable, and is intended to be earliest completed.

7. Under the Act the property and capital stock of the Company remain liable to Dominion, Provincial and Municipal taxation.

By the Contract such property and capital stock are perpetually exempted from taxation by the Dominion, new Provinces or Municipalities therein.

8. Under the Act the land grant of the Company remains subject to taxation.

By the Contract the land grant is exempted from the Dominion, Provincial and Municipal taxation before mentioned, until sold or occupied, for twenty years from the date of the grant.

9. Under the Act all the materials required by the Contractors remain subject to import duties.

By the Contract a large part of such materials is exempted from import duties.

10. Under the Act Parliament and any new Provinces are in no wise hindered from authorizing the construction of other railways as the public interest may require.

By the Contract it is agreed that Parliament and any new Provinces shall not for twenty years authorize the construction of any railways running in certain directions which might interfere with the Canadian Pacific Railway.

11. By the Act the Government has unrestricted power to regulate from time to time the tariff of tolls.

By the Contract, the power of the Government to reduce an established tariff is limited to the case in which the Company is making a net revenue exceeding 10 per cent. on the capital invested in the construction of the railway.

12. Under the Act the Government would have power to prescribe from time to time the accommodation and the trains to be provided by the Company.

By the Contract such power is not given to the Government.

13. Under the Act the Government would have power to acquire the Railway at any time the public interest might demand.

By the Contract the Government has no such power.

14. By the Act the grades of the Railway and the materials and manner of construction and the mode of working, including the description and capacity of the rolling stock, are to be such as may be determined by the Governor in Council; and it was formerly the declared policy of Governments and Parliament that the grades should be very low.

By the Contract the Union Pacific Railway as first constructed is fixed as the approximate standard; and its grades are very high.

15. By the Act no power is given to the Company to build branch railways, save one to Georgian Bay and one to Pembina.

By the Contract power is given to the Company forever to build branch lines in various parts of the Dominion.

16. By the Contract divers other important privileges and powers are given to the Company not authorized or contemplated by the Act.

That such new conditions wholly alter the basis for tendering.

That no opportunity was given to Canadian capitalists or to the public to tender for the work on the basis of any of such new conditions.

That by the Canadian Pacific Railway Act it is provided that no Contract made under the authority of that Act for the construction of any portion of the main line of the Railway shall be binding until it shall have been laid before the House of Commons for one month without being disapproved, unless sooner approved by a resolution of the House.

That the Contract now on the Table does not come within the provisions of the said Act, and is of no force unless legalized by Parliament.

That the said Contract expressly provides that the same shall be binding only in the event of an Act of Incorporation being granted to the projected Company as set out in Schedule A to the Contract.

That Parliament is free to reject such a Bill.

That it is now proposed that Parliament shall legalize the Contract.

That this House is under no obligation to do so, and it is its duty to refuse to do so, unless satisfied that the public interest requires such a step.

That the conditions of the Contract are extremely onerous and disadvantageous to the country.

That it now appears that terms much more favorable to the country can be obtained.

That on the 14th day of January instant, only five weeks after the said new conditions were made public, an offer, which is now on the Table, was made to the Government by Canadian capitalists of high standing and ample means, credit, and business ability, comprising, Sir W. P. Howland, H. H. Cook, A. R. McMaster, Wm. Hendrie, John Stuart, John Proctor, P. S. Stephenson, John Walker, D. MacFie, Peleg Howland, A. T. Wood, Allan Gilmour, J. Carruthers, K. Chisholm, A. W. Ross, Geo A. Cox, P. Larkin, W. D. Lovitt, Barnet & McKay, James McLaren, and Alexander Gibson, to complete those parts of the Railway to be built by the Contractors, and to equip and maintain and work the whole Railway from Lake Nipissing to the Pacific Ocean, and to perform all the obligations undertaken by the Contractors on terms far less onerous to the country, in the following respects:—

1. The Contract provides for a cash subsidy of $25,000,000, and a land grant of 25,000,000 acres.

The offer proposes to accept $22,000,000 and 22,000,000 acres, making a saving of $3,000,000 in cash, and 3,000,000 acres, equal, at the Government estimate of $3.18 per acre to $9,540,000, or a total saving of $12,540,000 on this head.

2. The Contract provides as a Standard the Union Pacific Railway as first constructed.

The offer proposes that Railway as in 1873.

3. The Contract provides for the giving of $9,000,000 and 11,250,000 acres for the prairie 900 miles.

The offer proposes to accept $6,600,000 cash and 9,000,000 acres for the same work, making a saving on that part, of $2,400,000 and 2,250,000 acres, or a total saving on that part, at the Government estimate, of $9,555,000.

4 The Contract provides for the giving of $6,000,000 cash and 7,500,000 acres for the Western 450 miles to Kamloops.

The offer proposes to accept $5,400,000 cash and 6,750,000 acres for the same work, making a saving on that part of $600,000 cash and 750,000 acres, or a total saving on that part, at the Government estimate, of $2,985,000.

5. The Contract provides that the Government shall permit the admission free of duty of all steel rails, fish-plates and other fastenings, spikes, bolts and nails, wire, timber, and all material for bridges to be used in the original construction of the railway, and of a telegraph line in connection therewith and all the telegraphic apparatus required for the first equipment of such telegraph line.

The offer proposes to undertake the obligations without any exemptions from duty, thus affecting a further large gain to the country.

6. The Contract provides that for twenty years from the date thereof, no line of Railway shall be authorized by the Dominion Parliament to be constructed south of the Canadian Pacific Railway from any point, at or near the Canadian Pacific Railway, except such line as shall run south-west or to the westward of south-west; nor to within fifteen miles of latitude 49; and that in the establishment of any new Province in the North-West Territories provision shall be made for continuing such prohibition after such establishment until the expiration of the said period.

The offer proposes to undertake the obligations without any such restriction, thus preventing the creation of the Legislative monopoly in favor of the Company, provided by the Contract, and preserving to Parliament and the new Provinces unfettered by the Contract their freedom to charter Railways and to create competitive routes as the public interest may require, and by this means blotting out one of the most objectionable features of the Contract.

7. The Contract provides that the Canadian Pacific Railway and all stations and station grounds, workshops, buildings, yards, and other property, rolling stock and appurtenances, required and used for the construction and working thereof, and the capital stock of the Company, shall be for ever free from taxation by the Dominion or by the municipal corporation therein.

The offer proposes to undertake the obligations without any such exemption, thereby effecting a great further public gain.

8. The contract provides, that the lands of the Company in the North-West Territories, until they are either sold or occupied, shall also be free from such taxation for twenty years after the grant from the Crown.

The offer proposes to undertake the obligations without any such exemption, thereby effecting a great further public gain, and removing a most serious hindrance to the development of the North-West.

9. The Contract contains no provision giving to the Government power to acquire the Railway.

The offer proposes that the Government shall be entitled at any time after completion to acquire the Railway on terms to be settled by agreement or arbitration, thus enabling the Government, in case the public interest shall be found at any time to demand that step, to acquire the Railway with a view to its being dealt with as those interests may then require.

10. The Contract provides for the passing of an Act which would limit the power of the Governor in Council to reduce tolls once established to the case in which the Company's net profit shall exceed ten per cent. on the capital invested in the construction of the Railway.

The offer proposes that there shall be no such limitation, and that the provisions of the General Railway Act shall apply, giving the Governor in Council unrestricted power to regulate established tolls from time to time as the public interests may require.

11. The Contract makes no provision for the allotment of stock in the Company in the several Provinces.

The offer proposes that the Act to be passed shall provide for the opening of stock books in the principal cities of each Province with a view to such allotment.

That the said offer, besides its proposal for the whole line, contains certain alternative proposals in case the Government should desire to withdraw from or postpone the construction of certain parts of the line by the Contractors. That the conditions of those alternative proposals are not such as should be accepted, but the refusal to accept the same leaves untouched the offer for the whole line, which stands independent of the said alternatives.

That it appears that the said tenderers have deposited in chartered Banks of Canada over $1,400,000, which is held by such banks as security that if the tender is accepted and the charter granted, the million of dollars to be deposited with the Government as security for construction will be deposited as proposed by the tender.

That it is not in the public interest that the Contract according to the terms of which the $25,000,000 and 25,000,000 acres are proposed to be granted, should be legalized.

Sir LEONARD TILLEY. Mr. Speaker, it has been my good fortune, Sir, during many years of public life, to listen, either in the local Legislature of my Province or in the Parliament of Canada, to many important and interesting discussions, and I do not hesitate to say, Sir, the debate which has taken place on this great and important question has been dealt with on both sides of the House in a most masterly manner. I have felt during the last three or four days, that it would be almost presumption on the part of any member on this side of the House to undertake to add one word to the able and eloquent and exhaustive speeches that have been delivered by my colleagues in the Government and by our supporters behind us and in front of us. Sir, we know that with the ability, the eminent ability of the leader of the Opposition, and able men who sit behind him, are quite competent and able to deal with this or any other question in a most exhaustive and complete manner. We know, Sir, that during the discussion which has occupied three or four weeks, in Parliament and out of Parliament, almost everything that could be said for or against this question, has been said, and it did appear to me Sir, this evening, when the leader of the Opposition was taking up this subject and arguing it in the manner he has done—and in an able manner too—it was scarcely necessary for him to throw out the insinuation, or to ask the question: "Is it possible that there are members in this House who will sink so low as to ratify the contract which is submitted for consideration." Sir, it did appear to me that if the hon. member had a good case, if he had a strong case, if he had an irresistible case, he would depend upon his arguments rather than upon the imputation which he cast on members sitting on this side of the House. Sir, with the risk of going over ground that has been already traversed half a dozen times, though I have precedent for it—for I think that a large portion of the speech made by the hon. gentleman (Mr. Blake) has been for the sixth time made either here or out of Parliament—and therefore, I am emboldened to occupy ground and repeat arguments which have been adduced perhaps in a more able manner, and represented more ably than is in my power to-night; but it is necessary, in order that we may see exactly what our position is, where we stand and what is expected from us in the country, to go back into the early history of this question of building the Canadian Pacific Railway. Sir, the hon. member asks: "Can we sink so low as to ratify this contract?" Let me say that, as one of the members of the Government of 1873, as a member of the House of Commons at that time and as a representative of one of the constituencies of the Dominion of Canada, I feel, Sir, that I am bound—and I believe in the interests of this country—to see ratified and carried out the agreement that was entered into when British Columbia was admitted as part and portion of the Dominion of Canada. Sir, we all know, and recollect perfectly well, the discussion which took place in this House in 1871 and 1872 upon this question. We know the opposition that was offered to the admission of British Columbia on the terms contained in the Union agreement, and also the objections which were offered to the proposition to construct the Pacific Railway. Further, we all remember perfectly the conditions which surrounded that proposition by the votes of Parliament and by the terms of Union, and I say, however, that we, especially on this side of the House, are bound to see them carried out, and I hold that the hon. gentlemen opposite are even more bound than we are to see them fulfilled. What was the state of the case in 1873 when hon. gentlemen opposite came into power? The leader of the late Government, in his place the other night, said the hon. member for Bothwell had intimated that it was quite competent for the Parliament of Canada to have passed a law which would have swept away terms and conditions of Union upon which British Columbia came into Confederation. He took exception to this, and did not concur with the hon. gentleman. He did not believe it would have been right or proper to do so under the circumstances, and held that they had not the right by legislation to deprive British Columbia of any of the terms or conditions contained in the contract. Sir, there was only one way in which this could have been obviated. The leader of the Opposition stated to-night that he had said to British Columbia: If it is necessary that we should carry out the terms of Union with reference to the construction of this railway in all its details, rather than do that, you can go.

Mr. BLAKE. No, I did not. I said if you depend, as the price of that connection, upon these terms, I would say, you can go.

Sir LEONARD TILLEY. Then I would say that that is a distinction without a difference. Sir, when the hon. gentleman was a member of the Government in 1873, and up to February, 1874, did he say to British Columbia, when they had the only opportunity in their power, or the power of

Parliament, to take advantage of, in order to relieve them from these terms: "We feel that this arrangement, which was made by the late Government, is too onerous, and that the responsibility is too great, and instead of carrying them out, we leave to you the option of withdrawing from the Union?" No, Sir; and yet this was the only thing it was left open to the Government of the time to do, if they believed that this contract was one which could not be literally or fairly carried out. As honest men they should have told British Columbia: "We cannot hold to this contract; we cannot but violate these conditions, and we say to you, that if you insist upon it, go in peace." No, Sir, they did not say so, and, in failing to do so, they admitted that the terms that they urged were onerous, and such that they could not be literally carried out by the Government of this country. They looked at the advantages of having British Columbia in the Union, and said: "No; we will not offer British Columbia the choice of going out, but we will make such arrangements and conditions with her as we feel we can carry out; and they bound themselves to terms and conditions which were still more onerous and more difficult to carry out, and imposed a greater responsibility than did the terms in which that Province came into the Union. Sir, what did they do? Though the original terms declared, by the vote of this Parliament, that this road was only to be built on condition that it did not increase the rate of taxation, what did they do, Sir? Why, they increased the taxation of this country $3,000,000 a year; and for what purpose? In order to enable them to carry out the terms of Union and construct the Canadian Pacific Railway. And what more did they do, Sir? They came down to this House and passed an Act, in 1874, which provided that, in lieu of what had been previously agreed upon, which was $30,000,000 and 50,000,000 acres of land, they would give $10,000 a mile, and 20,000 acres of land per mile, and further to give whatever might be considered reasonable. We will take the illustration made here the other night in the case of the Georgian Bay Branch, in connection with which was also offered 4 per cent. for twenty-five years on such sum as might be named by parties tendering, and land worth, at $1 an acre, $30,000 a mile, and at $2 an acre, $50,000 a mile. They said, we will give 4 per cent. additional on what sum may be considered necessary, and in the case of the Georgian Bay Branch the Government agreed to pay interest on $7,500 a mile for twenty-five years; and what more, Sir? They provided for the construction of 120 miles of railway, for which no provision whatever was made by the late Administration, at a cost of $1,400,000; and did they provide that the land which should be granted should be subject to taxation? Not at all. Provision was made as follows:—

"20,000 acres for each mile of the second sub-section contracted for shall be appropriated in alternate sections, taken along the line of such railway, or at convenient distance therefrom, each section having a frontage of not less than 3 miles or more than 6 miles, on the line of such railway; and two-thirds of the quantity—which was 36 million acres so appropriated, shall be sold by the Government at such price as may from time to time be agreed upon between the Governor in Council and contractors, and the proceeds thereon shall be accounted for and paid."

To the contractors, free from any charge of administration, as well as of management, and the remaining one-third be paid to the contractors. Thirty-six millions of the fifty-four million acres were to remain in the possession of the Government to be sold by them and not subject to taxation until sold. What is the case under the present proposition:

"The said lands to be of fair average quality and not to include any land already granted or occupied under any patent, license of occupation or pre-emption right, and when a sufficient quantity cannot be found in the immediate vicinity of the railway, then the same quantity or as much as may be required to complete such quantity shall be appropriated at such other places as may be determined by the Governor in Council."

They provided that there should be 54,000,000 acres of land, $27,000,000 in cash, and $1,400,000, which amount—admitting the estimate made by the hon. members for Brant and West Middlesex the other night—capitalized makes $4,376 per mile, or $13,000,000, and for the branches over $13,000,000, to be added to the present proportion. Sir, what did they do further than this? They entered into more onerous engagements than existed in 1873. It was found that remonstrances came from British Columbia. Remonstrances were laid, I may say, at the foot of the Throne by the Government of British Columbia. They sent a representative to England, which led eventually to the services of Lord Carnarvon, the then Secretary of State for the Colonies, being brought into play to settle this difficult and important question. What do we find were the terms agreed upon by the late Government in order to settle this question with British Columbia? I have them before me here, and I will read them because they establish most clearly that the proposition accepted by the late Government was more onerous and more expensive to Canada than was the proposition of 1873:

"1. That the railway from Esquimault to Nanaimo shall be commenced as soon as possible and completed with all practicable despatch.

"2. That the surveys on the mainland shall be pushed on with the utmost vigor.—On this point after considering the representations of your Ministers, I feel that I have no alternative but to rely, as I do most fully and readily upon their assurances that no legitimate effort or expense will be spared first to determine the best route for the line; and, secondly, to proceed with the details of the engineering work. It would be distasteful to me, if indeed it were not impossible, to prescribe strictly any minimum of the time or expenditure with regard to work of so uncertain a nature, but, happily, it is equally impossible for me to doubt that your Government will loyally do its best in every way to accelerate the completion of a duty left freely to its sense of honor and justice.

"3. That the waggon road and telegraph line shall be immediately constructed."

This was no part of the original agreement. It was one of the propositions made to the late Government in 1874; but that was withdrawn, and we find that the late Government agreed that a waggon road and telegraph line should be constructed. The estimated cost of the telegraph line alone was million dollars, which has to be added to the liability agreed to by hon. gentlemen opposite. It goes on:

"There seems here to be some little difference of opinion as to the special value to the Province of the undertaking to complete these two works; but after considering what has been said, I am of opinion that they should both be proceeded with at once, as indeed is suggested by your Ministers. * * *

"4. That $2,000,000 a year and not $1,500,000 shall be the minimum expenditure on railway works within the Province, from the date at which the surveys are sufficiently completed to enable that amount to be expended on construction. In naming this amount I understand that, it being alike the interest and the wish of the Dominion Government to urge on with all speed the completion of the works now to be undertaken, the annual expenditure will be as much in excess of the minimum of $2,000,000 as in any year may be found practicable.

"5. Lastly, That on or before the 31st of December, 1890, the railway shall be completed and open for traffic from the Pacific sea-board to a point at the western end of Lake Superior, at which it will fall into connection with existing lines of railway through a portion of the United States, and also with the navigation on Canadian waters. To proceed at present with the remainder of the railway extending by the country northward of Lake Superior, to the existing Canadian lines ought not, in my opinion, to be required, and the time for undertaking that work must be determined by the development of settlement and the changing circumstances of the country. The day is, however, I hope, not very far distant when a continuous line of railway, through Canadian territory, will be practicable, and I, therefore, look upon the position of the scheme as postponed rather than abandoned."

This, Sir, was the proposition made by Lord Carnarvon through the Governor General. I will now read an extract from the Minute of Council in answer to this proposition:

"The Committee of Council respectfully request that Your Excellency will be pleased to convey to Lord Carnarvon their warm appreciation of the kindness which led his Lordship to tender his good offices to effect a settlement of the matter in dispute, and also to assure his Lordship that every effort will be made to secure the realization of what is expected."

In answer to that, Lord Carnarvon said:

"It has been with great pleasure that I have received this expression of their opinion. I sincerely rejoice to have been the means of bringing to a satisfactory conclusion a question of so much difficulty, of removing, as I trust, all ground of future misunderstanding between the Pro-

vince of British Columbia and the Dominion, and of thus contributing towards the ultimate completion of a public work in which they, and indeed the whole Empire, are interested."

Now, Sir, this was the agreement entered into by hon. gentlemen opposite, which as I stated before, was certainly more onerous than the original proposition of 1871-2. Well, Sir, the operation of this proposition, with reference to the Nanaimo Branch of the railroad, was suspended by an adverse vote in the Senate. The Government of the day were censured, and especially the leader of the Government. The insinuation was thrown out that he was a party really to the defeat of the proposition, and when Lord Dufferin visited British Columbia he made a statement which, as we all know, could only be made on the responsibility of his advisers. What did he say in defence of the then leader of the Government:

"I would sooner cut my right hand off than utter a single word that I do not know to be an absolute truth. * * * Had Mr. Mackenzie dealt so treacherously by Lord Carnarvon, by the representative of his Sovereign in this country, or by you, he would have been guilty of a most atrocious act, of which I trust no public man in Canada or in any other British colony could be capable. I tell you in the most emphatic terms, and I pledge my honor on the point, that Mr. Mackenzie was not guilty of any such base and deceitful conduct; had I thought him guilty of it, either he would have ceased to be Prime Minister, or I should have left the country."

Then he goes on to speak the opinions and intentions of the Government. He says:

"My only object in touching upon them at all is to disabuse your minds of the idea that there has been any intention on the part of Mr. Mackenzie, his Government, or of Canada, to break faith with you. Every single item of the Carnarvon Terms is at this moment in course of fulfilment."

Now, Mr. Speaker, let us see where we stand at this period in the proceedings. Here an opportunity was open to these hon. gentlemen when the Government was formed, of which the present leader of the Opposition was a member. They went to the country and declared distinctly that this policy would be carried out. They brought down a Bill and placed it upon the Statute-book giving 54,000,000 acres of land and $27,000,000 for the completion of that road. They provided for $1,400,000 to be paid in addition to that, and they practically provided for $13,000,000 to be paid in addition, which, if you add the whole together is $41,500,000 and 54,000,000 acres of land. They undertook to build a telegraph line in addition to that at a cost of another million dollars, making the whole expenditure under the Bill of 1874, and under the contracts they entered into subsequently, $96,500,000—making it infinitely more expensive than the proposition of 1873, and more expensive by $20,000,000 than the proposition now on the Table of the House. In addition to that, what did they do? A large portion of this 50,000,000 acres of land was not lying near the railway, and which, according to the arguments of my hon. friend opposite, was less valuable than the 25,000,000 in the present proposition. Admitting such to be the case, what did they do in addition to what I have already stated? They brought down in 1878 a Bill expressive of the opinions of that Government, and which gave to the country their policy. In order to make these 54,000,000 acres of land more valuable, they decided to give 10,000 acres of land per mile to the branches in order to carry those branches through the 54,000,000 acres and make them as valuable as if they lay close to the railway. Therefore, in addition to 54,000,000 acres and $40,000,000 odd, they gave 64,000,000 acres of land under the provisions of these two Acts, and $40,000,000 of money for the construction of that railway and its branches. Whereas the proposition before the House at the present time gives not a dollar for the branches in the shape of land which may be estimated at a dollar an acre. Let me read the terms of the three propositions that have been made by Parliament, and let me give you what I consider is the practical operation of these terms; then it will be for hon. members opposite to point out, if they can, any fallacy in this statement. In 1872 we

provided 50,000,000 acres of land and $30,000,000; branches, say 170 miles, at an average of $1 an acre, $3,400,000, $83,400,000. Valuing the land at an average of $2 an acre it would be $136,800,000. If we have 150,000,000 acres of land fit for settlement, as it is alleged, it would leave in the hands of the Government 96,600,000 acres. The proposition of 1874 was: for main line, say 2,600 miles, cash, $10,000 per mile, $26,000,000; land, 52,000,000 acres; interest, 4 per cent., or $7,500 per mile, for 25 years, $12,400,000; branches, 170 miles, $1,700,000, Georgian Bay Branch, $405,280; land, 20,000 acres per mile, 170 miles, 3,400,000 acres; $12,000 per mile to Canada Central, cash, $1,444,000, total, $97,349,280. If the calculation was made at $2 an acre it would amount to $152,449,280; land left in hands of Government, 92,600,000 acres. Now we come to the proposition of 1880. Money expenditure and sums required to complete sections of railway, $28,000,000; cash bonus, $25,000,000; land, 25,000,000 acres at $1 an acre, $25,000,000; subsidy to Canada Central, $1,444,000; total $79,444,000. If calculated at $2 an acre, $104,444,000; land left with the Government, 125,000,000 acres. If we add to that the proposal of 1878, in reference to the branches, you have for 1,000 miles of branches at 10,000 acres per mile, $10,000,000. You have then, the proposal of 1874, $97,349,280; 10,000,000 acres for branches at $1 per acre, $10,000,000. If the land for main line and branches were computed at $2 an acre, 67,400,000 acres, the total would be, under the 1874 proposition, $174,749,280, as against $124,444,000 for main line and branches under the present arrangement. This statement I hold is not susceptible of being broken down in any form. Now let us see in what condition we stood in 1878. In that year the obligation rested upon the Government of constructing the Pacific Railway, in ten years, from Thunder Bay to the Pacific coast, the obligation to spend at least $2,000,000 a year in British Columbia. This is evidence that the Government intended carrying that out, or else there was fraud and deception, which I cannot believe. We find that, on May 20th, 1876, there was an advertisement published inviting proposals for building the Canada Pacific Railway. The hon. gentleman read the Canada Pacific Railway notice of the 20th of May, and continued: This you would imagine was evidence, as strong as it was possible for any evidence to be, that the Government was sincere, and that they were determined to carry out in 1876, and again in 1878, the contract which they had solemnly entered into, and which was ratified by Parliament in 1874-5 by a solemn compact made by the Government of Canada, to which the Imperial Government was a party—a compact between the Imperial Government, the Government of British Columbia, and the Government of Canada—that this contract would be honorably, honestly, and faithfully fulfilled. Well, Sir, down to 1878, when these gentlemen left the Government, no active steps in this direction had been taken. These advertisements had been asked for, and some iron rails had been removed from Vancouver Island to the mainland,—evidence on the part of the Government of their intention to proceed honestly and fairly in accordance with the contract they had entered into. Will it be said this was a delusion and a sham? Certainly not; I cannot believe for a moment, I would not insinuate for an instant, that the members of the Administration were not sincerely determined to carry out this work. And let me go a little further. Let me say, Sir—while it has been insinuated that the delay that took place in the surveys was for the purpose of evading, for a time, the responsibilities upon which they entered, I will not say that—I will take it for granted they did everything in good faith in reference to this matter; and I ask the House and the country whether there could be any more binding obligation on the part of the Government than this obligation to go on when the surveys were concluded, because they form a part of the agreement that

the moment the surveys were completed, so as to enable them to locate the road, they should proceed at once with the expenditure of $2,000,000 a year. It has been said by the leader of the Opposition that throughout this matter they never lost sight of the original resolution, which provided that the taxation of the country should not be increased, but they did it in 1874, when they deliberately—I do not blame them for it—took upon themselves to change that original resolution and did tax the people of this country to the extent of $5,000,000 a year for its completion. That the taxation was increased is a matter of record. It cannot be gainsaid. If the hon. member had been in his place, and I regret he is not, I would ask him why, when the surveys were completed, they opposed this Government in 1880, a year ago, when we brought down a proposition for the purpose of building the road, as printed in the contract they had entered into. I would ask him why they did not give us their support in assisting us to carry out the agreement, and why they moved an amendment here which declared that the contract entered into should be violated by stopping all expenditure in British Columbia, on the ground that the taxation of the country should not be increased. I believe that is the ground he took. Now, I hold that we were not relieved by the circumstances of the country in that respect. They were not relieved by the financial condition of the country. I have in my hand some statements that I have prepared, and I am satisfied that with reference to their accuracy there can be no doubt. They show what the taxation of the people of Canada was at the different periods when this subject was under the consideration of Parliament. What was it in 1871? The Customs revenue for the year 1870 and 1871—that was the year it was first introduced—was $11,841,104; Excise, $4,295,944; total, $16,137,048. The average population according to the Census of 1871, which was 3,485,761, showed that from Excise and Customs, which establish the taxes of the country, was $4.63½ per head.

Sir RICHARD J. CARTWRIGHT. No; $2.75.

Sir SAMUEL L. TILLEY. What I have stated is the fact. In 1874, when the late Government came down and increased taxation, what was the result? I have grouped 1873-4 and 1874-5, because the effect of the Tariff then introduced by the hon. Minister of Finance rendered this necessary. In 1873-4 receipts from Customs were $14,325,192; from Excise, $5,594,903; in 1874-5 the receipts from Customs were $15,341,011; from Excise, $5,069,687, making a total of $40,340,793; the estimated population was at that time 3,800,000, or an average per head of $5.31. In 1876-7 the receipts from Customs were $12,546,987; from Excise, $4,941,897; in 1877-8 the receipts from Customs were $12,782,824; from Excise, $4,858,671, making a total of $35,130,379; the estimated population at that time being 3,900,000, or an average of $4.50 per head. The estimates for the current year were: From Customs, $15,300,000; from Excise, $5,213,000; making a total of $20,513,000, with a population of 4,000,000, and an average of $5.12¾ per head. Probable receipts from Customs, $17,000,000; from Excise, $5,200,000; making a total of $22,200,000; average, $5.55 per head. Now, can it be said by those hon. gentlemen that they were restrained from carrying out their obligations because to do so was to increase taxation? If they had increased the taxation, by the propositions which it was said they contemplated at the time, from 17½ per cent. to 20 per cent., then they would have had the means sufficient to have paid the necessary expenditure and without raising the taxation per head of the population above what it was when they made this engagement. The Government asked for the vote last year for the construction of this road to enable them to fulfil the contract entered into by the hon. gentlemen opposite, and we estimated that our revenue would be $15,300,000 from Customs, and that the Excise duty would be equal to what it was in 1873-4. We estimated last year that the Customs to be received this year would be $15,300,000, and the Excise duty $5,213,000, making a total of $20,513,000, an average of $5.12¾, less than that of 1873-4 when they entered into this obligation. Then the hon. gentlemen were found recreant to their pledges to British Columbia, and opposed this scheme upon the plea that it would lead to taxation, beyond what they themselves had placed upon the country, in order to carry this matter out. I cannot believe that the hon. member for Lambton, who I regret is not now in his place, readily and cheerfully accepted the resolution of the present leader of the Opposition. I cannot believe, considering the struggle that he appears to have made, step by step, in order to carry this out, that he readily accepted the proposition of the hon. gentleman opposite. If we have a right to expect from our supporters on this side of the House, who have always been in favor of the construct on of a Pacific Railway on British territory, from the Atlantic to the Pacific, that they will support us in this scheme, we have a right also to expect that the hon. gentlemen who were members of the late Administration, from 1873 to 1878, and who, with their supporters, renewed and extended the obligations we had entered into in 1871, should also accept the proposition which is now before the House. Yet we find them giving their preference to the new offer, which is submitted for the purpose of defeating the whole scheme. I do not say this is done by those who place their names to the offer, but I mean those who first concocted and suggested it, knowing well that it could not be accepted by the members of this House, and ought not to be supported by the electors out of it, who believe in the construction of the Pacific Railway on British territory. There are some very extraordinary circumstances in connection with this matter. The gentlemen who are connected with this Syndicate have not concealed their views upon the subject of the construction of a Pacific Railway from the Atlantic to the Pacific. Many of them have given free and open expression to opinions adverse to such a project. A great portion of these gentlemen favored the proposition made a year ago by the leader of the Opposition. I believe they honestly felt that it was taking a greater responsibility upon the Dominion than we ought to assume. Well, it does appear to me strange that gentlemen who have entertained these opinions should have so soon changed them. Not long ago they thought it unwise for the Government to construct the road, though the Government had 125,000,000 acres of land left, and in addition a revenue, from the population that will be thrown in there, in excess of what the Syndicate received, of $4 or $5 per head, yet these sixteen individuals are prepared to throw their money into this scheme. What these gentlemen believed was dangerous for the Government to undertake, they are themselves prepared to assume. It has been asked why these gentlemen did not make this proposition before. It is said they did not know anything about it. This is a mistake as proved by the advertisements quoted. The hon. leader of the Opposition said to-night that the condition of affairs in 1874 was different from the condition now. He said the land was not worth as much in 1874 as it is now, that money is more abundant now than it was then. Let me tell him that capitalists, members of Parliament and the Government, in 1871, valued that land at what it would be worth when the railway was constructed. Let me tell the hon. gentleman that the advertisement was in the papers and sent broadcast. The notice asking for tenders was published down to 1878, when the Pembina Branch was built, and when other contracts were well under way by the late Government, when we knew as much about it as we do to-day. The hon. gentleman says he is prepared to stand by

any statements of his when the circumstances are not changed! What are the changed circumstances from 1878 to the present moment, with reference to the value of this land, with reference to the facilities of getting into that country, and as to its future? Down to 1878 no tender was offered. It is said it was not known how liberal we were going to be. But I have just shown that the proposition of 1874 was more than we are proposing at the present moment, and still not one of those gentlemen took sufficient interest in the matter, or had sufficient public spirit, to make any offer to build the road upon terms better than those now proposed. This is my solution of the difficulty. Then, Sir, the Government was known to be solemnly pledged to the completion of the railroad from the head of Lake Superior to the Pacific Ocean, and if these gentlemen had then made a proposal, they would have been bound to construct it from beginning to end, and work it afterwards. But the changed attitude of hon. gentlemen opposite last year, the declaration made by the leader of the Opposition, the vote of the party, and their subsequent opinions expressed everywhere as to the inadvisability of constructing and working the British Columbia section, are known everywhere; and if the terms "bogus," and "delusion," and a "snare" are applicable to anything, I do not think them applicable to the men who have put up their money, but to the hon members who have proposed to submit this proposition; because I am prepared to show that these gentlemen, knowing the views entertained by the Opposition, and knowing that the Government, under existing circumstances, could not possibly go back on the solemn contract they had entered into, felt sure that they would not have to deal with the Government whose policy was to build the road from ocean to ocean, but with those who have expressed their willingness to postpone the eastern and the British Columbia sections. The hon. gentleman says the money has been put up. Were I a capitalist, I would not hesitate to put up money on a proposition of this kind, knowing that there would be nothing to build but the prairie section of 900 miles, and that they would receive, free of cost to them, the 450 miles of railway at the head of Lake Superior and the Pembina Branch. That is one of the most lucrative propositions that could possibly be made. It is no wonder that they are prepared to take hold of this work. Suppose now that this proposition was accepted, and that the whole matter passed into the hands of hon. gentlemen opposite.

Sir ALBERT J. SMITH. Suppose you accept it yourself.

Sir LEONARD TILLEY. An acceptance by us of a proposition which on the face of it clearly declares the determination not to build what we hold to be necessary, would be an admission on our part that we are not to be true to British Columbia, or true to our own principles. No, Sir, it cannot be accepted, so far as this side of the House is concerned. Suppose that our friends opposite assumed the responsibility of dealing with this matter, having declared distinctly and emphatically that it is not desirable to build the British Columbia section, at present at all events, having declared in effect that they would not be bound by the solemn compact with British Columbia, would not their first act be to say: "Don't build anything in British Columbia. We accept your proposals not to do anything in British Columbia or north of Lake Superior; we will give you, under the terms of your contract for the construction of the prairie section, 450 miles of railway at the head of Lake Superior and the Pembina Branch, together with the lands and money allotted to that section," and what would all that amount to? It would be as follows:—

Cash	$ 6,600,000
Land, 9,000,000 acres, at $1	9,000,000
Thunder Bay Branch	14,760,000
Pembina Branch	1,556,000
Total	$ 31,916,000

Valuing the land at a dollar an acre they would receive $33,362 a mile; at two dollars an acre, $45,362 a mile; or at three dollars an acre, $60,000 a mile for constructing 900 miles of railway between Winnipeg and the foot of the Rocky Mountains. Under these circumstances is it to be wondered at that these men are ready to make such a magnificent bargain for themselves?

Mr. MILLS. What do the terms with the Syndicate give them for the same section?

Sir LEONARD TILLEY. I will show what we give for the same section, and point out the fallacy of the argument used by the hon. gentlemen opposite, when they seek to establish that we are running the risk of the Syndicate taking their money and lands and abandoning the whole thing after they have built the line to the foot of the Rocky Mountains. It has been said that under the terms of that contract these contractors may build from Red River to the foot of the Rocky Mountains; that they may then, after having obtained the sum of money per mile, and the land that is appropriated for that section, abandon it and make millions by the transaction. Let me say that cannot be done. What do the terms of this contract require? They require that while the prairie section is being rapidly constructed, the eastern portion of it, that portion of it north of Lake Superior, shall be continuously and vigorously prosecuted; that is, that each year—that road being 650 miles in length—65 miles of it shall be constructed.

Sir ALBERT J. SMITH. It does not say that.

Sir LEONARD TILLEY. It says what is equal to it, because it says distinctly that it must be prosecuted in such a manner year by year as that it will be finished in ten years. There is no question about that. What do we find? Three years have been named as the time necessary to build the prairie section, but it will probably require four years, especially if any delay occurs in the legislation on the subject. From the time that they commence operations next spring to build the road from Winnipeg to the foot of the Rocky Mountains—during that time (four years) they have to construct 280 miles north of Lake Superior; and it was of the utmost importance in the consideration of the Government that that condition should be placed in the contract, because we knew that, unless that portion of the work was pressed forward vigorously, a pressure might possibly be brought, at the expiration of three or four years, to abandon what we considered a point of vital importance in its construction. The 900 miles completed, and $9,000,000 paid under the terms of that Syndicate, and bonds issued and the money placed in the hands of the Government, they will receive eighty cents per acre for the land to which they are entitled. This will make for the 900 miles, cash at $10,000 per mile, $9,000,000; bonds, eighty cents per acre on 11,250 acres per mile, $9,000,000; 260 miles north of Lake Superior, at $15,381 per mile, $3,999,840; land grant (20 per cent. reserve held as security by the Government), 2,007,408 acres at $1 per acre, $2,007,408, making a total of $24,007,248 for the construction of 1,160 miles of railway. Supposing, at the expiration of this time, they forfeit their contract, they would loose $1,000,000 deposited, and interest for four years, $1,400,000, or $2,400,000 in all, which, deducted from the $24,007,248, leaves $22,007,248, that they would receive in money and lands at a dollar an acre. Supposing the Government had to take it out of their hands at the expiration of that time, then the 1,160 miles would cost the Government $19,317 per mile; and if you value that land at $1 an acre, it would cost $21,689 per mile, including the 260 miles north of Lake Superior. If at $2 per acre, the Government would obtain that 1,160 miles at $33,550. That would be the result supposing that, under the original contract, the road would again pass

into the hands of the Government, so that even under these circumstances we would be pretty safe at all events. Now, Sir, we are asked to abandon the terms that have been entered into between the Government and the Syndicate, and accept the proposition before the House. I have given ample reason why the present Government, at all events, cannot accept these terms. The hon. gentleman spent some time endeavoring to establish that the members of this House were free to act in dealing with this question. It appeared to me ridiculous to waste so much time in settling this point. The Government never pretended to say that the House was not free; but as far as the Government is concerned, we are not free. The offer is there, and I do not hesitate to say that were I an independent member, having supported the proposition for the construction of the Pacific Railway through British Columbia in 1871, having sustained the proposition a year ago for the construction of it by the Government, that now when a proposition was submitted that took it out of the hands of the Government, I would feel, as a vast majority of the people feel, that it is a relief to know the extent of the liabilities of the Government of Canada in the construction and management of this railway. Therefere, the statement of the hon. gentleman was an insult to every member of this House who may feel himself called on conscientiously to vote for this contract. I am satisfied there has been no pressure placed on hon. members in reference to this matter. Had the Government a narrow majority of eight or ten, and the Government was determined to hold office and power—and I think we have given evidence in the very proposition before the House, that the Government was not bent in holding on to office and power—there might be ground for the hon. gentleman's suppostion; but the very course we have adopted precludes any such supposition. Even my hon. friend opposite has indicated that, in his judgment, the course taken by the Government is calculated to weaken rather than strengthen them. When the Government give up the patronage, the influence they may exercise under the distribution of patronage—a power felt by some of us in 1878 in constituencies in which that patronage was exercised in the interests of the party—you have the assurance and the guarantee that the Government and its supporters are acting on patriotic principles. It is an assucance and guarantee that the Government and their supporters, if they sustain us, are acting upon patriotic principles. Nothing could be more illogical than the statement of the leader of the Opposition, and his arguments, with reference to the probable high freights that will be charged by this Syndicate. He told the House that the freights charged upon the line of railway, owned by some of the gentlemen who formed part of the Syndicate, were excessive and oppressive, and that, notwithstanding the great competition of railways in the United States, those railways charge 40 cents a bushel when 15 cents would pay. Did the hon. gentleman not say that?

Mr. BLAKE. I said there was a period, I think in November, when the charge was 40 cents.

Sir LEONARD TILLEY. Did the hon. gentleman not speak to-night of the monopolies of those railways, and read authorities to show the effect such monopolies had upon settlement, the high prices they charged, and that, too, in a country where the competition of railways is so great? What was the remedy he proposed? That we should build our road through American territory instead of encouraging the construction of a line of railway through the Dominion, and over which we would have legal authority to fix the tolls. It appears to me most illogical and marvellous that the hon. gentleman should desire to make us entirely dependent on a foreign country and on foreign railways. Last Session, when Bills were introduced asking authority to connect railroads in the North-West with those in the States, the Government opposed the passage of such Bills, why did the hon. gentleman not then raise his voice against that proposition? Did the late leader of the Opposition raise his voice against it? Certainly not. What would be the advantage in giving away 40 or 50 million dollars and 25,000,000 acres of land to a company, if we were not to have the trade of the country to be opened up by the railway? It is in the interest of the Dominion that Parliament should take steps to secure the trade of the North-West, for our own sea-ports instead of for the United States. We are completing our canals at the cost of millions, and proposing to spend millions more for the purpose of drawing the produce of the North-West to our own ports? The leader of the Opposition objected to the taxation exemption clauses; but taxation of railways is a very unusual thing in several Provinces of the Dominion. We have 900 miles of railways, in New Brunswick, 400 built by the Government of the Province or the Dominion, and 500 by companies with subsidies averaging perhaps, on the whole, $15,000 a mile; and yet there is not to-day, and has not been since 1870, one cent of taxation in any shape on those 500 miles owned by the people in that Province. In addition to that, authority was given to a company to build a road from Fredericton to Little Falls, 160 miles. The New Brunswick Legislature gave 10,000 acres per mile to encourage its construction, the company being free from taxation 10 years after the grant. With regard to the 1,800,000 acres thus granted, I know that a large portion of the grant was not given till long after the contract was made and the road completed. We did not hear, at the time, any great outcry in the Province in regard to that matter. I have stated that the policy of Quebec has been to allow every iron or wooden road to go free of taxation. In Nova Scotia large subsidies have been given to railroads, and a similar policy has been followed in other Provinces. The principle is well recognized in all the Provinces, and when people go into the North-West and get 160 acres of land for $10, and a railroad within 24 miles of them—when they have all these facilities and advantages, I do not see why the representatives of the Dominion should be so solicitous for the welfare of these new-comers rather than for the interests of the rest of the Dominion. The hon. gentleman refers to the freedom from taxation of the 25,000,000 acres. Have I not shown that, of the 54,000,000 granted in 1874, 36,000,000 were to be free. I would like to know whether a word was said in opposition to that exemption in 1874.

Sir CHARLES TUPPER. Not a word.

Sir LEONARD TILLEY. Now the present exemption, however, is magnified into a serious business. Hon. gentlemen opposite say that the land is worth $2 an acre. But what guarantee is there, the Syndicate may say, that we will obtain that price for it. Is it likely that they will obtain $2 an acre when the Government are giving away every alternate block free, for settlement, and especially if the land is liable to taxation by the municipalities. We know that much of that land would be, under such circumstances, to a great extent rendered valueless. It must be considered that this Syndicate will have to pay, during the first ten years of the construction of this work, at least $1,000,000 a year for interest and other expenses connected with the management of these lands, and in the next ten years, an average of $1,500,000 a year, making for the twenty years for interest on the money they would borrow and other expenses, $25,000,000. That has to come out of the lands in the first place. If subjected to anything like the taxation suggested by hon. gentlemen opposite, $1,000,000 a year, what capitalists would put a dollar into an enterprise under these circumstances, unless, as in the case of the present Syndicate, they were to receive the subsidy for the Prairie section and the 450 miles of road

from Thunder Bay to Selkirk, with the Pembina Branch? If subject to this competition, surely its lands should be free from taxation. Well, Sir, one of the difficulties they would have to contend with, was very clearly described by the hon. leader of the Opposition last Session, and I will read another extract from his speech:

"Another circumstance which vitiates this estimate is, that settlers will not buy railway lands as long as free grants are obtainable. I speak generally; of course there will be instances in which a settler will buy railway lands; and the capitalist who wants more than 320 acres will doubtless buy railway lands adjoining his free grant. But speaking generally, you will find that settlers will not purchase railway lands so long as free grants are obtainable. There is a good reason why they should not."

That is only one short year ago, and these circumstances have not changed in so material a degree since that time as to warrant any particular change of base. We have not changed our policy with reference to the giving of the lands. We have not decided, as we did in 1871, that the lands shall not be sold at less than $2.50 per acre. But the hon. gentleman now changes his opinion, though the circumstances have in no way altered. Again he says:

"The Session of 1878 followed with the same result nor did aught occur to shake the deliberate solemn and repeatedly affirmed declaration of Parliament on this subject. But meantime further progress was made, and to some inquiries the Government answered, that it hoped to be able shortly to advertise for tenders for the whole work on the land and money basis subject to the approval of Parliament. It was the policy of the Government, at the earliest moment at which the condition of surveys would permit, to take that step, and so to give a fair trial to the plan, the only plan by which the road could be constructed in any short time without increasing the rate of taxation."

Referring to probable receipts from lands, Mr. Blake said (page 1444, *Hansard*, 1880):

"All that we can get from the lands in that country for the next few years, during which we shall be engaged in the construction of the road, will not, I believe, do more than help to eke out that interest."

Now, Sir, what change has taken place? We have simply accepted what he considered the only available means of constructing the Pacific Railway without embarrassing the finances of the country, and still the hon. gentleman is not prepared to accept our proposal. He said his estimate of receipts per acre of land, based on the First Minister's calculation, was $1.75 per acre, and a little further on he added:

"But apart from these errors of calculation, reducing so largely the fund upon which we were to depend for building the Columbia section of the Canadian Pacific Railway, there are other considerations which wholly vitiate the estimate of the hon. gentleman. The average price to be realized largely depends upon the sale of lands in the nearer belts, and if anything occurs to disturb the sales in them, it is quite clear that even the smaller average I have stated cannot be realized."

Now, Sir, in the face of this declaration on the part of the hon. member, he now values the land at $3.18 per acre. And what circumstances have changed since that time? We know perfectly well that if these lands were subject to taxation—if municipalities could impose any taxation upon them they thought proper—their value would be greatly reduced. Now, the hon. gentleman argues in favor of a taxation that would render necessarily an increase of the subsidy, to be paid out of the Dominion Treasury, in order to induce the Company to accept the contract. The hon. gentleman will, perhaps, say now, that he escapes all responsibility for his declaration by proposing to accept the new offer. But I have shown, Sir, that the new proposal is entirely impracticable. Then, Sir, with reference to the financial view of the matter. The hon. gentleman held that the condition of things was more favorable now than in 1874 for constructing the railway. He has spoken of the rate of interest at the present time, but he has not taken into account the value of labor at that time as compared with its value at the present time—a difference which would more than compensate for any advantage we may have on account of the rate of interest. He called attention to the fact that the late Minister of Finance had inaugurated a new policy, that he had placed on the market four per cent. securities for the first time at which money could be obtained at that rate.

Mr. BLAKE. I did not say by which money could be obtained at four per cent.

Sir LEONARD TILLEY. That he floated four per cent. securities for the first time.

Mr. BLAKE. I said he floated fours.

Sir LEONARD TILLEY. He made this statement in connection with his denunciation of the present Government, for not advertising for tenders. The late Finance Minister for the first time in the history of this country visited England, and in two years floated $35,000,000 of securities without asking for any tender whatever.

Sir RICHARD J. CARTWRIGHT. Does the hon. gentleman mean to say that this was not done before—that the mode adopted was different from that adopted before, because if so he must be ignorant of the facts.

Sir LEONARD TILLEY. Then, Sir, I must be ignorant of the facts, however, for I do say that. I do not know of any securities of this Dominion being placed on the market without competition. He floated them at four per cent., put his own value upon them; he did not ask for tenders for them, and now we are committing an offence though we have asked for tenders, and have submitted them for the consideration of the House. The leader of the Opposition says we are in a better position to-day, owing to the greater abundance of money and to the fact that we can get it at four per cent. But there is more to be said than that, and hon. gentlemen will see what I mean when I tell them that the securities of New South Wales in 1874, 1875, 1876, 1877 and 1878, ranked next to consols, they were the best colonial securities placed on the English market, they were worth five per cent. more than ours in those years, and to-day ours are worth more than these. The financial condition of the Government to-day, with regard to its facilities for borrowing money, places us in the position, that the rate at which money can now be borrowed changes a five per cent premium payment to the payment of that rate for a limited period. To-day, if we enter into this contract, we are able, by paying five per cent., to lay by one per cent. as a sinking fund, and to pay off this whole debt in forty-one years. Our credit is such to-day as to enable us to obtain the money, and pay interest upon it at half a million dollars per annum less than would have been possible under the rate of 1874. From the economy, the zeal and good management of my friend, the Minister of Railways, we will save in the present year half a million dollars in the working of the Intercolonial Railway. Between this and 1885, by the redemption of securities falling due, bearing five and six per cent. interest, with four per cent. securities, we will save another half million, so that, as far as the Government is concerned, it is now in a position to meet its liabilities under this contract. If all the liabilities to fall on the Dominion of Canada under the terms of this contract were matured, we have revenue enough to pay the expenditure that would thereby fall upon the Government this year, and the interest on the whole debt, as well as other charges. So far as our financial position is concerned there is, therefore, no question; and we have accomplished all this without materially increasing the rate of taxation per head of the population, by the adoption of a policy which the late Government should have adopted—a policy which would have enabled them to reduce the $5.30 per head, a policy which would have given them revenue to meet the expenditure on the Pacific Railway, and prevented the depressed state of trade and business in the country. If they had accepted that policy they would now have had ample means without

increasing the taxes of the people of Canada, and would have avoided the depression through which we passed from 1873 to 1878, by the construction of the railways, and giving employment to a considerable portion of our population. The hon. the leader of the Opposition, at the opening of Parliament, asked for delay. He proposed that we should not discuss this matter in Parliament before the recess. He asked that the Government should not make its statement in defence of the contract that had been entered into. He asked that hon. members should, during the recess, go to the country and discuss the propositions with their constituents. Members of the Opposition prepared a protest and sent it throughout the length and breadth of the land. They prepared petitions and sent them into localities where the subject had scarcely been heard of and where it had not been discussed, in order to get a snap verdict against the Government. This was the object of the leader of the Opposition; but the proposal which he had in view the carrying out that idea, was not accepted by the Government. The Minister of Railways, in a masterly speech which has not been answered yet, submitted to this House the contract. He showed, step by step, that if hon. gentlemen opposite were consistent, they should vote for this proposition. He showed that the terms they had proposed with British Columbia were more excessive than ours. His speech went to the country. The reply went to the country. Hon. gentlemen opposite in Ontario, New Brunswick, Nova Scotia and Prince Edward Island discussed this matter, and they expected to bring pressure to bear, by petitions and otherwise, upon the members of this House, to induce them to abandon this contract. Did they succeed? They signally failed. I have listened to the leader of the Opposition with great pleasure and with admiration for his talent, and I do not hesitate to say that were I going into court with a doubtful case, and were he my counsel, I would not despair of success. The hon. gentleman has publicly, on three or four occasions, presented his objections to the proposition. But with all his ability he failed to carry, in those localities where the other side of the case was also presented, public sentiment with him.

An hon. MEMBER. Yes.

Sir LEONARD TILLEY. I doubt it. The country was not roused. It was not excited. Petitions, though they have been circulated by hundreds and thousands, have not poured into this House in extraordinary numbers against this proposal. That was the result in Ontario. That was, also, the result in Montreal. At Halifax, the hon. member for Gloucester, in an able manner, presented the objections to the contract. I could not but think how changed matters are in Nova Scotia I recollect, some three or four months ago, a writer to a St. John's paper on the other side of politics, spoke of the absence of leading men in the Opposition there to lead their party. I feel flattered as a New Brunswicker, and gratified as a member of the Government, that the proposals of the Government are such that men of talent are so scarce in the Opposition in Nova Scotia, they had to send to St. John's, to the hon. member for Gloucester (Mr. Anglin)—who had not ventured to address his own constituents, who had not addressed my constituents—to go to the city of Halifax, in order to present his objections and opposition to this contract. Have we seen the Table groaning with petitions from Nova Scotia? Have we seen the thousands or tens of thousands of signatures expected as the result of his continued effort on that occasion? We have not seen them. In my native county in New Brunswick the hon. member for Queen's held a meeting. What did he say? He said, as was said in Montreal, Toronto, Hamilton and London, that if this proposal was carried out the people of those localities would be saddled with greatly increased taxes. I think it was five millions for New Brunswick. I forget how much it was for Ontario.

An hon. MEMBER. Forty millions.

Sir LEONARD TILLEY. Did these gentlemen, who were presenting the taxation view of the question, did the hon. member for Queen's point out to the people that, if the lands were so valuable; the 125,000,000 acres which would be left would, at half the value placed upon them by gentlemen opposite, pay the cost of construction and leave a surplus besides? No, they did not. I hear that petitions are in course of signature in my own city—none have yet been presented here, but I suppose they will come up in time. We have had a mammoth petition presented from Prince Edward Island. I have read the speeches of gentlemen down there, and they have been most energetic in that little Island. I have admired its people since I visited it first in 1854. It is one of the loveliest spots in the Dominion of Canada, and contains 1¼ million of acres of land that cannot be excelled in fertility, in my judgment, in the North-West; and it was an Island which we all coveted and desired to bring into this Union. Our Government made many efforts to induce them to come in. We were anxious to carry out the original plan of Confederation; and more than that, we found that, in our effort to protect our fisheries, the Island was a difficulty in the way. Its people differed from those of the other Provinces. We found them anxious that the American fishermen should come into their ports and do business, trade, and fish there, and the policy which they thus pursued with reference to this matter, was an embarrassment and difficulty to us, and the public interests made it desirable that they should come into the Union. After a time we succeeded in making terms with them, and they entered Confederation, and the gentleman who visited that Island during the recess was one of the parties to the negotiation of the terms of Union, and he knows perfectly well that at that time speeches were made on this subject of a most inflammatory character, pointing out the taxation which would be imposed on Prince Edward Island by the construction of this road—that this was part and parcel of the contract in 1873, when they came into the Union, and that this was the policy which was then agreed upon. But did those who recently visited Prince Edward Island, and took a very active part in this matter, tell the 4,000 who, it is said, signed this petition, that the construction of this railway formed a part of the engagements of the Dominion of Canada when they came into the Union? Did they point this out? Did they go further and show that—in consideration of the large expenditure to be incurred by the Parliament of Canada for the construction of railways and canals, and in view of the possible readjustment of the financial arrangments between Canada and the several Provinces now embraced in the Dominion, as well as the isolated and exceptional position of Prince Edward Island—that Province shall, on entering the Union, in view of these considerations, be entitled to incur a debt equal to $50 a head of its population, as shown by the Census of 1871—that is to say, $4,701,050. Whereas New Brunswick and Nova Scotia came into the Union with a debt of $27.50 a head, and in consideration of the Government having undertaken to build this Pacific Railway, and to give 50 million acres of land and 30 million dollars, the Government agreed to give the Island $27.50 per head over and above New Brunswick and Nova Scotia in consideration for such expenditure. I wonder whether this fact was stated to the gentlemen who signed this petition against the construction of this road? I do not believe it, and if this had been mentioned; I believe that not 400 names would be on it, instead of 4,000. I only refer to this matter because hon. gentlemen opposite have sought to make political capital out of this question on the Island. I may say that this Island has been and will be treated, notwithstanding these advantageous terms, most liberally by all Governments. Let me add, the leader of the Opposition showed clearly that down to last year, the

Island had received, from 1873 to 1879, one million dollars more in expenditure and appropriation than they paid into the Treasury. And he is quite correct. We are prepared to and will deal with the Island most liberally, and they have no reason to complain down to the present moment, neither will they for the future, because the money which will be collected during the present year, under the existing tariff, is ample to meet the interest on the cost of construction, were it completed now. This year, that little Island will not have paid, judging from the last six months' returns, into the Treasury as much as they will have received directly for the support of their Government, and 80 cents per head, and the interest on the $800,000 given them in lieu of their lands. Still, Sir, our friends on the Island have not been told that this road was part and parcel of the engagement of the Dominion when they came into the Union; and that they have had compensation for it. I venture to say that if they were informed of this fact, many of them would not have appended their names to this document. Further, my statement does not include either the $50,000 loss of last year in the running of their railroad, or the $90,000 or $100,000 loss on it for the previous year; therefore I am satisfied that, as far as both Governments are concerned, the Island people have been liberally dealt with, and at the present moment, though their taxation is at present sufficient to pay the interest on the completion of the road under the terms of the present Syndicate, they still have a handsome balance in their favor. Now, Sir, what is the fact? It has been apparent and evident to hon. gentlemen opposite that this agitation of theirs is a failure. And why? Simply because their own friends, when the whole case is stated, could not be brought to vote Want of Confidence in their own leaders. That is one reason. It is because it is shown clearly and distinctly by every gentleman who has spoken on this side of the House that the terms of 1874 were more onerous, more expensive to the Dominion, would cost more, would take as much money out of the Treasury and more lands from the country than the present proposition. That is unquestionable, and, therefore, if they denounced the present proposition they would have to condemn their friends in this House. In the next place, the hon. gentlemen opposite have made out so strong a case, with reference to the value of the land in the North-West, that they could not produce any effect by the cry of increased taxation, because it became at once apparent that if we got as much money out of our public lands as they represented, the revenue thus obtained would be ample to pay all that was expended, and all that the country would be called upon for in connection with this undertaking. Well, Sir, what was to be done? The hon. gentleman states he knew nothing of the details of the second proposition; but I venture to say that some political friend of the hon. gentleman opposite suggested to these gentlemen, or to some gentlemen, that this new offer could be made. I venture to affirm that hon. gentlemen opposite found it was utterly impossible to make headway otherwise against their own legislation, and against their own proposition. They have not been able to excite the country; they did not succeed in producing such an effect as would be likely to remove the present Government and party from power in 1883, and therefore some other step should be taken. I do not wonder; I am not surprised, if, when the leader of the Opposition came here, he found it necessary to indicate to the press generally which supported them that there must be a strong demonstration in advance against this contract, and a strong demonstration before its terms were known.

Mr. BLAKE. I did not do so.

Sir LEONARD TILLEY. Then, Sir, when it was supposed that this contract involved only 25,000,000 acres of land and $25,000,000, the hon. gentleman took this course, and why? Because any person who has observed the state of public opinion during the last eighteen months must have been satisfied, and especially when it was known that the leader of the Government had made an arrangement by which the liability of the Government with reference to the expenditure on the Canadian Pacific Railway was placed on the shoulders of capitalists, that the popularity of the Administration was assured, and hence some steps must be taken or else this Government was perfectly safe for the elections of 1883. Looking at the National Policy and seeing the favorable condition of the country and the increased prosperity of Canadian manufacturers everywhere, they found that it was necessary that something should be made out of this question, if it were possible, and therefore they came back with the determination before, as they say, they knew the details of the measure, and before they knew what they call its objectionable features, to denounce and condemn it very strongly; and when they discovered that this would not work, they saw that they must have some other proposition submitted to the House. Then this new Syndicate was proposed and the result is before the House. It is supposed by hon. gentlemen opposite that this will have the desired effect; but, Sir, as I stated at the outset, the Government cannot accept this offer, which bears on the face of it the acceptance of terms at variance with those to which we, as a Government, have been bound since 1871. Would it not be said by British Columbia, if we accepted this proposition with its conditions, that we were abandoning the work there, and that we had broken faith with British Columbia; would not the people of British Columbia have the right to take alarm and to feel at once that their position was sacrificed, and that the engagements made by both Governments were to be ignored; therefore, Sir, I hold this proposition cannot be accepted by us, and will not be accepted by the great bulk of the members of this House. They found it was necessary that something should be made out of it if possible, and therefore they came here with the determination before, as they say, they knew the details, to condemn it. They condemned it in the press daily, and when they found that would not work they concluded that they must have some other proposition. Thus this new scheme was submitted, and it was supposed this would have the desired effect; it has signally failed. The hon. member has recited all the distinctions between the contract of 1874 and the new contract. You may take the most extravagant estimates that have been made by the leader of the Opposition, and they do not make up the difference between the terms of 1874 and those of 1880; therefore, I say all that the hon. gentleman has said in the recital of the differences between the present proposition and the old contract goes for nothing, as far as we are concerned, because it does not carry out what we believe is of the greatest importance to this country. Look at it in connection with our trade relations, with reference to the settlement of that country by emigrants. The leader of the Opposition very facetiously said this proposition was to send emigrants through to the North-West blindfold. Do we not know that hundreds and thousands of men who have left the Old Country, and even Canada, for our North-West have been induced by agents of those land and railway companies to buy lands in the United States. One of the advantages of having this railway Syndicate interested in the land is the guarantee given that they will not charge exorbitant rates of freight, because the moment they do that they depreciate the value of the land. You cannot obtain high rates of freight and high prices for land. If they did not own the land as well as the railway they would have a single interest in the railway, whereas now they have a double interest in the land and the railway. I recollect being in conversation with a gentleman from Liverpool, who is our emigration agent and who had been to the

North-West. He said: "As long as our people have to run through the ordeal through which I had to pass as a stranger, we cannot expect to have this country settled as rapidly as when once the Canadian Pacific Railway is completed from the head of Lake Superior to Manitoba."

Sir ALBERT J. SMITH. You cannot do that in ten years.

Sir LEONARD TILLEY. No, not north of Lake Superior; but we will have the railroad and water communication. We have that in the summer. Shall we accept the policy that places us entirely dependent upon the United States authorities to get into our country? That is a serious and important question. I recollect perfectly well, when we were considering the terms of the Union, that some gentlemen who were present at that convention, when discussing the question of the construction of the Intercolonial Railway, a gentleman who has since passed away, declared distinctly and emphatically, that so important did he consider the advantage of railway communication between the different Provinces on Canadian Territory, that he would be willing to construct six Intercolonial Railways rather than not have that communication. He advocated on broad national grounds the construction of the Pacific Railway on our own territory; and it was because he desired that when the millions of acres in the North-West were settled, the products of that country should be brought down to Montreal, Quebec, Halifax, St. John or Toronto by a continuous line of railway through Canadian territory, either owned by the Dominion Government or under contractors selected by them. When we consider that this is a vital part of our policy, I can well believe there are very few hon. members, if any, who will accept the proposition of hon. gentlemen opposite. In that case it is desirable that the eastern and western sections should be abandoned, the contractors would obtain possession of the nine hundred miles of railway over the prairie and the road from the head of Lake Superior, as well as the Pembina Branch, and they would thus make a desirable and magnificent bargain, without any of the responsibility connected with the running of the railway afterwards over its more remunerative sections. Practically there was no responsibility in running the railway for ten years from the foot of the Rocky Mountains to Winnipeg and the head of Lake Superior. That might be safely entered upon by those gentlemen willing to invest their money, but if you say to them: "You will be bound to build the road from Lake Nipissing to the Pacific Ocean and work it for ten years," I will guarantee those gentlemen would hesitate before they put a dollar in that enterprise or risk a cent of their money. Under these circumstances, I hold that the proposal submitted is, for practical considerations, fallacious, because it does not accomplish, what we are bound to accomplish and desire to see accomplished, for patriotic and other reasons. I might appeal to hon. gentlemen opposite, who entered into solemn obligations, who directed the representative of Her Majesty to assure British Columbia in such emphatic terms that every provision of the Carnarvon terms was being fulfilled; and I can imagine what the feelings of Lord Dufferin must have been when he read the proceedings of this House a year ago. I can imagine how he must have felt when he read the proposition of the leader of the Opposition and remembered that he himself had been authorized by that gentleman to assure the people of British Columbia in 1876 that the terms were in course of execution, that he would rather cut off his right hand than be guilty of misleading the people of that Province. I can imagine that the only excuse he could have found for him was the supposition that the taxation of 1879 was as great per head as that of 1874. I wonder what that gentleman will now think of those who authorized him to make such a statement and placed him in such a false and unenviable position. We hear a good deal about the next general election, but there is no fear of the result. The probabilitie are that at my age I will have had enough of it by that time.

Sir ALBERT J. SMITH. It is very likely.

Sir LEONARD TILLEY. Very likely; but if the hon. member intends by that remark to indicate that my chance of securing a seat is doubtful, I may answer him by saying that I would be prepared to go to his own county and measure swords with him.

Sir ALBERT J. SMITH. I would be glad to see you.

Sir LEONARD TILLEY. Even in the hon. gentleman's own county, I would run the risk, because if there is one constituency in New Brunswick that is being benefitted by the National Policy more than another it is his. The hon. member ought to express to the Government his deep gratitude for this advantage.

Sir ALBERT J. SMITH. Suppose we both resign and try the electors.

Sir LEONARD TILLEY. The Opposition have invited us, or some of our supporters, to change places on this question, and have told us very graciously that if our friends will vote down this proposition, they will allow us to remain in power. The member for West Middlesex (Mr. Ross) said he hoped for a Pentecostal conversion on the Ministerial side.

Mr. MILLS. It is much needed.

Sir LEONARD TILLEY. I am afraid he and his friends have little claim upon the spirit that produced that conversion. Gentlemen who violate solemn compacts, or betray their master, have very little claim to such a sacred influence.

Sir RICHARD J. CARTWRIGHT. I am sure the House will agree that at this late hour, and after listening to two such elaborate speeches as that of the member for West Durham and that of the Finance Minister, it would be very unreasonable to tax its patience further to-night, and I will therefore move that the House now adjourn.

Some hon. MEMBERS. Go on.

Sir RICHARD J. CARTWRIGHT. I will just observe that the attention of the House has been kept on the keenest possible edge for at least nine and a-half hours, and that it is hardly reasonable to expect any further demand on its patience.

Sir CHARLES TUPPER. I trust that now that the object of delay has been removed by the hon. gentlemen getting a new proposal before the House, we shall continue the discussion as if we seriously intended to bring it to a conclusion. I can assure the hon. gentlemen opposite that it is the intention of the Government steadily to prosecute this decision until it is brought to a close.

Motion lost on division.

Sir RICHARD J. CARTWRIGHT. At half-past 12 in the morning it is unreasonable for any one to attempt to make a lengthy speech. I think one thing must be clear to the House that the furthest of all things from the mind of the hon. the Minister of Finance was the discussion of the merits of the extremely simple proposition which is now before the House. Here are two propositions for performing identical portions of work. One of these propositions proposes to construct it for a very large sum of money, with most extraordinary privileges, with most extraordinary monopolies, under such conditions as my hon. friend beside me (Mr. Blake) truly said were never granted in any country, were never dreamed of by any member of Parliament before, and were never submitted for the consideration of this or any other representative body of which I ever heard. The other proposal offers to construct the identical self-same work for many millions

less and to remove all these extremely objectionable clauses which, according to the admission of one after another of the warmest and strongest supporters of the hon. gentleman, had shaken even their long tried and trusty allegiance. The hon. Finance Minister does not attempt in the slightest degree to deal with these propositions. He goes into a long history of the circumstances under which we became bound to construct the railway to British Columbia. He enters into a digression on the relative merits of his London loans. He wanders up and wanders down, but he steadily refuses to face the simple proposition now before the House: shall we take a proposition likely to save to the people of Canada an enormous number of millions?—if you put anything like an approximate value on the exemptions and on the monopolies which are granted by the one contract and which are taken off by the other. The merits of the two he carefully eschews. He shelters himself under this pretext: that he and his friends, no matter what their supporters may say, have set their feet down and that they mean to carry the first bargain, which they made, as was well said, in secrecy, without the knowledge even of their own friends, and without the slightest idea of the people of the country, much less of any capitalists abroad or here as to the changed conditions which were about to be submitted or allowed to be imported by the Government into these new contracts. Now, Sir, the hon. gentleman tells us that he, as a member of the Cabinet of 1873, feels that he is bound to carry out our agreement with British Columbia. What have these two proposals got to do with that? Does the one contract offer to carry out the agreement any better than the other? Both are alike in that respect, for it is well known by every hon. gentleman in this House that British Columbia has never pretended to say that it was interested in the construction of that large portion of the railway north of Lake Superior. He says the late Government were equally bound to carry out that agreement. Well, Sir, all Governments, in a certain sense, are equally bound to carry out an agreement which has been ratified by Parliament and made part of the terms of Confederation. But to say that the gentlemen on this side of the House, who protested from first to last in the strongest possible manner against the terms of that mad bargain made with British Columbia in 1871, saying that they foresaw all the evils, all the difficulties, all the misfortunes which have befallen Canada in consequence of our representatives having made that bargain without consulting the people, whose instincts would assuredly have led them to reject it—to say that we are morally bound in the same way as that hon. gentleman is bound, is to state a proposition for which, to use his own phrase, there is not the slightest foundation. The only obligation we had in the matter was the obligation which we inherited from those gentlemen who entered into that agreement against our protest and against every dictate of common sense and prudence. The hon. gentleman tells us that we ought to have informed British Columbia that the arrangement should be broken off. We did tell British Columbia that our policy from the first was to fulfil the bargain only to that extent which we found the resources of the people of Canada would warrant. On that point there was no uncertain sound. In the address of the hon. member for Lambton to his constituents, that condition was clearly insisted on. In my Budget Speech, made a few months afterwards, that condition was insisted on in the plainest terms. It was repeated in our negotiations with the British Government. It was stated by myself again and again to Lord Carnarvon. It was stated in the terms as a precedent of keeping faith with British Columbia that we should go to that extent, and to that extent alone to which we could go in our judgment without unduly burdening the people of Canada. The hon. gentleman tells us we increased the taxation $3,000,000 in order to build that

railway. A more absurd statement was never made by any hon. member of this House. What are the facts? The facts are that hon. gentlemen opposite, before leaving office, had reduced the taxation $1,250,000; and that for the purpose of providing for the admission of Prince Edward Island into the Union, for the purpose of providing for the interest on the debts of the Provinces they assumed, for divers increases in the indemnity of the members of this House and the Senate, and for many other things, they had been responsible for the addition of the remaining $1,750,000. What we did was purely to provide for those unnecessary and foolish additions to expenditure and to make good a portion of the taxation which had been removed by these hon. gentlemen. The whole $3,000,000, within the merest trifle, was taken up in providing for those deficiencies and those additions which, not we, but those hon. gentlemen had placed upon the country. To talk of our putting on increased taxation of $3,000,000 for the purpose of providing means to go on with that road, is an entire delusion. We put on those $3,000,000 to put us in as good a position as we were in when that bargain was made originally with British Columbia, a thing of a totally different character. But the hon. gentleman tells us also that that involved Canada in additional expenditure. What is the fact? Canada had undertaken to build a road of 3,000 miles—because these hon. gentlemen were to go from Esquimalt, not from the much nearer point which we subsequently chose, to Callander Station, in ten years—and to begin the road in two years. What did the Carnarvon Terms do? They cut off very nearly one-third, and if you measure by value far more than one-third, of the entire distance—the whole of the 650 miles north of Lake Superior was put to one side. The expensive portion of the road from Esquimalt to the Narrows was likewise thrown aside, so that we had 20 years to do two-thirds of the work which they had undertaken to do in ten years. Were those onerous terms? The hon. gentlemen will have to revise the facts which are disclosed on the Statute-books before they can maintain such an argument as that. Then the hon. gentleman tells us these terms were $20,000,000 more then the terms now offered. Does the hon. gentleman suppose that the House is ignorant of the total alteration, which has been so often dwelt upon, in the whole value of that territory within the five or six years which have elapsed since the hon. member for Lambton introduced his measure? Up to the moment when railway communication was established through the United States by the enterprise, to give them their just due, of the St. Paul and Manitoba Railway, land in the Red River country was almost absolutely valueless. Immediately afterwards a great and enormous increase in their value took place, and there is no possibility of comparing the actual value of an acre there before and after that railway communication was established. Why these hon. gentlemen proposed, apart from the expenditure of the surveys, to give $53,000,000, when at the outside we propose to give some $27,000,000, because I entirely deny the assertion that the hon. gentlemen opposite have any right whatever to say that we would have given a guarantee of interest of $7,500 per mile for 25 years on the remaining portion of the road, the guarantee proposed by my hon. friend was to be given for the more difficult portions of the road. Not one syllable was said by him as to his willingness to accept the proposition asking for so much additional subsidy as a substantial guarantee of interest on $7,500 a mile for twenty years. That is a pure assumption of the hon. Minister of Railways, for which he can produce no evidence whatever. They tell us that down to 1878 no steps had been taken by my hon. friends and colleagues to implement the Act. Everything that could be done had been done. Enormous expenditure had been incurred for surveys. Everything that has been done in the way of construction of the Thunder Bay Branch—a most essential element of the whole

scheme—had been set on foot and mostly accomplished by the hon. member for Lambton before he left office. So far as the Carnarvon Terms went, my hon. friend and colleagues had done all that was in their power to do, lawfully, up to 1878, but they distinctly declined to commit themselves further than this, namely: that they would expend a certain portion of the money in British Columbia, provided always the resources of Canada permitted it to be done. Last year my hon. friend, the present leader of the Opposition, in view of the then financial condition of the country, with a deficit of $1,500,000, as now ascertained, staring us in the face, in spite of the enormous increased rate of taxation imposed in 1879, was in perfect accordance with the hon. member for Lambton's proposal in the course he took. He had a perfect right to say, under those conditions, that we were in no respect able to go on with that work in British Columbia. Neither then, nor now, nor hereafter did my hon. friend say more than this: "That it was not prudent, in his judgment, that we should go on with the work in British Columbia in the present financial condition of the country." I do not propose at this late hour to go into minute details as to the onus of taxation, but I will point out to the Minister of Finance that it is absurd to take receipts from Customs and Excise as the true measure of the onus of taxation on the people. The true measure of the onus of taxation, particularly under the scheme which he introduced two years ago, is the amount of money taken out of the pockets of the people, and not merely the amount that goes into the Treasury. To-day we are burdened with a taxation 50 to 60 per cent. greater than that of 1878. It is quite true that amount does not go into the Treasury, but it is equally true that it goes out of the pockets of the people, and that whatever may be the return, by sub-dividing Customs and Excise, they pay vastly more taxes to-day than under our *regime*. It is perfectly true that the taxation had been increased in 1874, although it is also true that that taxation was imposed for the purpose of making good expenditure caused by hon. gentlemen opposite. He tells us that the new Syndicate knew perfectly well months ago what were the terms and conditions of the Government offer. Must I go over again the eloquent speech of the member for West Durham, and point out that in no single possible conceivable respect were the terms in the contract on the Table the same as those laid down in the Act of 1874. If my memory serves me, my hon. friend enumerated sixteen important points, without counting others of less importance, in all of which this contract differs, and most materially, from the terms in that Act and those embodied in the advertisement of the late Government, and from the terms which alone the capitalists of Canada had a right to expect would be considered or received by the Government asked for in the tenders. He tells us that this new Syndicate have no honest intention of completing the contract. They have given every possible material guarantee that they are prepared to go on with their bargain; and until the First Minister rose yesterday and declared that it was the policy of his Government to stand or fall by the contract, I do not believe the House conceived it possible that so old, so experienced a statesman as himself could have committed so tremendous a blunder as this, having an opportunity of constructing all he wishes for an enormous number of millions less than the price he had agreed to pay, and would have, in the teeth of that offer, proceeded in his obstinate course of forcing his supporters and the country to accept a bargain so infinitely worse than the one in his power to accept. He tells us that these gentlemen are going to get the prairie section of the railway, and with it the Thunder Bay section and Pembina Branch. So far as I understand the offer, they cannot obtain the Thunder Bay and Pembina Branches unless the Government choose, contrary to their proposition, to make a free gift of them. The terms in both contracts in that respect are the same. Those portions of the road that the Government have constructed, or are to construct, are to be given only when the whole 2,000 miles, which each Syndicate offers to build, is completed. In that respect they stand on no better footing than the old Syndicate. They stand on a far worse footing than the old Syndicate, in this respect: that for the Prairie Branch they will receive $2,500,000 in cash less and 2,500,000 acres of land less—many millions taken altogether in land and money less than the first Syndicate are to receive; and when he talks to us about the new Syndicate constructing this work and making an enormous profit, although they offer to do the work for so many millions less, has he forgotten that we have no sort of security that the old Syndicate will construct more than the prairie section unless it suits their purpose? Every security existing in the old is to be found in the new scheme, with this difference: that its authors will receive an enormous sum less for the Prairie Branch than the old Syndicate. When the right hon. gentleman talks about their prosecuting the eastern section, 200 to 280 miles, as a security, he forgets entirely to tell the House that for whatever the old Syndicate built on the eastern section they are to receive a liberal subsidy in cash and a very considerable quantity of valuable land, and will have extremely little to lose even if they built that section; because the sums they are to receive from the Government, although far less in proportion than what they are to receive for the prairie branch, are still sufficiently liberal to enable them to construct the road at very little risk. The proper construction of the terms of this contract may be a matter for legal minds; but if I understand it right, for every 20 miles they construct they receive a distinct amount in money and land. It is perfectly clear that you obtain extremely little security by their construction of a considerable section of the eastern branch, unless the hon. gentleman is prepared to show that the terms offered for it are so much below the genuine value of the work—which he did not attempt to show—that it could only be constructed at very considerable loss. I do not think that that can be shown; and looking to the enormous alterations that have taken place, as regards the cost of constructing such works, within the last few years, I doubt exceedingly whether he can show that the old Syndicate are likely to lose anything by going on with the eastern section. Practically all the security he gets, with regard to the Prairie Branch, is simply this deposit of $1,000,000 and the right of retaining one-fifth of our own lands. According to the statements made, I am informed, by the First Minister yesterday, and repeated, more or less, by the Finance Minister to-night, the profits that can be made by the old Syndicate in constructing this prairie section are so enormous that they might well agree to forfeit four or five millions, and still come out with a very large and valuable property, for the construction of that portion of the road; and although that is a matter which might come up more appropriately at a later stage of the discussion, I think it right to call the attention of the House to the fact that it would be very possible, unless great precaution is taken in locating the land, that this Prairie Branch may become a mere branch of the St. Paul and Manitoba railroad and be perfectly independent either of the Thunder Bay, section or of the Pembina Branch itself. He tells us it is a great relief to the people of Canada to know the extent of their liabilities. That is precisely what we complain we do not know. You are retaining for ten whole years a task of constructing the most difficult portions by far of this work. We are told that they may cost less than originally supposed. The Minister of Railways comes down, as he tells us, year by year, with varying estimates. He makes them each year less on the sections that suit himself; but although he tells us he will reduce them on the eastern section, he states that his estimates were decidedly too low on his central section. The section that goes out of his hands may

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increase in cost, and the section that remains in his hands may be very largely diminished in cost. We have no means of knowing what those portions of the road, not difficult, are likely to cost, or whether the estimates for the most difficult are likely to be exceeded. It may be that the improvements in railroad construction already noticed, and the greater facilities for communication in the North-West, may, in a short time, materially reduce the cost of the sections to be built. But we have no sort of ground for accepting the statement that we know definitely what our liability is. We know we have to complete the road from Thunder Bay to Selkirk, and that most expensive section from Kamloops to Port Moody. We know nothing definitely as to what it may cost us; but judging from our experience of former railroads, till they are completed and delivered over, we shall not know what they will cost us. The hon. gentleman talks of the Government giving up their patronage and the power of letting contracts, and yet, on those large sections, they retain the patronage connected with the giving of contracts. Where is the advantage to the country? I grant that it would be an advantage to the country if we knew once and for all what the sections are going to cost us; but we only know that we have undertaken at our own cost to complete 700 miles of the most difficult part of the railroad and hand it over as a free gift to the Syndicate, old or new, as the case may be. The hon gentleman talks of the new proposal falling short of attaining his object of carrying this road from the Atlantic to the Pacific. It rests simply with hon. gentlemen opposite; but for their own needless obstinacy in taking up the position they have assumed—it was perfectly free to them, at any rate, till yesterday afternoon, to have accepted the new contract, and bound its authors in any shape they pleased—they could have attained their whole object, and greatly strengthened their position in doing so at a vastly cheaper rate than originally proposed. The First Minister taunted my hon. friend from West Durham with his proposition to build the road by the new Syndicate, with the remark that it was putting us into American hands, by carrying a road through American territory. Who are the St. Paul and Manitoba Railway Company except an American corporation? Where are their interests except in the State of Minnesota, and except in connection with the valley of the Red River in that State? An hon. gentleman has handed me an advertisement of these gentlemen. (The hon. gentleman read from the advertisement of the St. Paul and Manitoba Railway Company, to the effect that they were offering 2,000,000 acres of the best wheat lands in the Red River valley at prices of from $3 to $5 per acre), and continued: I think the hon. gentleman had better not taunt hon. members on this side of the House with being disposed to put the control of this great railway into American hands, for if there are any men who are putting this road absolutely and unreservedly into American hands it is these hon. gentlemen. They know very well that to-morrow, if the business interests of Mr. Stephens or Mr. Smith required it, they may, and very likely will, part with their interests in that road to any Americans who are willing to pay them what they think they are worth, and once the contract is signed there is no possible means, as the contract stands, of preventing them from transferring the whole of their interests to any American company that may be organized—to the Messrs. Vanderbilt or any other body of American capitalists who may choose to buy them. There is no precaution inscribed in this contract, such as was inserted in the original contract with Sir Hugh Allan; and much as I disapprove of the incidents connected with that contract, I cannot but approve of the provision which prevented the members who joined that corporation from transferring their rights and interest in the proposed Canadian Pacific Railway without the consent of the Government of Canada. But there is no such provision here; they are perfectly in the power of these men, and they may transfer everything they may have or may acquire under the contract to any capitalists—Belgian, Russian, English or American—whenever it suits their business interests to do so. The hon. gentleman says we need not dread a monopoly because the Governor in Council is to fix the original tolls. That argument has been disposed of again, and again, and again. We know perfectly well that they will be obliged to fix these tolls at the outset at an unduly high standard, but they have voluntarily deprived themselves by this contract of those reserved powers which exist in all other railways, and once having fixed them at a certain rate, the Company will retain that rate until they are in receipt of enormous profits; and I call attention to the fact that the Minister of Finance has not, nor, so far as I know, has any other Minister, authoritatively ventured in this House to deny the construction placed on this clause by the hon. member for West Durham (Mr. Blake). More than once, more than half a dozen times, has my hon. friend and other hon. gentlemen on this side called attention to the fact that according to their construction of the contract—and few will dispute the right of the hon. member for West Durham to be heard on a question of legal construction—the power which the Governor in Council retains could not be exercised, if the terms are once fixed, until ten per cent. shall have been paid on the whole capital expended on the construction of the Railway. If the Minister of Finance is prepared to say that they will alter that clause, that they will introduce such terms and words as will remove the ambiguity, if ambiguity there is, he ought in common justice to his supporters to make that statement here and now. And surely the members of the Government, who have spoken so often and so long, might state authoritatively what their view of that particular sentence is; but I warn them that it will not do to produce letters which say that two or three members of the corporation just about to be formed are willing to take a particular view of the construction of the clause. I trust before the House quits the discussion of this subject that an opportunity will be taken to ensure that there shall be no ambiguity in the construction of that particular clause. The hon. gentleman talks about the land monopoly, and says we need not have any fear of giving the company power to hold 25,000,000 acres without being subject to taxation, because under the old Act of 1874, we we would not have taxed 36,000,000 acres of land. The hon. gentleman forgets, I think, that the interests of the Government and the interests of the Syndicate do not by any means run in the same plane. The Government reserved that right knowing perfectly well that it would be their duty, and that they would be compelled by Parliament, at once to put the lands in the market at moderate terms, whenever the interests of immigration and settlement required it. But are the Syndicate going to consider what the interests of settlement require. On the contrary, they will consider only what is in their own interest. If it is to their interests to sell a few million acres on moderate terms and retain the rest, they will do so. If they find it to be their interest to retain the whole of it, they will do so. They will not pay attention to the wants of incoming settlers, or the wants of the population, unless these wants accord with their own interests. And bearing in mind that the Government are bound in all reason and all conscience to provide homesteads over about 25,000,000 acres for the settlers, whom we all desire to see pour into that country, it is quite clear that it will be to the interests of the Syndicate during a great portion, at any rate, of the ensuing 20 years, to hold the whole or the greater part of the 25,000,000 acres which they reserve. It is perfectly clear that if the Government succeeded, by offering home-

steads by allowing the purchase of the lands at liberal rates, in inducing any considerable emigration into that country, the Syndicate will reap the advantage from that immigration. Nor can the Government, without destroying the future of that country, refuse to give liberal grants or pre-emption rights. Sir, in what manner the hon. gentleman arrived at his computation that the Syndicate—which is to receive in the lowest case $10,000 per mile in cash and then an immense quantity of valuable lands—will require to pay $1,000,000 a year in interest or for the cost of the administration of the lands, I would much like to know. What is the cost of the administration of the lands to be? They have no taxes to pay, their exemption is perfectly good; what cost will they incur in administering their lands? I would like to know whether they are going to start with an expenditure out of their own pockets of $25,000,000? Why, that sum, added to the Government grant, would much more, in my judgment, than pay for every single mile of the whole 2,000 that they are called upon to construct. The computation, it appears to me, is absurd. I cannot understand under what possible circumstances the hon. gentleman can conceive that any such annual expenditure will be made by them, or how, even in his own mind, he arrived at that computation. And here I pause, because I am following the hon. gentleman step by step, and if I am a little irregular in my remarks, I must plead his precedent. Here I find he has interjected a discussion on the respective value of certain loans made by me and by himself. That is an old subject. All I have to say is that as respects the rate of interest paid by me, he is mistaken in saying that when the loans at 4 per cent. were floated in the London market, it involved a payment of 5 per cent., unless the hon. gentleman is choosing to add the ½ per cent. paid as sinking fund, and which exists in his loan as well as in mine. But the hon. gentleman was good enough to call attention to the difference in the rates of securities. He was good enough to call attention to the fluctuations in Australian securities, and to boast, reasonably enough, that whereas in former times those securities ranked better than ours—now they rank worse. That is true, but I will call attention to this—that when in 1876 I floated a 4 per cent. loan at 91, at that identical moment the United States Government was barely able to obtain par for a loan of 4½ per cent. The securities I floated stood as well as the securities of the United States in the London market. When the hon. gentleman floated a loan in 1879 he failed to get within 10 or 12 per cent. of the price which the United States securities ranked at. My loan, as compared with United States securities, was relatively 10 per cent. better than the hon. gentleman's. Now, I do not attach much importance to that; it is a fact, however, that at the moment our 4 per cents. were sold in the London market, United States 4½ per cents. were selling at the same rate, allowing for the difference in interest, and that when his loans were effected, United States securities were 10 or 12 per. cent. better than the sum he was able to obtain for his. He talks of getting money out of the land to pay for all we spend. As I pointed out before, the lands we have will have to be given away in order to keep faith with our own people and with settlers. For that reason, after we give 25,000,000 acres to the old Syndicate, or 22,000,000 acres to the new one, and distributing a like proportion among the settlers, the hon. gentleman will find that very little, indeed, will go into the Treasury from the sales of those lands. I do not say that this is an impolitic policy; on the contrary, it is one I approve of, and one which the House on both sides should compel the hon. gentleman to carry out. But it is fatal to his pretension that he will succeed in getting a considerable amount of money out of the lands which adjoined those to be given to the Syndicate. The hon. gentleman's vivid imagination leads him to wonder what were Lord Dufferin's feelings at reading the proposition advanced by the hon. member for West Durham. I think Lord Dufferin, who understood the situation thoroughly, would have said that when there was a deficit of $1,500,000 my hon. friend was perfectly justified in saying that Canada was in no respect called upon to go on and spend any money in British Columbia. Lord Dufferin understood thoroughly the condition of our affairs, and he never expressed any other opinion than that Canada was bound to do as much as she could for British Columbia as soon as her resources permitted, and not before. But I think the hon. gentleman might more wisely have hesitated when he talked to this side of the House about violating compact and about treachery to the country. Why, let him look at Lord Dufferin's despatch laid on the Table of this House, and he will see the terms in which Lord Dufferin spoke of the men who declared on their oath of office and their fealty as Ministers of the Crown, and on their personal honor, that they were absolutely innocent of all the things the hon. member for Shefford (Mr. Huntington) had laid to their charge. I can hardly conceive a more humiliating condition than that in which this strong Government, this Government who boasted of having such a hold in this House, and of representing such an overwhelming majority in the country, now find themselves placed. This is the result of all those foolish and idle boastings in which they and their organs indulge so often. We were told we would see how easy it was for sage and experienced statesmen to build the Pacific Railway and not cost the people one cent. They are going to give $25,000,000 to this Syndicate; they are going to build, at a cost which they themselves estimate will amount to $28,000,000, some 700 miles of road, make a present of it to the Syndicate, and yet it is not to cost the people of Canada one cent. We were told they had all the capitalists of the world at their doors, asking, begging, praying to be permitted to compete for the construction of the Canadian Pacific Railway. And this is the result—a contract on such terms, as I remarked, as was never dreamed of, and never before proposed to any representative assembly, a contract which gives such exemptions, such privileges, such extraordinary monopolies as I did not believe even the old Syndicate would have dared to ask for, had not the extreme and wanton folly of those hon. gentlemen's utterances placed them in such a position that they were utterly helpless in the hands of the Syndicate and their adroit advisers. Now, we have the result before us. What were the pretexts which were alleged by the hon. gentlemen four weeks ago? Why, we were told that there was something to be said against this, no doubt; that there were many objectionable clauses in it, things in it which they could not defend. There were two parties to the transaction, they told us. They had, after all, made the best bargain it was in their power to make; that was their excuse and their plea—not that the bargain was a good one, but that it was the best bargain it was possible to make. Well, all the plausibility, if there was any in it, that the excuse may have had, has gone. Now, we find that capitalists of equal standing, of equal wealth and experience, come forward and say: "We will do this work for you," and on terms which I do not hesitate to say, if you put the just value on the exemptions, and if you put a very moderate value indeed on the enormous privileges of the monopoly that is granted them, is $40,000,000, at least, better that the offer contained in the contract heretofore laid on the Table. Sir, there were four courses open, as I think, and fairly and favorably open, to these hon. gentlemen. They might with good reason have withdrawn the original contract altogether, and, if they had seen fit, gone on as they proposed to us nine months ago and constructed this road as a Government work; or they might have accepted this new offer, also a perfectly legitimate, a perfectly reasonable, thing to do; or they might have said: "under these circumstances, we feel it our duty in the interests of the people whose guardians we are, to see if we

cannot get better terms than either;" or they might have left the whole matter to the people, the true and proper arbiters, and let them say whether they would retain these hon. gentlemen and their contract $40,000,000 worse than the offer now made, or be ruled by that "aristocratic demagogue," my hon. friend from West Durham (Mr. Blake). These hon. gentlemen talked of sacrificing something to their honor. Millions must, if need be, be given up to their honor. It reminds one of the words of the poet, not the hon. Member for Niagara:

"Their honor rooted in dishonor stood,
And faith unfaithful keeps them falsely true."

What is the true position of this House? Are these gentlemen the despots of Canada? As I understand the case, the members of this House are the agents of the people of Canada, and these hon. gentlemen are the agents of the agents of the people of Canada. I can well understand gentlemen in the awkward position in which these hon. gentlemen now find themselves, saying and feeling too that it was their duty to submit to considerable sacrifices for the purpose of carrying out a contract to which they had agreed; and, Sir, if it was their land they proposed to sacrifice, if it was their money they proposed to give away, if the price of those exemptions were to come out of their pockets, if those monopolies were to hurt them, and them alone, then I could understand their telling us that their honor forbade the sacrifice. But are they going to lose one cent by forcing the original contract? Are they going to suffer in any way? The parties who are going to suffer are the people of Canada. It is the birthright of the people of Canada which you propose to give away; it is the money of the people of Canada you propose to sacrifice; it is out of the pockets of the people of Canada that all these exemptions and charges are to be defrayed; it is the people of Canada, and their children and grandchildren, who are to suffer if you create these extortionate and exorbitant monopolies. The duty of an agent in such a case differs from the duty of the principal. His duty is not to sacrifice his principal's money and rights, but if the agent has fatally compromised himself, the least the agent can do, if he be an honorable man, is to refer the matter to the principal and abide by the principal's decision. If these hon. gentlemen desire to maintain the name of honorable men, that is what they should be prepared to do, and not to talk to us of honor in carrying out a contract which they rashly pledged themselves to. I say if ever there was a Government on the face of the earth who were bound so to conduct their negotiations as to give no legitimate cause for suspicion, it was the majority of the members of the present cabinet. Now, Sir, what have these hon. gentlemen done? Knowing that they stood suspected, knowing that their past record would not bear investigation, even if they did not care for their own honor and reputation, they should consider the effect of their conduct on their followers behind them; and yet they must needs carry on their negotiations in secret, they must needs refuse information which this House and the country had a right to have, they must needs keep these terms so studiously concealed that until I read that contract, I had not the faintest idea that reckless as they are, they would commit so ridiculous and foolish an act as to set their hands to such a bargain as that; knowing all that, what did they do when the contract come down? We find them in the most desperate hurry to get rid of the discussion, in most desperate haste, that within ten days a matter which they themselves admit to be the most important with which the Parliament of Canada has ever had to deal should be carried through without the slightest chance or possibility of appealing to the country or obtaining from other parties any offer which might replace the one now before us. And when this new offer comes here, made by men of the very highest standing—an offer which they have shown by the very best possible tests is a *bona fide* offer—how are these men met? With vituperation and abuse of the very grossest kind, not only by the organs of hon. gentlemen opposite, but men in this House also. What do these gentleman propose to do? They propose to save the people of Canada many millions of dollars in money and land, and to remove those monopolies which hon. gentlemen wish to create. Is that a crime? Is it to be held a crime in this country if several Canadian capitalists come forward to say: "You have made a bad bargain; we will undertake to construct this road at a less cost than proposed in the contract brought down; we will free you from a number of these embarrassing clauses and restrictions which you have unfortunately placed in your original bargain." The hon. gentleman dared to hint that this bargain was a fraudulent one—that it contained the elements of deceit, the elements of hypocrisy, the elements of a political dodge. All I can say is this: that when we come to consider these two offers, when we consider how the original negotiations were conducted, when we regard the extraordinary secrecy with which this: whole matter from first to last has been negotiated, we must say that if everything was honest and above board, with respect to the original contract, the whole circumstances attendant upon its introduction have been most fortunate.

"With every feature of a knave complete
If it be honest 'tis a devilish cheat."

What is the conduct of hon. gentlemen towards their supporters in this matter? I do not believe a party was ever so dragooned as those hon. gentlemen have been upon this occasion. All discussion has been shut off, all remonstrance forbidden. They have recourse, with their majority 70 strong, to the last and ugly argument which a ministry driven into a corner has recourse to. They have told their supporters that if they dared to listen to better terms or to sanction them when offered, they will have to choose between seeing them out of office or probably dissolution and accepting the contract. I do not remember a single hon. gentleman opposite, even among the Ministers themselves, who has ventured to say that this contract is just the contract he would like to see. Do these hon. gentlemen deliberately mean to tell us that a monopoly is a good thing, that exemptions from taxation are good things, that it is a good thing in itself to deprive the Governor in Council of the right of reducing tolls from time to time, when, as we all know, this whole question of railway rates is one which is hourly and daily changing, and which has changed enormously within the last four or five years, which may affect our whole commercial relations, our whole water system, which may in a hundred ways so affect our trade and commerce, that it is a thing entirely on the cards that we find ourselves compelled again to repurchase this road at a very large cost in order to prevent our people from being ground and crushed to earth by the terrible tyranny to which these gentlemen propose to deliver them. Are they going to tell us that it is a good and wise thing in itself to expend $25,000,000 when we need expend only $22,000,000, to give away 25,000,000 acres when men of equal capacity and respectability are willing to do the work for 22,000,000? If these hon. gentlemen have the slightest confidence in their cause, if they believe that they have the country with them on this question, when could they have a fairer or better opportunity for putting it to the test. Let them with all the energy, wisdom and sagacity they possess, their great numerical strength, let them do as I say hon. gentlemen in such a case are bound to do, take the will of the people on this question, and then I say when once the people have the question before them, when once the people have decided this matter, we will be willing to

assist them to the best of our power in putting this on the Statute-book in a better shape than the present one.

Mr. KIRKPATRICK moved the adjournment of the Debate.

Motion agreed to; and (at 1:30 o'clock, a.m.,) the House adjourned.

HOUSE OF COMMONS.

WEDNESDAY, 19th January, 1881.

The SPEAKER took the Chair at Three o'Clock.

PRAYERS.

BILL INTRODUCED.

The following Bill was introduced and read the first time:

Bill (No. 33) respecting documentary evidence in certain cases.—(Mr. McDonald, Pictou).

WILLIAMSBURGH CANAL.

Mr. ROSS (Dundas), enquired, Whether it is the intention of the Government to make an appropriation and have the same placed in the Estimates this Session, towards effecting urgent improvements for navigation and other purposes, at the Rapide du Plat Section of the Williamsburgh Canal?

Mr. LANGEVIN. This is one of the matters that is under the consideration of the Government in connection with the matters that would receive attention when the Estimates are taken up by Council.

SHELBURNE HARBOUR.

Mr. ROBERTSON (Shelburne), enquired, Whether the Government propose to place a sum in the Estimates for the erection of a fog-whistle at the entrance to Shelburne Harbor, Nova Scotia, and whether the Department of Marine and Fisheries intend placing an automatic buoy this year, at the entrance of Lockport Harbor, in Shelburne County?

Mr. POPE (Queen's). I am unable to state at present what is the intention of the Government with respect to the proposal spoken of.

ORDER OF PUBLIC BUSINESS.

Mr. BLAKE. Before the Orders of the Day are called, I would desire to call the attention of the hon. First Minister that when the first arrangement was made that the Pacific Railway question should have precedence, it was understood that an opportunity would be offered by arrangement, across the floor, to call the Order paper for undebated and unopposed notices; and I would invite the hon. gentleman to name a time at which the paper will be called. It will be convenient to name a time, simply because hon. members may then be present.

Sir JOHN A. MACDONALD. I quite understand the point referred to by the hon. gentleman, but he will see that we have been discussing the question connected with the Pacific Railway policy in Committee for a long time. We have now got you, Mr. Speaker, in the Chair, and the discussion has gone on very fully, and I hope will proceed still more fully. I think it will be to the convenience of the House, and will meet with the wishes of the majority, that the question upon concurrence shall be finally carried, or the reverse. As soon as the question of concurrence is finally carried—and I assume, as a matter of fact, that it will be carried—I will be quite prepared to give every attention, perhaps by personal communication with the leader of the Opposition, to making full arrangements by which the general business of the House shall be carried on.

CANADIAN PACIFIC RAILWAY.

House resumed adjourned debate on the proposed motion of Sir Charles Tupper for the second reading of the resolutions reported from the Committee of the Whole on the 13th January instant, granting certain moneys and lands for the construction of the Canadian Pacific Railway, and the motion of Mr. Blake in amendment thereto.

Mr. KIRKPATRICK. Mr. Speaker, we have been for nearly six weeks discussing the terms of the Pacific Railway contract, that was laid on the Table of the House on 11th December last. Circumstances have placed me where I had a very good opportunity of listening to the speeches that have been made for and against the measure, and I think if listening to speeches, some of them eloquent, others long and labored, others again witty and wearisome, is calculated to place a man in a fit frame of mind to give an intelligent vote upon this question. I think I may claim to be as properly qualified as any hon. member in this respect; but before giving my vote I desire to give expression to some of my opinions upon the matter in debate. Sir, I think the first point that must commend itself to our attention, is the fact that hon. gentlemen opposite have used every endeavor to excite public opinion as to this contract. What was their first attempt? By making excited harangues in this House, and by holding public meetings, indignation meetings, from one end of the country to the other. When at places where full and free discussion took place, the meetings went against them, and when free and fair discussion was prevented, they found on the following night, or within a few days, large and enthusiastic meetings held which endorsed the Government scheme. It is clear to any one that hon. gentlemen on the opposite side failed to excite any popular indignation in the country by means of public meetings. What was the next step taken by hon. gentlemen opposite? They circulated petitions throughout the country. At every principal polling place, on the 3rd of January, petitions were circulated, asking Parliament not to confirm the Canadian Pacific Railway contract. Sir, those petitions, we know, were prepared in Ottawa, they were sent to people through the country, and will the hon. member for West Durham (Mr. Blake), or any of his hon. friends, declare that those petitions are true, or that ten per cent. of those who signed them "read" with alarm and astonishment the terms of the contract. I ask any hon. gentlemen opposite to state if such is the case.

Sir JOHN A. MACDONALD. Only the men of mark have done that.

Mr. KIRKPATRICK. Yes; only the men of mark have done that. I think the persons who read the contract and signed petitions against it are very few in number, and that those who have intelligently read the contract, have come to the conclusion that, under all circumstances, it is a fair and reasonable proposition to accept, and that it is better for the country to accept it than reject it. But what is the last and culminating step the hon. gentlemen have taken? They have brought down a proposition from those rich capitalists. When the hon. member for West Durham, yesterday, boasted they belonged to his party; the hon. gentleman declared that the Liberal party had on its side all the rich men and capitalists—who invariably act against the interests of the people. That was the boast he made in the House yesterday, and when it was suggested that we must be the representatives of the poor people, he retorted by saying, we must be poor representatives.

Mr. BLAKE. I said you were poor representatives.

Mr. KIRKPATRICK. Is it because we are the representatives of the mass of the people that we are poor representatives, and that it was only the representatives of the rich and the capitalists who could be intelligent, and could be good representatives? That is not in accordance, at all events, with the opinions generally held by the great Liberal leaders in England and this country heretofore. All the efforts of hon. gentlemen opposite have culminated in this offer brought down and laid on the Table of this House. What has been the result? The hon. member for West Durham has risen in his place and said he cannot recommend it to this House; that he cannot endorse its terms; but he did this after its defects had been pointed out by the First Minister. Before that time the hon. gentleman, and those who sit beside him, received with enthusiastic cheers the announcement that the offer was to be laid on the Table. They knew its terms; the terms had been canvassed, scanned and criticized, and prepared under the direction of hon. gentlemen opposite, and I do not think the offer reflects very much credit on them. It is a patent piece of plagiarism from beginning to end. If there were anything required to remove my doubts as to the wisdom of accepting the contract, the offer submitted would at once remove those doubts. The points on which I had doubts as to whether the contract should receive my approval, all appear in the offer, and it is time for me to say that these doubts have been removed, and that I am at liberty to vote for this contract now before the House. The hon. member for West Durham undertook, yesterday, to give the House a lecture on constitutional law and parliamentary government, and he told us we were free to accept or reject the contract. It did not require a gentleman of astuteness to tell us that. What are we called here for? Take the amendment and you will find that the wordy preamble winds up by telling us that the House is not bound to legalize the contract unless it is in the public interest to do so. We know that. Hon. members are brought here to consider this matter, and to accept, reject or modify the contract. Of course, if we amend it without the consent of the contracting parties, it is equivalent to rejecting it, for the contractors are then released; but we can accept, reject or amend it as Parliament pleases. But, Sir, the hon. gentleman, not content with that, appealed to us to dissever ourselves from the ties of party, to come forth and consider this matter free from party and for the best interests of the people. I think that is rather a curious appeal to be made by the hon. member for West Durham. Why does he behold the mote in his brother's eye, and considers not the beam that is in his own eye? Who, of all public men in this country, has been the most frequently called upon by the young and ardent politician of Ontario to dissever himself from the ties of party, but the hon. gentleman from West Durham? Who has stood more than once shivering on the brink of party and feared to launch away? The hon. member for West Durham. Who was it that yielded to the whip of the party leader and entered the Government in 1875—for I will not do the hon. gentleman the injustice to suppose that it was any desire for place or power that induced him to enter into that Government, which he had been trying the Session before to undermine and upset? Sir, it was the whip of the party leader that called him there, and here we are called upon now to receive his rebuke for partyism. When I heard him addressing the House yesterday in those terms I could not think how applicable to him were these lines:

"Here lies our good Edward whose genius was such,
We scarcely can praise or blame it too much;
Who born for the universe, narrowed his mind,
And to party gave up what was meant for mankind."

There was another appeal the hon. gentleman made yesterday, backed up by the hon. and gallant knight for Centre Huron (Sir Richard J. Cartwright), and that was that there should be a dissolution and an appeal to the country. And this is the last resort, after their efforts to excite indignation in the country!

"Despair and utter dissolution is the scope of all their aims."

Well, I do not think they will be gratified in this respect. There has been no public expression of opinion to justify a dissolution. There have been petitions presented to this House signed by 15,000 people, representing two per cent. of the voters of this country, and it is for such opinion that hon. gentlemen opposite ask for expression of dissolution. Last night the hon. member for Centre Huron supported most strongly an appeal to the people. I had the pleasure of meeting that hon. gentleman a short time ago at a meeting of the citizens of Kingston, a meeting called by order from Ottawa, on the requisition of the officers of the Reform Association of the city of Kingston, and I will do the Reformers of Kingston the justice to state that it was a large meeting of the intelligent citizens of Kingston. There we had a free and fair discussion, and I leave it to the hon. gentleman himself to say whether that meeting did not decide in favor of the contract.

Sir RICHARD J. CARTWRIGHT. Decidedly not; they carried a resolution against it.

Mr. KIRKPATRICK. The hon. gentleman says "no." At that meeting the hon. gentleman promised the people that he would come back and finish his speech on another occasion.

Sir RICHARD J. CARTWRIGHT. I did not say anything of the kind.

Mr. KIRKPATRICK. I challenge him now, in the face of this House and of this country, to go back to the city of Kingston and discuss this contract again before another meeting. I will go further, and I will challenge him to do this. The city of Kingston is represented in this House by a Reformer. It is a Reform constituency according to the hon. gentlemen opposite. I challenge him now to ask his friend and follower, the hon. member for the city of Kingston (Mr. Gunn) to resign his seat and to open the constituency.

Sir RICHARD J. CARTWRIGHT. We will do it.

Mr. KIRKPATRICK. If he will resign his seat for Centre Huron I will resign mine for Frontenac, and I will run against the hon. and gallant knight in Kingston, and we will test the opinion of that constituency. I will go to the city of Kingston, where the hon. gentleman has lived all his life and where he is best known, and I will contest with him the question whether this contract should be endorsed. If he does not accept the challenge let him never state again that the people of Kingston are against this contract. I have just had put into my hands a report of a meeting last night at Port Hope, called by the hon. gentlemen opposite, which states that the meeting was three to one in favor of the Government. Now, let us see what are the points in this contract that hon. gentlemen object to. Hon. gentlemen opposite have stated that this contract was illegal because it was not in accordance with the Act of 1874; there were no tenders invited, therefore the whole thing was illegal and we were wasting our time discussing this matter. I suppose that if the Parliament of Canada had power to pass the Act of 1874, they have power to pass this Act, and if one is legal the other must be so. But I have known some contracts made with regard to the Pacific Railway which do not and could not come under the terms of the Act of 1874. They tell us about advertising for tenders, and about getting parliamentary authority. I would ask him to tell us what parliamentary authority they had when they made the contract for 50,000 tons of steel rails, and for making a telegraph line before the location of the Pacific Railway was decided upon. Does not the hon. member for West Durham remember that that

point was raised in this House, that the illegality of the course pursed by the hon. member for Lambton was pointed out, and that when a motion was made declaring that the contract for the construction of the telegraph line was not warranted by the Act of 1874, that hon. gentleman left the House rather than vote upon it? Those contracts were assumed to be made under the Act of 1874, and did we hear those hon. gentlemen condemn them? No; they were as mute as mice, and they voted for the contracts. But now when this offer is made for the building of the Canadian Pacific Railway, an offer which the whole country was delighted to hear of, hon. gentlemen opposite raised the quibble that there was no power to receive tenders, because an advertisement had not been issued bearing the royal coat of arms at the head of it. It was known throughout the country that the Government was considering tenders for the construction of this road; the journals of the hon. gentlemen stated that people were asked to come here from all parts of Canada to take stock in this road, but after coming here they refused it and went away. We were told by hon. gentlemen opposite that the Act of 1874 was infinitely better than the present contract, for two reasons: first, that the money grant was much less, and, secondly, that the land grant gave no power of selection, and the Company had to take the good and the bad from Lake Nipissing through to the Pacific Ocean. Now, Sir, we all know that the boundaries of Ontario extend, at all events, to the Winnipeg River, and some contend that they extend a great deal farther; therefore, there could be no land given to the contractors under the Act of 1874, between Lake Nipissing and that point. All that land had to be made up from other points that represent a distance of 650 miles. Yet we are told by the hon. member for North Norfolk (Mr. Charlton) that the contractors under the Act of 1874 had to take their land, good and bad, from Nipissing to the Pacific Ocean. Did he read that Act, or did he speak in ignorance? Did he intend to mislead the House or not? Which ever horn of the dilemma the hon. gentleman chooses to take they must both be equally unpleasant for him. The Act of 1874 prescribes further that we shall give a cash subsidy of $10,000 a mile and a guarantee of 4 per cent. interest upon the whole amount, but we find that this resolution, which has been placed in your hands, and which ought to be correct in every particular, states that by the Act the cash expenditure to be paid to the contractor is to be $10,000 a mile, or about $27,000,000 for the whole line, apart from the cost of the surveys, which might or might not form part thereof. Well, Sir, if that document, as it ought, tells the truth, the whole truth, and nothing but the truth, where is the reference in it to the 4 per cent. guarantee? Do we not know that that guarantee means another $8,000 a mile at least? Mr. Foster undertook to build a portion of the line on a guarantee of 4 per cent. on $12,500 a mile, but a Mr. Munson offered to do it on a guarantee of 4 per cent. on $7,500 a mile. That contract was assigned to Mr. Foster, but he found that he could not do the work and his deposit was returned to him. Therefore, I think we are justified in assuming that the lowest sum they could do it for was the 4 per cent. guarantee on $12,500 a mile, which is equal to $8,000 in cash. And yet no statement of this is made in this document of the hon. gentlemen. This resolution also states that by the Act the Government is to have control of the sales of two-thirds of the land grant, and that the land grant of the Company remains subject to taxation. To both of these statements I demur; they are not a correct statement of the case. The land sales were not subject to the uncontrolled control of the Government. They could not sell the lands except at prices fixed on by the Government and the contractors; both parties had to agree to them. As to the lands remaining subject to taxation, two-thirds of those lands remain in the hands of the Government, and does the hon. gentleman mean to say that while they are in the hands of the Government they are subject to taxation, that until sold they are liable to taxation? Where is that stated in the Act? At the most, only one-third of the lands to be given to the Company can be held subject to taxation, and, therefore, the Act of 1874 and the contract now before the House, with regard to taxation, are practically the same. The hon. member for West Durham tried to make a great point about a clause in this offer, which is not in the contract, and which the new Syndicate generously give the Parliament of Canada power to resume possession of this railway after it is built. Now, I would like to call the attention of the House to this clause:

"At any time after the completion of the Canadian Pacific Railway, or of the parts thereof that are to be completed hereunder, the Government shall be entitled to acquire the same and all the property and assets of the Company, paying therefor such compensation as may be agreed upon; or in case of disagreement, such compensation shall be settled by the decision of the majority of three arbitrators, one to be chosen by the Government, one by the Company, and the third by the two so appointed."

Now, what does this amount to? It does not say, you will observe, that the Government or the Parliament of Canada are to have power of resuming possession of this line on paying to these contractors the amount of money put in by them; but simply that we are taking back the property and assets of the Company, after the completion of the road. Another clause of this offer says:

"Upon the completion of the eastern and central sections, the Government shall convey to the Company, with a suitable number of station buildings and with water service (but without equipment), those portions of the Canadian Pacific Railway constructed or to be constructed by the Government, which shall then be completed."

So that all the work on this railway done by the Government is to be handed over to this Company, and to become its property and assets, together with 22,000,000 acres and $22,000,000, and the Government and Parliament of Canada are to have power to buy all this back on paying the Company compensation therefor. A pretty clause that is. Taking the land at $3 an acre, we are to buy back our land for $66,000,000, and the portions of the road built by the Government for $28,000,000, and the work representing the moneys bonus 22,000,000 in all, $116,000,000 which Canada is to have the privilege of paying these gentlemen to get back our road. Well, Sir, I would sooner have the contract without any such clause at all. The Parliament of Canada, like the Parliament of Great Britain, is supreme, and if, in the public interest, it becomes necessary to resume possession of this or any other road, the Parliament of Canada has a right to do it upon providing, in a fair and reasonable manner, for vested interests. Have we never heard how the Parliament of Great Britain took away from the slave owners of the West Indies their slaves and paid them for them? Have we never heard how the Parliament of Great Britain took away from the Irish Church the property that belonged to it and paid for it? Have we never heard how the Parliament of Great Britain at the present day are contemplating taking away from the landlords of Ireland their land? Do we not know that the Parliament of Great Britain resumed possession of all the telegraph lines of that country, and simply paid interested parties for their vested interests? What more could they do than make compensation for taking away property and assets? Sir, this clause, of which so much has been made, is the veriest nonsense, and I believe this House and the country will infinitely prefer to have this contract as it is without any power of resumption. Why, when it leaked out through some leaky individual that the Government were going to take back this road at the end of twenty years, the *Globe* newspaper had an article headed "An Impossible Bargain," which ridiculed the idea, and could not believe that even the Government of Sir John Macdonald could be guilty of such a gross piece of impru-

dence as to insert in the contract power to take back this road which it would cost so much to run.

Mr. WHITE (Cardwell). That was to take it back for nothing.

Mr. KIRKPATRICK. Yes; to take it back for nothing after the ine was completed, and run it. We know the opinion of hon. gentlemen opposite as to the cost of running this road. In 1879, not so long ago as eighteen months, there was a debate in this House with regard to the setting apart of 100,000,000 acres of land for the building of this road. Hon. gentlemen opposite ridiculed the idea of that land being sufficient for the purpose. The hon. member for Lambton said:

"If the hon. gentleman's expectation of getting $2 per acre for those 100,000,000 acres should be realized, I will confess to him that I have been utterly mistaken in my idea on this subject."

That was in 1879. We have the opinion of another leading member of the Opposition, as to the cost of running the road. Mr. Mills said in 1879:

"Mr. Fleming some years ago estimated that the interest on the money required for the construction of the railway, and the cost of working the railway for many years, would amount to $14,000,000 per year."

No wonder, entertaining and giving expression to these opinions, hon. gentlemen opposite should be utterly astonished at the idea of the Government resuming possession or allowing these contractors to build the road and then hand it back to the Government, so that the Government would be at the cost of running it. No wonder they should raise a howl through the country when it was suggested that was the case; but with their usual facility for turning somersaults, as soon as it was known that contract bound the contractors to efficiently maintain and operate the road forever, they immediately changed their base and said: "Oh! we ought to get possession of this road again."

Mr. MILLS. That is what Mr. Fleming said.

Sir JOHN A. MACDONALD. Is Mr. Fleming a member of the Opposition?

Sir ALBERT J. SMITH. They say he belongs to the Government.

Mr. KIRKPATRICK. And Mr. Fleming was quoted with approval by the hon. member for Bothwell.

Mr. MILLS. What do you say is the cost of running the road and interest on the money?

Mr. KIRKPATRICK. I say the cost of running the road will be from $6,000,000 to $8,000,000 a year, and the interest which the Syndicate will have to pay on borrowed money will be some $3,000,000 more; and I say that for many years the traffic will not pay for the expenditure of running that road. The same year the hon. member for Gloucester (Mr. Anglin) gave expression to his opinion which was utterly at variance with the opinions expressed by him the other day. The opinions of hon. gentlemen opposite have all changed in one year. We have heard of persons who changed their opinions in the course of one revolving moon. One revolving year brings about a complete change of opinion in the minds of hon gentlemen opposite. Should the Government, in a very short time, come down and say: "We do not approve of this contract;" no doubt these hon. gentlemen would laud it to the skies; and the following year they would again cry out: "Oh! you should build it by a company." The hon. member for Gloucester said:

"The entire cost would at least be $100,000,000. The estimated expenditure was increasing from 50 per cent. to 70 per cent. First 500,000 acres, next 625,000, then 750,000 must be settled merely to pay the interest. Did any one imagine that the settlement of that country would progress more rapidly than at that rate? There would be more than sufficient to pay interest on the money, and by the time the road would be built a very great portion of those lands would be disposed of. They could not imagine that, by any manipulation of these lands, money could be got to pay one-fourth the cost of the railway."

That was in 1879, eighteen months ago. What was the attack made on us eight months ago, in which the whole artillery of hon. gentleman opposite, all the eloquence they could command were brought to bear. They attacked one flank of our party on this question and tried to frighten it by magnifying the cost of building the railway, by belittling the lands in that country, by belittling our chance of bringing settlers into it, and they made such a mountain of a molehill that they actually did frighten some of our members and prevented one or two from voting for our measure last Session. But when they find we have made finite the ultimate result of this undertaking, they change their base. They attack the other flank of our army. They say "Oh! this road could be built so easily and so cheaply, and these lands are worth so much that you are giving it all away; you are giving too much for it—although we are giving much less than they said last year it would cost." I do not think now their attack would have even as much effect has it had last year. I am confident, as the hon. Minister of Railways said, that this debate has had one good effect. It has brought forth from the other side some patriotic speeches. It has made hon. gentlemen opposite praise the country and acknowledge we have a great and glorious future before us with respect to the North-West. What were the speeches they made last year? They tell us now that we are giving 25,000,000 acres of land, and that they are worth all the way from $2 to $5 per acre, but they agree pretty much on $3 as the value. I believe that in the course of time when the country becomes settled, the average price realized will be $3 per acre. How long will it take to settle that country to sell the lands?

Sir ALBERT J. SMITH. Ten years you said last Session.

Mr. KIRKPATRICK. If the opinions of the hon. gentlemen opposite are worth anything they must be worth something on this point. Let us see what these opinions are. The hon. member for North Norfolk (Mr. Charlton) is considered to be a shining light on statistics by hon. gentlemen opposite. He gives statistics on every question and all sides of that question. I will quote some of his figures, and ask him if he will go back on himself now, or agree with me that it would take a long time to settle those lands. Eight months ago the question of how long it would take to settle that country was up for discussion. On this side of the House the prophecy was made that we would have 550,000 people in there in ten years, but the hon. member for North Norfolk ridiculed the idea. He said: "It took the United States thirty years to found a population of 555,000 into the north-western States. Do you expect to have more people into our North-West than the United States did into theirs? I do not believe that you will have 350,000 there in ten years." He gave a little calculation of what would be the value of the lands and how much would be realized from them in ten years. The member for North Norfolk said last Session, what I am going to read from page 1560 of the *Hansard*:

"But suppose the population would be less than 350,000 within the next ten years—if it reaches that number, settlement will be much more rapid than in the United States North-West, under similar circumstances—he will find, taking the average holdings in that country, he will have disposed of 4,410,000 acres in farms derived one-third each from homestead grants, and preemption, and railway land sales, 1,470,000. If we add, for sales of speculators, 750,000 acres, it will make a total of 5,160,000 acres, representing in money and mortgages $6,670,000, instead of $71,000,000. But I predict he will not see 350,000 in our North-West in ten years."

Now, if we do not see 350,000 people in our North-West in ten years, and the Syndicate, not being able to dispose of 5,000,000 acres, how long will it take them to settle the country or dispose of their 25,000,000 acres, and get back this $3 an acre, which hon. gentlemen opposite say the land will fetch? If they go to the market of England to-day, and raise a dollar an acre on their land, do you know that in

twenty years they will have to pay, by way of interest, no less than $2 for the $1 so borrowed, and then the land must realize $3 an acre before they will have recouped themselves, the mere bonds to be issued on their lands? I think it will be an average of twenty years before this large tract can be disposed of. If they have succeeded in that time I shall be glad, because it will be an evidence of the industry, ability, and exertions of the Company, of bringing settlers into that country.

Sir ALBERT J. SMITH. You said the land would be worth $3 an acre last Session.

Mr. KIRKPATRICK. We are taking your words and estimate now. If you do not think your statements are reliable, of course I am willing to change my argument, but I am trying to convince hon. gentlemen opposite of the fallacy of their arguments from their own statements. If they will, however, take the statements of my friends on this side, and prove to them that this is a good principle to go upon, I shall be quite satisfied. I shall be prepared to prove to them in that case that this is a good bargain. But I am trying to prove to those hon. gentlemen out of their own mouths, the statement I am making, that this land is really only worth to the contractors one dollar per acre for the purpose of raising money; while hon. gentlemen opposite have told us enough about the cost of building this railway, they have omitted all mention of the interest to be paid by the contractors for the money they must raise, before getting any money from the lands. They have not told us anything about the expense the contractors will be put to in bringing settlers into that country. We know the expenditure incurred by railways in the Western States for the settlement of their lands. I have been told, on good authority, that one railway, which may be taken as an example, the Atcheson, Santa Fé and Topeka Railway Company, incur an outlay for advertising their lands, and bringing settlers upon them of, on an average, no less than eighty-eight cents an acre. If these Canadian contractors simply build their line and sit down and expect immigrants to come upon their lands, they will be sadly mistaken, in regard to any profitable result. They have got to send agents all over Europe and the world, to follow the example of the railways in the States, and to be active and energetic to beat them. Is there any hon. member in the House who has not observed at the various railway stations, glass cases and jars containing wheat, corn, and other products of the Western States, not placed there by the Government of the United States, but by active railway corporations for the purpose of attracting emigrants to their lands? The Syndicate will have to follow this example, and advertise their rich and fertile lands all over the world, with their numerous inducements to settlers. Hon. gentlemen opposite did not make any allowance for this duty and outlay. How many millions will it cost the Syndicate in the next twenty years for this work before they can sell their lands, build the road, and make it pay running expenses. I do not think it will be less, including interest on the annual expenditure than nine or ten million dollars. When considering whether this railway, this great national highway, should be built by the Government or a company, we must remember that its construction by a company would greatly relieve our Immigration Department from the expense of bringing immigrants into this country. The expense would, to a great extent, fall on the company, and the Dominion Treasury would be relieved *pro tanto*. We have some other clauses in this contract which hon. gentlemen opposite are relying upon as being very onerous. The fact that 25,000,000 acres and $25,000,000 are not too much to give the Syndicate, is I think proved by the new offer, which only deducts 3,000,000 acres and $3,000,000 from that amount for the work. If the one company would be a land monopoly, so would the other. If granting 25,000,000 acres would creat a large railway monopoly, what would be the effect of granting 22,000,000 acres? Would the effect be not practically the same. But the fact that the new company has made such an offer, asking a nominally smaller amount, shows they never expect to carry out the contract in its entirety. The money and land grant to the old Syndicate is accepted by the country as fair and reasonable. It was known this amount of money and land would be given throughout the length and breadth of the country, yet nobody came forward to offer to do the work for less. The real objection then is not to the want of the land and the money bonus, but to the other clauses of the contract, which I am prepared to discuss with hon. gentlemen opposite. The strong point the hon. member for West Durham took against the contract, in his first speech, related to the question of the standard. He drew a terrible picture of the Northern Pacific Railway, when first built, running upon stilts, with cotton-wood ties, and so forth; all sorts of horrors were painted should the Canadian Pacific be built on such a standard. Now that objection has been removed. A letter has been laid on the Table, stating it was not their intention to follow that standard, but that the standard should be that of the Union Pacific Railroad in 1873. Hon. gentlemen opposite have no improvement to make on that, because they put the same as a condition in the new offer made. Hon. gentlemen opposite, sitting behind their leader, have made some terrible calculations as to the profit the Syndicate will make. The member for Centre Huron said that this change as to the standard as he called it, but as I would call it, this making plain of the real meaning of the clause, was worth no less to the country than $10,000,000. That is so much less profit to the contractors. With reference to the clause dealing with the exemption of materials from the payment of duty, it is undoubtedly a concession to the Syndicate for reasons which are quite plain. The hon. member for Lambton estimated that the amount of these exemptions would be between four and five millions dollars, but I have been trying to calculate, and I can arrive at no such enormous sum. If you calculate the duty upon the bolts, nuts and fish-plates at 30 per cent., and upon the spikes at 20 per cent., for the quantity of these articles required for 2,000 miles of railway, you get a total of $98,000. Fish-plates are free at the present moment, and will be free until the first of January. So with regard to steel rails. I do not think the House or the country would ask these gentlemen to construct a great public work of this kind and tell them hereafter they were going to impose duties upon articles which now, according to the policy of the Government, are admitted free, but we should rather deal with them on the basis of the present tariff. And even if you include the duty upon wire, the whole of the exemptions do not amount to more than $130,000, and that surely is not a large sum for hon. gentlemen opposite to make such a fuss about. But thay tell us if we accept the new offer there will be none of these exemptions. But there is a very peculiar exemption clause in this new offer. It tells us that the Government are to furnish 75 per cent. of the cost of the steel rails whenever they are brought into the country, so all the new Syndicate would have to do would be to buy the steel rails for the whole of their contract this year, bring them in and then the Government would have to pay 75 per cent. of the cost. They would get them in free of duty, and the country and not the Company would have to pay the interest. And what else? These contractors know very well that if they succeed in carrying their offer the consequence will be that their friends on the Opposition benches will have control of the government of this country, and that their avowed policy being one of free trade—to allowing everything in free—there is no reason for an exemption clause. Of course, if the old Syndi-

cate were to put up iron bridges the duty would amount to a great deal. But we could not force the contractors to build iron bridges. They are to build a first-class road upon the standard of the Thunder Bay branches, built by the late Minister of Public Works, and there was no iron bridges upon that road. And then we could not therefore bind them to build iron bridges. It it not desirable that we should encourage them to build iron bridges by allowing the material for such structures to come in as cheaply as possible. I think the reason for the clause in question is plain and palpable to any one who looks at the matter from a patriotic point of view. Then it is said that the clause with regard to exemption from taxation is eliminated from the new offer. But in the *Globe* of last Saturday we find rather a curious statement with reference to this subject. It says:

"The Canadian Syndicate asks for none of these franchises, being willing to leave the question of taxation on the road stock, and lands to be decided in the North-West, as it has been decided elsewhere."

That is to say, we propose to change the forum, to change the venue, and appeal to the people in that country Is not this a palpable subterfuge? Is it not patent that this railway corporation, which will be a powerful corporation —as any corporation which builds the railway will be— which will be of incalculable benefit to that country, and will have the privilege of locating towns and villages and stations and workshops, will be able to say to the municipalities: "You must exempt us from taxation or you cannot have the station. We will move it a mile or two further on." This present exemption clause only applies to the prairie section from the western boundary of the Province of Manitoba to the Rocky Mountains; it does not apply to the line west of Lake Superior, where they will be liable to taxation.

Sir ALBERT J. SMITH. It applies to the branches through the territories.

Mr. KIRKPATRICK. Yes; in the west, but it does not apply to the parts in Ontario or Manitoba, or in British Columbia. The people in these provinces can tax the road as much as they like. But are they going to do so? When it was announced that the road was to be built by the Syndicate, a deputation from the city of Winnipeg went to Mr. Angus and Mr. Hill, in St. Paul, and offered them freedom from taxation forever and a free site if they would build their workshops in Winnipeg. And that is the place to which these hon. gentlemen say let us refer the question of taxation. If they were sincere they would require a clause binding their Syndicate not to ask or to accept exemption from taxation, but they know very well that as the offer stands the people will be only too glad to exempt the Company from taxation. As to the exemption of the land, it would be a monstrous thing for us to give these gentlemen a land grant of 25,000,000 acres, and then tax the land. How could these gentlemen raise money in Europe, if they had to tell capitalists that their security was liable to be taxed. Why, Sir, we could pay the whole expenses of this Government by the taxes upon those lands, but it would not be fair or politic to do so.

Sir ALBERT J. SMITH. It was fair in 1872.

Mr. KIRKPATRICK. No; because, by the Act of 1874, the lands remained in the hands of the Government. If we were to refuse to ratify this contract now, what would be the consequence? That these lands would fall back into the hands of the Government. Would they be liable to taxation? Will the country be any better off, if we refuse to give this condition? If we undertook to build the road ourselves, will we be any better off, and will we get taxes on our own lands?

Sir ALBERT J. SMITH. Sir Hugh Allan's contract did not tax them.

Mr. KIRKPATRICK. I am not speaking of that, but of the present contract. I do not know what was in Sir Hugh Allan's contract in that regard, and it does not make any difference in my argument. Under Sir Hugh Allan's contract we gave $30,000,000 and 50,000,000 acres of land, and we put in a clause that the land should be liable to taxation. But he could not raise any money on the lands, and perhaps that was the very clause that caused him to fail. We do not want to give another contract that, when presented to the money markets of Europe, will fail. There must be no more failure in this matter. We are in earnest this time to build this road through from ocean to ocean, and we will put no condition in it that will prevent its being carried through to successful completion. The greatest objection that hon. gentlemen see, is the monopoly clause, as they call it—that this Company shall have complete control of the North-West. I fail to see that they are going to have the monopoly hon. gentlemen predict. But such a thing of having control of a single line for an outlet was not beyond the contemplation of hon. gentlemen opposite. In 1878 the hon. member for Bothwell (Mr. Mills), then a member of the Ministry, introduced a Bill with respect to Colonization Railways, and what do we find him stating? He is speaking of the settlement of the North-West, and in favor of a Bill which promised to give to any ten or five persons who would come forward and form a company, letters-patent incorporating them, and giving them authority to build railways wherever they liked, and giving ten sections a mile for all east of the 102 west meridian, west of that point twelve sections, in the Peace River district twenty sections, all showing that they were not only willing to give millions of acres for building the Pacific Railway proper, but to give other millions of acres to build lines of railway up into the fertile belt, which, I ask the hon. gentlemen to remember, will be built under this contract without any further subsidy or land grant.

Mr. MILLS. How do you know?

Mr. KIRKPATRICK. Because the land will be of no use to them, unless railways are built to them and through them, and because the organ of the hon. gentlemen opposite states that such will be the policy. The *Globe* newspaper states that one effect of this contract will be the building of branch lines by this Company throughout the North-West, without any further subsidy or bonus at all. So that we will not only have a line of railway of 2,700 miles, but we will have railway permeating the North-West besides the principal line. Suppose they received the same bonus per mile as the hon. gentleman offered to give the colonization railways, we will have 2,140 miles more of railway built into this fertile belt, and all for nothing.

Sir ALBERT J. SMITH. They are not obliged to build any.

Mr. KIRKPATRICK. They are not obliged to build any, but they are men of common sense, and they know that they have a vast state there which will be useless to them, just as it is useless to us now, unless they build railways into it; and they know a great deal bettter than hon. gentlemen opposite pretend to know that these lands can only be made use of by putting settlers upon them, and they can only get settlers to go there by building railways to the lands. This they will undoubtedly do. The *Globe* assumes that with this power of building branch railways and taking alternate sections on each side of the branch line, even for a distance of only 6 miles, we shall have no less than 3,640 branch lines. This is the calculation of the *Globe*, and I hope it will be realized. Look at the railway statistics of these Western States that have made the most rapid progress in popu-

lation and wealth. Let me read a table of the number of miles that were built in the Western States in 1878: Ohio, 6,233 miles; Indiana, 4,066 miles; Illinois, 8,624 miles; Michigan, 3,338 miles; Wisconsin, 2,963 miles; Iowa, 3,038 miles; Missouri, 4,426 miles; Pennsylvaria, 5,682 miles; making a total of 38,422 miles. It is estimated that fully 7,000 miles have been built in those States since the close of 1878. Now, this shows that railways are required to be built to develop and open up this country. We are not engaging in any new experiment. We have seen the effect of the policy we are now pursuing in those States to the south of the line. We have just as fertile land as the Western States, just as salubrious a climate and many people believe that we have better land and better climate. All we want is the same energy, the same push and the same determination to develop our North-West, as have been exhibited south of the line. There is one difference between our public men and those of the great Republic, and that is, that go where you will in the United States you never find there public men decrying their country and advocating the claims of another country; you never find them uttering jeremiads about the future downfall of their country, about a growing debt or about a huge monopoly that is going to gnaw out the vitals of their country. Sir, I believe this railway company will not be a monopoly and I will tell you why.

Mr. MILLS. Will they value their lands at $5.50 an acre?

Mr. KIRKPATRICK. It is the railways that give that value to the lands. What is the value of that land to us now? For every section the Company has that is worth $5 an acre, we have a section lying alongside of it that will be worth the same. Ought we to find fault with these men for making improvements on their lands when such improvements will benefit the Government lands also? If the Company's lands will be worth $5 an acre the people of Canada have good reason to rejoice that the immediate results of the building of this road will be to augment to such an extent the value of the lands in the North-West. And yet hon. gentlemen opposite wanted to delay this work, and last year they said we ought to build only 100 miles west to the prairie. When these men were in office during five years they never got a mile of that railway built west of Red River.

Sir ALBERT J. SMITH. It would have been better if you had not built to the west of Red River either.

Mr. KIRKPATRICK. Well, we are going to build it This contract is going to receive the endorsement of Parliament and the people; it will be built; and this Parliament will have the proud satisfaction of showing that they have voted for a contract which will enable this country to carry out the terms of the contract with Lord Carnarvon, made by hon. gentlemen opposite. What prospect would there have been of doing that if the amendment of last year had been adopted. Hon. gentlemen ought to remember the terrible denunciation uttered by Lord Dufferin upon any man who would be guilty of such base and treacherous conduct as to break that contract. The terms entered into with Lord Carnarvon were: first, that the Esquimalt and Nanaimo Railway should be built; second, that no less than $2,000,000 should be spent annually in railway construction on the mainland in British Columbia; and third, that the railway should be built from the western end of Lake Superior to the Pacific Ocean on the 31st of December, 1890. There was no clause, as was stated by the hon. member for Centre Huron (Sir Richard J. Cartwright), respecting no increase of taxation, and this contract was solemnly entered into irrespective of increase of taxation.

Some hon. MEMBERS. No, no.

Mr. KIRKPATRICK. Yes; irrespective of increase of taxation. I ask hon. gentlemen who say "no," to point out the clause in the Carnarvon terms which refers to increase of taxation.

Mr. ANGLIN. I say the Government, now or then, had no right to bind this country by any declaration.

Mr. KIRKPATRICK. I ask the hon. gentleman to point out the clause in the the Carnarvon terms, which limits the engagement.

Mr. MILLS. The terms were made subject to the resolution limiting the rate of taxation, and to the Act of 1874.

Mr. KIRKPATRICK. No, Sir, they were not, and the hon. member for West Durham (Mr. Blake) did not take exception to these terms, but only to one of them—that for the construction of the Esquimalt and Nanaimo Railway, which he refused to be a party to. When the Bill referring to that railway was thrown out, the then leader of the Government made overtures to the hon. member for West Durham to enter the Government, and at the next Session he stated that that clause was to be omitted, but that all the others were to remain intact; and the hon. member for West Durham then became equally bound to them. I would like to read the language used by Lord Dufferin in British Columbia, when he was told that his Prime Minister had intrigued to throw out these terms. He said:

"Had Mr. Mackenzie dealt so treacherously by Lord Carnarvon, by the representative of his Sovereign in this country, or by you, he would have been guilty of a most atrocious act, of which I trust no public man in Canada, or in any other British Colony, could be capable. I tell you, in most emphatic terms, and I pledge my own honor on the point, that Mr. Mackenzie was not guilty of any such base and deceitful conduct; had I thought him guilty of it, either he would have ceased to be Prime Minister or I should have left the country."

These are the terms which Lord Dufferin applied to any man who would be guilty of trying to break the Carnarvon terms. The Government, of which the hon. member for West Durham was a member, were bound to carry out those terms; but by their resolution of last Session, they showed that the language of Lord Dufferin was applicable to them. The country will receive with satisfaction the action of this House in endeavouring to keep that pledge; and when the Government tell us that this pledge shall be kept to the letter, without causing an increase of taxation, I say this is something that will redound to the credit of hon. gentlemen who were engaged in the negotiations for that purpose, and will be a matter of which they may be justly proud in future years. Before the hon. gentleman interrupted me I was showing that the branch railways in the North-West would be built by this Company without the grant of an additional dollar, or an additional acre of land; so that for the grant of 25,000,000 acres of land, and $25,000,000, we shall not only have the Canadian Pacific Railway, but 2,000 miles of branch railways permeating the North-West and opening up that country. But, say hon. gentlemen, "It is true you are going to open up that country, but there is only one outlet." Well, Sir, the hon. member for Bothwell (Mr. Mills), when Minister of the Interior, made use of the following language, which shows clearly that the Government had it in contemplation to build this road by a company, and to give to that company the only outlet from the country. He says, indeed, that he was aware that it was important to avoid railway communication through the adjoining Republic, and I suppose my hon. friend in the Government, after reading the hon. gentleman's speech, inserted this clause in the contract with regard to allowing other railways to go no further than fifteen miles of the boundary. The hon. gentleman said, in 1878:

"The larger the settlement in the North-West, the greater the traffic coming from that country and the vicinity of Winnipeg, and finding its way to Lake Superior, by so much the more would the c st of maintaining that section of the railway be diminished, and in the same proportion would inducement be held out to a company for the construction of the Pacific Railway if they found the entire North-West was to find its outlet by that single line."

So that this limiting the outlet to a single line is the policy which hon. gentlemen on this side have taken from the hon. gentlemen opposite. They appear to have got into trouble with everything they adopted from hon. gentlemen opposite, who make it a point to object specially to everything they formerly advocated. I do not think this Company of monopolists is going to be of any consequence. Will this railway have no competition? What is the line 49? Is it not an imaginary line? Are there not lands to be settled to the south of that line, and if the railway proves to be a monopoly, if it should exact an onerous tariff, so that it would be impossible for settlers to live there, what would be the consequence? Would the settlers go in, or, if they should go in, will they remain there? Will they not go to the south of the line, where they will have competition in railways?

Sir ALBERT J. SMITH. No doubt.

Mr. KIRKPATRICK. Is it likely those business men will allow this to take place? Is it likely they will kill the hen that is laying for them the golden egg?—that they will drive away the settlers from whom they expect to get a return, and from whom only they could get a return for their investment? The arguments of hon. gentlemen opposite are altogether inconsistent. First of all you hear an hon. member state, as either the hon. member for Centre Huron or West Durham did last night, that the Syndicate is going to have such a large grant for building the prairie section that all they would have to do would be to put the profits in their pockets and walk away. Up gets another gentlemen, and tells us we are going to have the hugest monopoly possible, which would make millions out of running the road. If they are going to make millions by running the road, there is no danger of them walking off after building the prairie section. If there is a monopoly, there is no danger that they will not finish the road. This contract has been constructed so that every part may be readily connected with the other parts; and the reason why a larger subsidy is given for the prairie section than hon. gentlemen opposite wish, is that the contractors may have means whereby they can build this portion of the road rapidly, and build the collateral branches to the north of the main line, and to assist in defraying the cost of the more difficult portions, and to pay running expenses at the outset. There are some clauses in this contract which the hon. gentlemen tell us should not be accepted. But these are unimportant details. They tell us that in a measure of this kind, involving millions of dollars and consequences of the greatest moment to this country, we should haggle over these details. Let us see what is the opinion of the hon. gentlemen opposite in this respect. On this side of the House, we find it impossible to guide our action by the opinions of hon. gentlemen opposite. When we read the speeches of hon. gentlemen one Session, ruminate over them and try to approach somewhat nearer the policy they advocate, they tell us the next Session, that is not what they meant at all. They turn their coats so rapidly and deftly it is impossible to follow the changes. Let me tell you what the hon. member for North Norfolk, that shining light, has told us about these unimportant details. Speaking of the great advance the Western States had made since Stephen A. Douglas, in 1850, had, by his energy, push and determination, carried out the policy which we are endeavoring to inaugurate to-day, of giving land grants to railways, and getting railways to permeate the country, the policy which has changed these prairies from a wilderness without inhabitants, into a country blossoming like the rose, with flourishing cities, towns and hamlets, through the length and breadth of it, he said:

"Some of the railways had perhaps been subsidized more than were necessary in land grants, but capitalists would not embark their money unless they had a prospect of a fair return; and it was folly to haggle with them about an unimportant difference when important differences were at stake."

If that was the case two years ago, what is the case now? Are there no important interests at stake here? Is it not important that we should settle that great country, and carry out the pledged faith of the country. And if it is, why should we haggle about these unimportant details? Is it that hon. gentlemen opposite may get back to the places they formerly occupied? I am sorry I do not see the hon. member for Centre Huron in his place, because when I think of the getting back, it calls to my mind his expressions, last night, about the Pacific scandal. It seems he can never make a speech, in or out of this House, without alluding to the so-called Pacific scandal. What ought to be the course of that hon. gentleman? It seems to me that if he were wise and prudent, he would never mention the Pacific scandal again. We all know that there was not a platform or a hustings in this country where the charges were not made, with all the force that eloquence could command, with all the venom that malice and hatred could supply. There was not a town, or hamlet, or house from Victoria to Cape Breton that had not heard of these charges, where these charges were not discussed. But what was the answer the people made to them. They said to the hon. gentlemen opposite; either we do not believe you; or, true or false, we would sooner have Sir John A. Macdonald and his colleagues with all those charges, than a repetition of the acts of incapacity, extravagance and corruption which were disgraceful to your Government and disastrous to the country. That is the answer they gave to these charges; and if hon. gentleman opposite had any regard for their own characters and their reputation as statesmen, they would never refer to that subject again. The people of Canada have fully considered these charges. They have heard them discussed over and over again, and have given their opinion of them, and that opinion was not complimentary, at all events, to the hon. gentlemen opposite. I do not desire to take up longer the time of the House. I feel that this matter has been discussed *ad nauseam*. I do not desire to make so many thousand lineal yards of a speech. I have had to listen to such addresses, and know that we have now arrived at a period of the debate when it is necessary to shorten our speeches, and come, if possible, to a vote. I have to thank hon. members on both sides for the patient hearing they have given me, trusting that I have said something which will show that I am justified in the opinion, that it is better in the interest of the country that this contract should be adopted, than that it shall be rejected.

Mr. GUTHRIE. The hon. gentleman who has just taken his seat has gone over most of the arguments that have been offered the House during the discussion on this question by the hon. gentlemen opposite, and has attempted to answer objections that have come from this side of the House, or the country, to this bargain. But the singular thing about his speech is, that he has forgotten that all his arguments in support of this contract apply with even greater force to the offer on the Table of the House. Let us hear what some of those arguments are. We are told that the ratification of this contract will enable us to carry out the engagement with British Columbia. Would not the acceptance of the offer of Sir William Howland and associates do the same thing? What is that offer? It has not suited the interests of hon. gentlemen opposite to represent it correctly. It is a positive, and absolute, and unconditional offer to build the whole road. There is nothing whatever, if this Government choose to accept it, that will enable these gentlemen to recede from their offer. All that Government have to do in order to secure the construction of this railway, as completely, to the same length, to the same extent as the offer they have accepted, is to procure its acceptance by this House; and in every respect, in regard to

the giving of security, in regard to the work to be done, in regard to the time at which it is to be done, and the quality of the work, and everything about it, this new offer is substantially the same as the other, so like it that the hon. gentleman just sat down said it appeared to be a plagiarism. Now let us see what there is in it to justify hon. members on the Ministerial side in representing that the gentlemen who signed this offer do not intend to do the whole work. They say, in the second clause of it, that they will deposit the money, $1,000,000, for the whole line, the same as the other offer proposes. In clause 3 they say that they will lay out, construct and equip the eastern section—that is the whole of the road from Nipissing westward to Red River, and the central section of the same gauge and of the same standard of quality as the other, with this exception, that the later offer is more definite, as it binds the new Company to adopt the standard of the Union Pacific Railway as it was in 1873; and in that respect it is superior to the offer recommended by the Government. We are told that the contract made with Stephen & Co. is interpreted by the letter. Well, that letter is signed by only some of the gentlemen who bind themselves to this agreement. It is well known that unless they had authority from the others, it would not be binding. These gentlemen are to be incorporated, and what is to be the position of the Company after incorporation? All the obligations contained in this contract are to be assumed by the corporation—not the obligations contained in the contract and letter, but the obligations contained in the contract. I do not say that this cannot be amended, but that so far it has not been amended. What further does the new offer undertake? That the work of the contract shall be commenced at the same place, shall be carried on in the same way, and completed at the same time, all through, from Nipissing westward. It further provides that the Government shall construct the road from Yale to Port Moody, and finish the Thunder Bay Branch, and so forth, just as in the old contract. In fact, if the contract is binding upon Stephen and the others, this offer is binding upon Sir William Howland and his partners; so there is no foundation for the attempt made to deceive the House and country regarding the offer on the Table. What are the clauses that hon. gentlemen opposite say will enable the contractors to escape? The clauses are from 19 onwards. It is stipulated as follows:—"The Company also hereby offer in the event of the Government desiring to withdraw from the proposed construction of the work, certain reductions," &c., and it is so all through, but that is an option given entirely to the Government. They can exercise it or leave it alone, and if it is their policy to build the whole road, as no doubt it is now—although it was not, one short year ago—these gentlemen offer to do it; they offer to do it as completely, thoroughly and quickly as Stephen and Company. Now, then, what becomes of the assertions and arguments we have heard from ministerial lips all through this discussion? What becomes of the question of keeping faith with British Columbia, and of observing the Carnarvon terms? What becomes of the question of a private company offering the best mode of promoting immigration, and of the question of having a through railway on Canadian territory, a British road as against an American road? What becomes of the question of relieving the country from the trouble, and sometimes the discreditable exigences of railway construction by the Government? That, of course, was not a well founded argument. We all know that neither contract nor offer will relieve the Government from responsibility or trouble in regard to railway construction. But the one does it just as effectually and completely as the other. But what becomes of the argument that this bargain limits the taxation and liability of Canada? Does not the second do it as effectually as the first? What becomes of the statement that the running of this road, which is to cost so much, is secured to the country as well as the building of it? Does not the second proposal as completely secure that as the first? The running of the road is secured by reserving one-fifth of the land grant. In this case the reservation is to the same extent. Then we were told that if we enter into this contract we shall sell our lands to better advantage, because a private company will fill up the country with immigrants. That argument applies with equal force to the new company. There is not a solitary argument that hon. gentlemen have for urging upon us or on the country the entering into the old contract that would not apply with equal or greater force to the new. But more than that. One of their great arguments in favor of the contract was that it was the cheapest and best ever submitted. The changes were rung on that point, beginning with the Minister of Railways when he introduced the resolutions. From the mouth of every one of the speakers, and in the columns of all their newspapers, was heard the statement that the contract which the Government had accepted was the cheapest and best for the country. How does the matter stand now? Hon. gentlemen have not ventured to say that the last offer was not the cheapest; it would be an insult to our common sense to say so. It is $3,000,000 in cash cheaper than the other; and it is cheaper by 3,000,000 of acres of land, estimated at various prices, but at whatever price they are calculated, whether at $1 or $5, there is a substantial and an enormous advantage to the country, in comparison with the other contract. Its other provisions are undeniably more advantageous to the country than those of the other Syndicate. It affords the settlers of the North-West territory a competing road; it affords to the Government and to Parliament more complete control over the matter of tolls; it dispenses with these odious exemptions from taxation, and these other immunities which are embodied in the contract; it does not repeal the revenue laws of the country in favor of the Company as the other offer proposes to do. Now, in all these respects the last offer is infinitely better than the other, and it is equally good in every respect in which hon. gentlemen opposite claim that the first offer is of advantage to the country, and ought to be accepted. Let us see what answer has been made to the arguments which have been advanced—and admittedly advanced with great power—showing why, if we have to accept either offer we should accept the latter. We do not say that the second offer, is free from objection; we do not say that it meets the just requirements of the country to the full extent; we do not say that it contains no provisions which we would reject if we were negotiating a contract. But we say to our opponents, taking you on your own ground, looking at both offers as they are, no man can honestly contend that it is not the duty of us, who are merely the servants of the public, to accept the second offer. Some discussion has taken place with regard to the authority the Government had for entering into the contract, and it has been shown beyond all doubt that the hon. Minister of Railways and his colleagues have—I do not say intentionally—exceeded their powers. What they did was *ultra vires*—that seems now to be conceded by every one. The Act of 1874 is an Act empowering the Government to construct the Canadian Pacific Railway under the superintendence of the Department of Public Works, but it contains an alternative provision which permits the Governor in Council to give out the contracts to a private corporation for the construction of the road. It is expressly provided, however, that such latter power of the Governor in Council shall be subject to certain conditions. That Act is the law of the land yet, except so far as it has been amended by subsequent legislation. That Act supersedes all previous legislation; it expressly repeals the Act of 1872, and, if we are not merely to find the authority of the hon. gentlemen opposite, but to enquire where the policy of this country will be found recorded, we must refer to that Act

and the subseqent Acts or resolutions of the House upon this subject. The Act of 1874 seems to have been passed almost with the unanimous consent of the House, for the discussions that took place upon it bear no relation to the questions now under consideration. This Statute has not been repealed or altered by hon. gentlemen opposite, although they have been in power between two and three years, and it has been virtually approved of by being amended as it was on two occasions in 1879. Now, in putting such a work in the hands of a private corporation, it is quite obvious that it would be the duty of Parliament to provide safeguards for the protection of the public interest. Common sense required that Parliament should do so. Our knowledge of the conditions deemed necessary in ordinary contracts required that; but above all, our knowledge of the difficulties which have arisen in connection with the evils of discriminations, of overcharges, and favoritism by railway companies, would demand that we should do something to guard the people's rights. We have heard a great deal during this discussion about how much we could depend upon the selfish interests of the Syndicate for the protection of the public interest. We are told that self-interest would lead them to manage the road and lands for the general good. That statement contains in itself its own refutation, because the interests of this railway, as of many others, do not agree, but clash with the interests of the public. When the question of the purchase of railways by the State was under consideration in England, Sir Rowland Hill, one of the Commissioners appointed to investigate the matter, said that railways were managed with exclusive reference to their own interests, and that they should be in the hands of those who would control the management of them with a view to the interests of the country at large; that is to say, in the hands of the Government. What do we find has been said lately by Sir Henry Tyler, President of the Grand Trunk Railway, and his words were quoted in connection with a similar discussion to this in the English House of Commons. He said:

"If the Government do not manage the railways, the railways will soon manage the Government."

We have seen, from what has taken place in the earlier part of this discussion, how great an interest is taken in this subject in the United States. What efforts are being made there to put railway companies under some reasonable control? Now, for what purpose and what reasonable control? The control required in order that the interests of the general public may be protected against the selfish interests of the railway companies. Such control was necessary so that the evils which arise from monopolies of railway companies proceeding from their power to overcharge, to discriminate, to favor, should be cured. These things were not absent from the mind of Parliament, when it prescribed the terms and conditions on which this great work should be given to a private corporation. I have heard, during this discussion, a good deal said about the policy of the country being, to build this railway by means of a private corporation, rather than as a public work. To a certain extent, that is true, but it is not true stated in the unqualified and unconditional way in which it has been put. The policy of this country was rather to build it as a public work, unless a company could be got ready to undertake it upon such terms and conditions as Parliament thought sufficient to protect the rights of the public. That is clearly the policy of the Canadian Parliament. What we say is this, that the contract which the Minister of Railways undertook to make is not merely contrary to the letter of the Act of Parliament, but it is utterly opposed to the spirit, to the policy of the Act of Parliament, and to the best interests of the country. Now, what does that Act require, and what should we expect it to require? That Act requires that certain things should be done for the purpose of securing the best possible terms for the country. It also requires that the payment of the price should be so regulated as to protect the interest of the country. It further requires, with regard to the land grant, that two-thirds of that grant should remain in the hands of the Government, and that the price at which it should be sold should be fixed by the Government. It further provides that the Government should have complete control over the question of rates for freight and passengers, and over the accommodation to be afforded to the public in the way of running trains. And lastly, it provides—and this is the clause that makes it plain, beyond any doubt, that this contract is not within the Act,—it provides, in section 10, that:

"In every contract for the construction of the railway or of any section or sub-section thereof, the Government of Canada shall reserve the right to purchase, under the authority of Parliament, the railway of such sections or sub-sections thereof on payment of a sum equal to the actual cost of the railway, section or sub-section, and 10 per cent. in addition thereto, the subsidies to be deducted."

So that express reservation of the right to purchase is by this section required to be made in any contract that purports to be made under this Act. Now, Sir, we have been told time and again, that the price to be paid under this contract is less than under the Mackenzie Act, and the hon. gentleman who spoke last, said that there was one of the recitals in the amendment of the hon. member for West Durham that was not correct, because it omitted to state that interest at a rate of 4 per cent. per annum, for 25 years, for each mile, should be payable to the contractors. What the amendment says is that the principal money was to be $10,000 a mile; what the Statute says is precisely the same thing. There is no contradiction between the resolution and the Statute. But it is said we are compelled to take the amount agreed to be paid to Mr. Foster, in connection with the contract for the Georgian Bay Branch, as a basis for calculating what the 4 per cent. would have amounted to all over the line. Now, I say that is a perfectly unfounded argument. There were difficulties in the construction of the Georgian Bay Branch that did not exist in other parts. We do not know what amounts the contractors would have required, we do not know what amount the Government would have had or would have agreed to give; all that we can say definitely, is that $10,000 a mile was to be granted as principal money. But, Sir, we find that the terms of this Act have been departed from in the making of this contract, in regard to the mode of payment in a very serious degree, and I may say that the same objection applies to the offer, but not to so great a degree as I shall show presently. The Statute provides that payment shall be made to contractors *pro rata*; that is, that as they proceed with their work they shall be paid upon the estimate of the Government Engineer a proportion of the contract price, that proportion being ascertained by taking the value of the work done and comparing it with the whole value of the work to be done under the contract. That is a provision which is usually made in contracts, the only difference being that the full amount of work done is not usually paid, but a smaller sum, and that provision is a valuable one, in order to prevent a contractor, as he would do under the contract and the offer before us, being paid in advance of the performance of the work. What is the position of the proposal for payment of the prairie part of the central section of this work compared with what it would have been under the Act of 1874? This portion of the central section is 900 miles, and the value per mile is about $12,000, or ten millions for the whole. The value of the entire work to be done by the Syndicate under the contract is about $50,000,000, the proportion being one-fifth. Now, Sir, one-fifth of the whole cash bonus would be $5,000,000. The amount they are entitled to draw under the contract is $10,000,000 in cash, precisely double of what the Act permits, and what prudence requires. Now, how is it with regard to the land grant? The whole land grant is 25,000,000 acres;

take off one-fifth, to be retained by the Government as security, and we have 20,000,000 acres left, and the proportion again would be one-fifth for 900 acres of the central section. Now, the amount which the Syndicate will be entitled to draw under the contract for those 900 miles will be 8,640,000 acres. The proper proportion under the Statute would be only 4,000,000 acres; and there is, therefore, an excess in cash for those 900 miles over what the policy of the country as settled in 1874 allowed and what prudence declares, of $5,000,000 in money and 4,640,000 acres of land; and if the land be taken at the low estimate of $2 per acre, we find an overpayment, a payment in advance, or whatever you choose to call it, of $15,866 per mile, or over $14,000,000 for the 900 miles. I admit there is in the offer, as well as in the contract, an excessive payment for this portion of the road, but in the offer it is a great deal smaller. Estimating the lands at the same value, and taking the same 900 miles, the House will find that if the contract were given to the second Syndicate the country would retain in its hands $5,640,000 more in respect of the central section than under the contract approved by Ministers. The hon. member for Centre Wellington (Mr. Orton) said that the mode of payment for the central section, in his opinion, required explanation. I think he said he would like to see it amended; he admitted that it was out of all proportion; he admitted that so far he had not heard any satisfactory reason for it; and I think he would admit now, were he speaking again, that no sufficient reason has been since afforded us. We are told by the hon. member for Frontenac (Mr. Kirkpatrick) that the enormously excessive payment in respect to those 900 miles was given in order to enable the Company to build branch lines. If that be the true reason, how negligent the Minister of Railways must have been in not providing in the contract that the money shall be expended in that way, and in not compelling the Syndicate to do this work. But that is clearly an after thought, for we are told by another hon. gentleman that the object of this was not to build branch lines, but to induce the Company to build the several sections rapidly, so as to fill up the country. We are to pay something like $15,000,000 in advance, if we agree to the first offer to tempt this Company to build the prairie section rapidly. Now, Sir, the mere statement of this vast prepayment shows the absurdity of that reason. The Minister of Finance last night feeling the difficulty of giving the House and the country a satisfactory explanation of this extraordinary part of the contract, went into a calculation of his own; and although the First Minister told us the prairie section was to be built in three years, the Minister of Finance made the calculation upon a completion in four years, and he said, in effect:

"It is not true that the contractors may make a profit, an enormous profit, by building the central section, and then neglect or give up the rest, because I will show that they are to proceed vigorously with the eastern section, and if they do that in four years, I venture to say the a margin will be very small indeed."

Let us see how the matter will stand if we adopt in principle, the system adopted by the Finance Minister, taking three years, which we have the authority of the First Minister for doing, instead of four years. The matter would stand thus: The prairie section to be built in three years, at about $12,000 per mile, which is a liberal estimate, would cost $10,000,000. Supposing the Finance Minister is correct,—I do not grant this, but I will admit it for the sake of argument—and that they build yearly 65 miles of the eastern section, in three years they will have built about 200 miles, the cost of that portion, say at $30,000 per mile, which I believe is a high estimate, and is now reduced, will be $6,000,000, making for the 900 miles of the prairie section to be built in three years, and the 200 miles of the eastern section, which we are told the Company will be bound to build in the same period, a total outlay by the contractors of $16,000,000. What would they be entitled to receive during that time, and for that work? They would be entitled to receive 11,666,568 acres of land; that would be pretty much all that would be in the fertile belt along the 900 miles of railway. They would be entitled to receive in cash $9,000,000 for the central section of 900 miles, and $3,0 6,800 for the 200 miles of the eastern section. Taking the land as before at the very low price of $2 per acre, the matter would stand thus: They would receive in value of lands $23,333,120, and in cash $12,076,800, in all $35,409,920; and the total outlay, allowing the outside estimates, made by the contractors for the work, would not exceed $16,000,000. So they would have a clear profit, after allowing one-fifth of the land to be retained in the hands of the Government, and taking three years for the building of the central section and 200 miles of the eastern section, of $19,409,920. The calculation of the Finance Minister had an "if" in it, and his whole calculation falls to pieces if we dispose of his "if." He said, not taking the land at $2 per acre or $3 per acre, as the First Minister estimated, but calculating that the Company issue land grant bonds, the value of the land would then have to be taken at only 80 cents per acre, and adding an extra year he did not figure out excessive profits to the Company. But what if the Company do not issue land grant bonds? What if the 80 cents per acre does not arise? Then the calculation I have made cannot be refuted, that placing the best lands along the line of railway for 900 miles at the absurdly low price of $2 per acre, the Company would be enabled to draw about $20,000,000 over and above their cash outlay in the first three years, thus tempting them to throw up the rest and most difficult part of the work.

It being Six o'clock, the Speaker left the Chair.

AFTER RECESS.

Mr. GUTHRIE. The Statute to which I referred settles the policy of the country. Among other respects it settled it in the matter of grades. It provided that the grades of the railway should be fixed by the Governor in Council. The importance of having low grades so as to reduce the working expenses of the railway has already been pointed out, and this contract and this offer are both alike in that respect, and contrary to the Act in providing that the grades shall be according to the standard of the Union Pacific Railway. By that law, also, any contract was to be let after tenders had been called for, and the hon. the Minister of Railways says he has complied with the law in that respect, because public tenders are not spoken of, and he says he has received private tenders, and that this is one of them. Sir, I think that explanation will not be accepted. It is open to the fatal objection that those capitalists who were likely to accept a contract were not informed of the willingness of the Government to receive tenders upon such terms as are now laid before Parliament. Driven out of that, the Minister of Railways, the First Minister, and the hon. member for Frontenac, all say that a speech was made at Bath which was an intimation to the public. What was that intimation? That the Government had received offers for the construction of the road, and that under such offers the road would cost the public nothing, but that they were going home to England to make, if possible, better terms. Now, what notice was conveyed in such a speech, even assuming that it came under the eyes of rich contractors or capitalists who would be likely to embark their money in such an enterprise? What notice did it convey to them that the Government were about to overturn the whole policy of the country on the matter of the conditions under which a private company would have the work, and that they were going to make

entirely new conditions, conditions which would be exceedingly advantageous to the contractors? But the hon. member for Frontenac says that it was made known before the House met that the land grant would be 25,000,000 acres and the money grant $25,000,000. But it was not made known what the Government were to do besides. It was not made known that they were going to throw in the construction by Government of the line from Yale to Port Moody, that they were going to expend an enormous sum in finishing the line from Yale to Kamloops, and that the Government would give the invaluable concessions to which reference has been made. When the announcement was made that the Government had contracted on those terms, it was too late for anybody who may have had an idea of bidding, to do so. But, Sir, we are told that it was made known that Ministers were going to England for the purpose of receiving offers and making arrangements for the construction of the railway. Yes; word was sent that they had made arrangements in England, and, on their return, express notice was given to everybody that there was no necessity of considering the subject of tendering because the transaction was closed. A contract firm was alleged to be made, and the public were thrown off their guard. Now, will anyone say that the law which we do not support, simply because it is the law, but because it is the policy of the country, and a sound and wise policy—that the law which provides that no such contract shall be given out except by public tender has been complied with under these circumstances? I have spoken of the exceptional nature of the bargain for the payment for the 900 miles of the centre section. I have no more to say in regard to that except to again call attention to the fact that no explanation has been offered by any speaker upon the subject, of the extraordinary effect of the bargain in respect to the first 100 miles west of Red River, as pointed out by the hon. member for West Durham (Mr. Blake.) If there was nothing else to show the reckless character of the agreement, except this single circumstance, that 100 miles of railway almost completed are to be turned over to this Company, and for taking it off the Government's hands they are to make $200,000 or $300,000 in cash and over 100,000 acres of land—the Government have to do the work and give an enormous amount in cash and land to the Syndicate, although they need not put a pick into the ground. Should we not pause before confirming the contract. We have heard very fully discussed in the House the subject of the value of the lands, and to-day the hon. member for Frontenac (Mr. Kirkpatrick) who instead of dealing with the subject from the proper standpoint, namely, in respect to what according to actual experience was the price received for similar lands, he repeats the style of argument adopted by other hon. gentlemen opposite, and says that on previous occasions and under different circumstances some gentlemen on this side placed a different value on the lands. That hon. gentleman says, and says truly, that it will not do to leave out of account, in estimating the lands to this Company, the cost of advertising and the cost of selling, and he says he believes that, instead of the lands costing them a $1 an acre, in twenty years, which he considers will be the average time at which the whole may be sold, they will cost, in advertisements, etc., $3 an acre. Well, probably that is not very far off the mark. But, Sir, what are the facts? The facts are, that some lands in the United States have in ten years increased in value 600 or 700 per cent.—lands belonging to the Central Pacific Railway, which, ten years ago were worth $2 an acre, have been sold for $6 and $8 an acre. The St. Paul and Manitoba Railway, also, has obtained an average price of $6.83 per acre for lands not one whit better than the lands in the fertile belt are. If we are to be guided by experience of the Illinois Central Railway, and Chicago, Burlington and Quincy Railway, both about twenty years old, we have every reason to believe, in fact to feel confident, that the lands instead of being worth $3 an acre in twenty years, will be worth from $11 to $14 an acre. They will not be worth that at first; but if we take the prices obtained now for similar lands elsewhere if we take the prices at which the Minister of the Interior himself has been making sales—every practical test we have goes to show that the lands are now worth in cash, at the very lowest calculation, from $2 to $3 an acre. There are certain other respects in which the policy of this country regarding the endowment of a private company for the construction of this work has been set aside. One is in regard to the control which the Government reserved by Statute over the selling price of two-thirds of the land. What is complained of in regard to this land grant is largely this, that no matter which of these Syndicates obtain the land grant, it will constitute a large land monopoly. They may hold these lands until, by the settlement of the country and the labors of others, they will have increased enormously in value, and that instead of selling them to actual settlers and filling up the country, a company may be tempted, as other companies have been, to retard settlement by holding the lands for higher prices. To prevent that, Parliament adopted the policy of giving the Government control of the selling price of two-thirds of the lands. Under that system if the evils complained of would not be altogether removed, still, in regard to two-thirds of the land at all events they would be greatly mitigated. But my hon. friend from Frontenac says, in a sort of triumphant spirit, "You will create as great a land monopoly by giving 22,000,000 acres to the new Syndicate as you will by giving 25,000,000 acres to the old Syndicate." Well, the only difference will be that the new Syndicate will have 3,000,000 acres less, and that is one of the respects in which I for one should not be disposed to approve of the new offer were the question entirely open. But when it becomes a question of choice, when we are narrowed down to a choice between the two offers, then I say decidedly that the one which places 3,000,000 acres less in the way of monopolists must be the best offer for us. No hon. gentleman on the other side has ventured to answer the arguments advanced on this side, as to the construction of the Act of 1874, in regard to the land grant. It was undoubtedly along the whole line of railway that the land was to be taken under that Act, and that would include, at any rate, lands in the territory called the Sea of Mountains in British Columbia. But there comes in another vital point of difference between the previous arrangements of this House, and this contract, namely, that the selection of the deficiency in lands was formerly entirely in the hands of the Governor in Council, while under both contract and offer, a large power of selection is given to the Company. The hon. the Minister of Finance told us, last night, and the hon. member for Frontenac (Mr. Kirkpatrick) repeated, that there was something in the nature of an argument in the Bill introduced in 1878, by the hon. member for Bothwell (Mr. Mills) while Minister of the Interior, in favor of the position of the Government on this question. I do not remember exactly what that Bill was, but I do remember that it came to nothing. This House never adopted that policy, and we are not committed to it in any way. Perhaps no part of the subject has engaged more earnest attention on both sides of the House than the question of the monopolies and immunities which this contract professes to grant to the Company. There is no doubt that some control is absolutely necessary over these railway companies to protect the public interest. So far from their self-interest affording a reason for the handing over without restrictions the control of the carrying trade of that vast territory, and our connections with it to the hands of a gigantic corporation, it affords the strongest reason why we should guard the public interest in every

way in our power, because self-interest, and self-interest alone, will govern this Company in their dealings with the public. They may be men of honor who, perhaps privately, would not take an unfair advantage of anybody, but we cannot shut our eyes to the fact that in every country where railways exist, it has been found absolutely necessary that they should be held tightly in hand by the Government and Legislature. It has been found that, wherever they had an opportunity, they even buy up competition. They will combine to raise rates so that, in some cases, it is almost impossible to get at them. There are infinite difficulties found to exist in the way of controlling them; and in making such an arrangement as this, so far from departing from the line of action laid down in 1874, we should strive to extend and to strengthen it by providing safeguards for the interests of our people. Now, let us see what our former policy was, because we have been told that this contract is in keeping with it; and let us see what protection this contract affords, and what protection the new offer affords for the public interest. Under the Act of 1874 it was well defended. Provision was made for its defence in four different ways. One was by the express enactment that the Governor in Council should have, not once, but always, full control over rates for freight and passengers; and more than that, that they should have full control over the accommodation to be afforded to the public in regard to the number and description of trains to be run, &c. Then the General Railway Act was incorporated in that Act; and the Railway Act gave at all times to the Governor in Council power to control rates, and so protect the public. Then there is this express power, to which I before referred, to purchase, at ten per cent. advance on cost, deducting subsidies. Therefore, if it was found that Parliament and Ministers could not control the railway company in the public interest, we could resort to the power of purchase. The hon. member for Frontenac (Mr. Kirkpatrick), found very little to admire in a clause in the latest offer, with regard to the power to purchase. He argues that the word "compensation" in that clause to be paid, would be the full value of everything, estimating it at about $116,000,000. I take it, that would not be the construction placed upon the word, that regard would be had to the circumstances under which the railway was acquired. Even if my hon. friend's construction of that clause is correct, it would be a decided advantage to have it, even if, as he says, Parliament possessed the ultimate power of forcing a sale without it. We have been told that Parliament in England, in exercise of its supreme power, purchased the telegraph lines. I believe that was by private arrangement. And then a most unfortunate series of illustrations showing such power was brought before the House by the hon. member for Frontenac. He said that Parliament had to lay violent hands on the property of the Irish Church—was not that to relieve an oppressed people?—and then he went on to say that Parliament had, by force and at a large expenditure of money, forced the emancipation of the slaves in the West-Indies. May the time not come when this Parliament will have to emancipate the slaves to this railway monopoly in the North-West. The very thing we are striving against is to prevent that bondage to railway companies which exists elsewhere, and these gentlemen are busily forging the chains. And, Sir, the Act affords perfect freedom in the construction of competing lines, either by the settlers or by anybody else. If the Government does not own the railway, there are but two ways by which the public interest can be protected: one is by competition, and the other is by Government control. This contract deprives us of both. The contract entered into with Messrs. Stephen & Co., on the one hand, prohibits the construction of rival lines, and on the other hand prevents Parliament from asserting its power of interference. What does my hon. friend say when we complain of this monopoly clause? Why, he says: "There is a perfect power to build branch lines." There is a perfect power to build feeders to this main trunk line, but where is the power of creating competition to that Company? They have control of the gateways. What are the settlers to do? We are told, they may, at their own cost I suppose, construct, at a cost of $30,000,000 or $40,000,000, another line, on the north of Lake Superior, or they may get out by Hudson Bay. Now, then, how does the last offer compare with the first in these respects. It does not contain any prohibition of public enterprize, nor deprive men of the power and the right to help themselves if they are oppressed. It does not paralize the arm of Parliament. It does not prevent a company either from going to the United States themselves, if they wish, nor Americans from crossing into this country. Hon. gentlemen opposite pretend that they desire to prevent the traffic of the North-West going through the United States, and yet they throw themselves into the hands of an American railway company, whose interest it will be largely to carry the traffic away from this country, and who must do it for ten years at least. There is no other outlet allowed, and the result will be, until the construction of the Thunder Bay Branch, that the traffic will go to the United States. After its completion it may come that way, and down the Lakes, at least a considerable quantity of this traffic, in summer. But in the winter season, until navigation re-opens, we shall for ten years be subject to what hon. gentlemen all unite in describing as a horrible condition of affairs to the control of American Railway Companies; so that the very thing they say they are anxious to avoid, they are providing for if they adopt this contract. There was on the part of the Government last year, an appreciation of the position now taken by the Opposition. The Government, last year, acknowledged that the proper course to take was not to build a railway then, or now, or immediately, on the north shore of Lake Superior, but to finish the branch to Thunder Bay, and then provide an outlet by rail to Sault Ste. Marie. Why is that an unpatriotic policy to-day? Why should the loyalty cry be raised by the hon. gentlemen opposite, because we now say that the course they proposed to take last year is preferable to going on with an expenditure of $20,000,000 for the construction of their road on the north shore of Lake Superior in the meantime. Not only does the new offer not ask to prohibit public enterprize nor destroy rivalry nor healthy competition, but it does not deprive the Governor in Council, as the first offer seeks to do, of the power to interfere from time to time with the tolls of the railway. It is true that, under the first offer, power is taken to regulate the tolls in the first instance; but as has been unanswerably pointed out, when the road is new and the traffic small, those tolls will necessarily be high, and then, forsooth, the provision comes in that no power—neither the Parliament or Governor in Council—shall be permitted to interfere. Now, why should this be? If we are to depend upon those gentlemen's self-interest to do us justice, why should they go out of their way to destroy a provision that every railway company is subject to. This is one of those matters called minor details by hon. gentlemen opposite; and my hon. friend from Frontenac (Mr. Kirkpatrick) quotes something that the member for North Norfolk (Mr. Charlton) once said, that these were unimportant matters. What we say is this: We have the the best reason to believe that they are of the utmost consequence, because the first Syndicate have laid it down that without them they decline to contract; and their friends have told us that the Government had to submit to certain things they did not like because they were insisted

on by the Syndicate, and without making those concessions they could not have got the contract. If the Syndicate value them so highly, should not that very circumstance put this House on its guard? Then the new offer leaves Parliament full control, under the general Railway Act as we find it, and does not ask to put people in its power either by destroying competition, or by limiting and destroying the power of Government and Parliament. Then, again, there is an enormous difference between the two offers in respect to the powers of municipalities in imposing taxes. The member for Frontenac says the *Globe* had an article, which leads us to believe that if the new Syndicate were to obtain the contract, they would, by arranging with the new municipalities in the North-West, get exemptions. If there was any real expectation that they were likely to secure immunity from taxes, we should not find the Syndicate making it an important and indispensable condition of this contract that they should have this immunity. Why should we seek to deprive unformed Provinces of the rights the older universally have? Why should we do this? Is it because the member for Lincoln (Mr. Rykert), with great ingenuity, chooses to make a partial estimate—to take one or two items that go to make up the whole, and say it is only $6,000 a year, a mere bagatelle, when the Syndicate place such a large value upon it?

Mr. RYKERT. Show I am wrong if you can.

Mr. GUTHRIE. The hon. gentleman admitted that the Northern Railway Company paid taxes, I think $7,000 a year, in Toronto. Well, $7,000 in one city is a very considerable item. We find it stated that Toronto derives a large part of her revenue, $25,000 a year, from taxes on railway property within that municipality; and I venture to say the taxes paid in Ontario by the Grand Trunk and Great Western Railways come to a much larger amount than one would suppose from anything said in this House. We know that in the United States various railways, not so long as this will be, have paid from $170,000 to $500,000 a year in taxes. Whatever the amount is, I say it is a most unfair provision for the House to seek to insert in any railway charter a provision which will deprive a Province not yet formed of a right possessed by every other Province already formed. Then the immunity from the ordinary burdens of land owners —that exceptional provision that they shall be entitled to avail themselves of the benefit of other peoples' labor and improvements, that they shall have their lands enhanced in value by the outlay of adjoining proprietors, and that they themselves shall not be responsible at all—is sought to be defended in what way. Why, we are told that they could not raise money by mortgage if they had not this exemption. We know it is a fact that every day mortgage loans are negotiated on property that is notoriously liable to be sold for taxes—property that is subject to taxation. We have authority for saying that the want of such an exemption clause was not one of the difficulties in the way of Sir Hugh Allan. All he required to enable him, as he said, to float his bonds was an extension of time, and another provision which had no relation to the exemption of the land from taxation. But we are told that self interest will lead this Company to sell their lands rapidly, and in order to support that I understood the hon. gentleman for Lincoln (Mr. Rykert) to say that every acre of land broken up was worth $4 a year to the railway company. I suppose he meant by the carriage of goods. Well, if that is the profit from breaking up the land to an ordinary railway company, I would like to know what will be the profit of the St. Paul, Minneapolis and Manitoba Railway Company, in other words, the first Syndicate, considering the exorbitant rates they have hitherto been enabled to collect? Reference has been made to the character of the security for the running of the railway. We have been told by the hon. member for Frontenac (Mr. Kirkpatrick)—who has followed the statements of other hon. gentlemen—that the running of the railway will involve an outlay of from six to eight millions of dollars every year, and that there will be a very serious loss on that account. That was not the statement of the hon. Minister of Railways last year.

Mr. KIRKPATRICK. That was the statement of the hon. member for Lambton.

Mr. GUTHRIE. He only made that statement in 1879, but later than that, when there was further experience, when the trade of the North-West had developed; when the hon. the Minister of Railways had begun to get in returns from the Pembina Branch, at the rate of five, six, eight and ten thousand dollars per month, of net revenue; we had the authority of that hon. gentleman (Sir Charles Tupper) for believing that this road would not only pay running expenses, but would yield a return, by way of interest, on capital. But let us ask ourselves if the loss is to be so great as these hon. gentlemen profess to believe, for I suppose they would not quote the hon. member for Lambton without leading us to infer that they accept his statement, how thoroughly inadequate is the security which they demand from the contractors? All that we have is $5,000,000 of land grant bonds or 5,000,0000 acres of land, and you have only to state that the loss is to be from six to eight millions per year to see that we are certain in that event to have the road thrown back on our hands. There is no provision for holding the one million dollars deposit as security for running the road. The hon. member for Centre Wellington (Mr. Orton) is so apprehensive on that point that as I understood him he would like to see that provision amended; and I think if there is to be such an alarming loss as was pictured by the hon. member for Frontenac (Mr. Kirkpatrick) we would all like to see the security increased no matter which offer is accepted by the House. A challenge was thrown out by the hon. member for Frontenac. That is not the first challenge we have heard, for we had a knightly challenge too. I think that this sort of challenge is not particularly indicative of courage on either side. They come from men in particularly safe counties.

Mr. KIRKPATRICK. I would give up a safe county.

Mr. CAMERON (Huron). Come to Centre Huron or to South Huron.

Mr. KIRKPATRICK. I will go to Kingston.

Mr. GUTHRIE. Our challenge is to test all the constituencies and not to pick one here and there where one side or the other is particularly strong. Let us have a contest all round—a general engagement. Let us all be sent to our masters and compelled to consult those whom we are supposed to represent. Now, it does not do to be too boastful, I do not intend to indulge in anything of that kind, although I do not know that I have anything to fear. But that is not the point. Let us have an appeal to the people. I do not say this by way of defiance, but I put it on this ground: I say that it is not true that this question of building the road by a private corporation, without those safeguards which are necessary for the protection of the public interest, has ever been submitted to the people. I say that the present proposal is in an entirely new form, and has never been pronounced upon by the constituencies. We find that when Parliament came fresh from the people in 1874, they settled on a policy which, I am bound to say, met with the substantial approval of all parties. When the next General Election was held, that policy was not questioned, but by this measure you seek to reverse that policy without consulting the people. That is the position I take, and I say that the demand for an appeal to the people should not be issued by way of

defiance, but with an honest desire to take their opinion upon a question they have never yet had an opportunity of pronouncing upon. We have not now to decide the question as to how the ratification of this contract will affect the fortunes of any political party. It has been said that if the contract is ratified it will prove injurious to the Conservative party. Now, that is not the question before us at all. The real question is, in the public interest, which of these, the contract or the offer should be ratified, or should we ratify either? When an offer is laid upon the Table, which is a great deal better by millions of dollars and millions of acres of land; which contains fewer exceptional conditions; which confers no exceptional immunity; which seeks to deliver the carrying trade of that country from the hands of those who would engross it for their own private advantage—when we are called upon to reject such an offer and prefer the more onerous contract, we are entitled to ask why? Is it because the gentlemen who have signed the offer are less able or less willing to build the road than the others? Is it because these gentlemen are all Canadians? Is the party who obtained power upon the cry of Canada for the Canadians, to turn their backs upon a proposal which is suscribed by leading Canadians everywhere, and accept one that is subscribed by residents in the States, in England and in France? One Canadian resident, I think, is a suscriber, Mr. Stephen, the others may have been residents, but they are not now residents of Canada. We have shown, I think, that their homes and their interests are largely elsewhere. Is it because the profits that may be made will be kept in the country by the contractors under the second tender, and in the other be probably sent out of it? Hon. gentlemen say the offer comes too late. Why should it be too late if it is submitted for our decision, if we are the judges, if we have power to say which we will take, why is it too late? When could it have come before? How could it have come earlier? Was not that offer, considering the magnitude of the work, considering how the parties live at a distance from each other, considering the natural difficulty of getting men to consider a large enterprise, was not that offer presented to us with expedition? In what way, under the law of our country and under the circumstances, can it be fairly said that these men came too late? They have come as early as they could come, having knowledge of the conditions upon which the Government proposed to make a contract. We are told that it is not *bonâ fide*, that it is a political trick. Now, Sir, what is the evidence of that? Is it the mere desperate assertion of men who have no other reason to give? What ground do they urge for saying it? Ministers say that the offer contains a permission to the Government of the day to give up the construction of certain portions of the road, and they say that that is in accordance with the policy of the Opposition. Why, it is in accordance with the policy of the hon. gentlemen themselves, as announced last year. They are the gentlemen who inaugurated it, and who said that the Sault Ste. Marie line ought to be built, and not the line north of Lake Superior. Now I do not intend to bandy words about it, but the debates were read, time and again in this House during this discussion, in which the Minister of Railways was shown to have said here last April that he had changed his mind in regard to the construction of the Sault Ste. Marie line; and that when he had formerly opposed it, circumstances were different, it was before we had the Thunder Bay Branch, but now, he was in favor of its construction; and the leader of the Government in the Senate said that the survey of the Sault would be made and the work proceeded with. How is this offer not *bonâ fide?* What better proof of the earnestness, of the determination of men to go on with the work, could you have, than the paying of the money, $1,500,000 as security—money coming from all parts of the country, from Toronto, Kingston, Montreal, Nova Scotia and New Brunswick? The money has come upon short notice, and more has come than was required in order that there might be abundance. Is it possible to have better evidence of the honesty of the men than is afforded by the circumstances of the instant raising and deposit of such an enormous sum of money? We are told that these men knew that the Government would not take their offer. Who knew that the Government would not take their offer until the First Minister told us so the night before last? Those men made their offer before any such announcement was made. What reason had they to suppose the interests of the country were to be sacrificed by this House. What reason had Sir Wm. Howland and his associates to suppose that hon. gentlemen would reject an offer which would save to the country millions of money and millions of acres of land? Had they not rather reason to believe that a spirit of patriotism would prompt every hon. gentleman in this House to say: "This is decidedly a better proposal, we must prefer it if we are to regard our duty to our country." Then it is said that this offer is objectionable, because it does not provide for the construction of the road through British territory. Well, that objection has only to be stated and the terms of the proposal read to show that it is utterly without foundation in fact, and that it is just as binding an offer to construct the road through British territory as the other, and by men who are British subjects, and who, if there is anything in the loyalty cry, are more likely to carry the railway through our own territory than Frenchmen, or Germans, or Americans, or anybody else. It is finally said by Ministers that the acceptance of the second offer would necessitate the retirement of the Government. Well, the leader of the Opposition has declared that he does not so regard it; but, Sir, the Government have made changes before in their policy with regard to the construction of this road. Why cannot they make them again? In 1879 their policy was to construct it with Imperial aid. They did not succeed in obtaining that aid. Last year their policy was to construct it as a Government work, paying for it out of the lands, and 100,000,000 acres were set apart for that purpose. They have changed that policy, and they have not retired from office, but still enjoy the confidence of an enormous majority of the members of this House; and, I venture to say, that if in the public interest they were to accept the lower offer now, they would still enjoy that confidence. Nay, more, that nothing would increase the confidence of their supporters, in this House and out of it, in them more than if they should say: "we had supposed this was the best offer we could get; but we find it is not the best offer; what we did we did with an honest desire to promote the interests of the country, but we find ourselves mistaken, and we think it our duty to pocket any question regarding our own personal position in the matter, and to say that, in the interests of the country, we will take the lower offer." Governments before to-day have withdrawn great measures without retiring from office. We remember the occasion of Lord John Russell introducing a Reform Bill in, I think, 1854. It met with adverse criticism, and was so severely handled by the Opposition that he was compelled to withdraw it, and he was so much affected at this that, I believe he shed tears. But he did not retire. Later on we have a precedent which hon. gentlemen opposite will appreciate. We all remember the last Reform Bill in England, introduced in 1867 by Lord Beaconsfield, then Mr. Disraeli. That Bill was so criticised and altered in its progress through the House that it became an entirely new measure, and as it was finally passed by the House it reversed the policy of the Government altogether; yet the Conservatives in England did not consider it necessary that Mr. Disraeli should retire. No doubt the introduction of this measure and its subsequent withdrawal would do a certain amount of damage to the Government; but it does not prevent them from saying that, contrary to their honest belief, they have found Canadian capitalists who are willing to do the work much cheaper and on terms more advantageous to the

country than those with whom they made this contract, and are therefore constrained to withdraw from the contract, and it may be to accept the other. Hon. gentlemen tell us we are free to reject this measure, but they talk at the same time of party ties and make partizan appeals How, then, are the members of this House free? Were not the supporters of the Government committed to this bargain on the morning of the day after it was laid on the Table of the House, and before they heard a discussion of its merits at all? Were not caucuses held since the late offer, under circumstances to indicate that these gentlemen opposite had not a full opportunity of hearing both sides of of the question? Reports of that kind are in circulation—I do not know whether they are true or not. But, whatever the fact may be regarding that, it is undeniable that a determination is shown by men, who are merely the agents of others, to disregard the rights of their principals, and to vote away an enormous sum of money, and to grant enormous exclusive privileges, contrary to the interests of those they represent who have to pay the money, and who have to suffer from the granting of the privileges. Can any hon. gentleman give one good, substantial reason for rejecting the new offer, except that the Government chose to commit—not the House or the country—but themselves, to an engagement that will prove more onerous, and more expensive than the one last submitted? I ask the House to consider that not one of the advantages claimed for the first offer is absent from the second. I say, further, that in every respect in which you can contrast the two offers, it is to the advantage of the country to accept the last offer. Shall it be said, as I have heard in the corridors has been said, that $3,000,000 is not much anyway. $3,000,000 is a sum that very few of us apprehend the quantity of. It is an enormous amount, and it is our bounden duty to save it, and at least twice as much more, to our country and our constituents if we can do so. It is our duty to preserve every foot and every acre of their territory if it is in our power to save. It is our bounden duty not to put shackles upon trade in and with the North-West; it is our bounden duty to take advantage of every offer we can. The corporation we are about to create, if we accept either of these offers, will be a power in the State. They will be proprietors of 3,000 miles of trunk line of railway, and it is said they will have a great many branch lines of railway. They will not only be enormous railway proprietors and magnates, but they will be a land corporation possessing an invaluable and vast estate. They have also the power to become a great telegraph company. They have not only the right to construct a telegraph line of their own, as a railway company, but they have the power to levy tolls and send messages. They have also the power to become steamboat proprietors, to do the carrying trade on the great rivers and lakes of that country. They will become, no matter which Company is incorporated, an extraordinary power in the State, a power which, perhaps, we will not be thereafter so well able to control; and it behoves us now, before we commit ourselves to this transaction, to see that we exercise the utmost vigilance to protect our constituents and the people in the matter of rates, and prevent the legalization of a powerful system resulting in that partiality, injustice and extortion so detrimental not only to the settlers in the North-West, but to the mercantile, manufacturing and other interests of the country at large.

Mr. SHAW. This question is of so important a nature to the country, it involves interests so great, that I do not desire to give a silent vote. I am much pleased that it has been discussed so largely on every side, that the attitude of parties towards this measure, has been placed before the House in so ample a manner, that even the youngest member cannot but have an understanding of it. I, as one of the young members, am much pleased at this. There are a great many young members in this House, and this question is of so important a nature, that unless it had been very largely discussed, they might possibly have been compelled to give a vote upon it without perfectly understanding it. They cannot do so now. This matter has been before the country for over ten years. Every Government, from the time of Confederation to this, has had the subject under consideration. And, now that it has come before the House in this tangible shape, every one must be delighted that it has received so full and such ample discussion. There is no doubt, from the discussions that have taken place here, that ever since Confederation it has been the policy of every Government to try and construct the Canadian Pacific Railway. It is quite true, also, that during the administration of the hon. member for Lambton, there did appear to be a section of his followers who were not apparently so anxious to construct that road as he was. A suspicion that such was the case not only existed in the minds of many Reformers, but it also existed in the minds of many Conservatives. Particularly did this impress the minds of representatives from British Columbia and the North-West. The representatives from both these sections were of opinion that a section of the Reform party were not desirous to construct this road; or, at least, if not desirous, were lukewarm in regard to it. Now, we find that this section of the Reform party, who have been regarded as hostile to the construction of this road during last Session, and particularly this Session, have attained predominance in the party, and the policy of which we had a suspicion for a great number of years has now become developed. It has obtained significance. There is no concealment made by the advanced section of this party, and the other section which formerly advocated the scheme are now silent. Now we are to look on the Reform party as, in a manner, having abandoned the construction of the Canadian Pacific Railway from ocean to ocean. I think there is no doubt about that. It may be said that this is not the case. I have heard the hon. leader of the Opposition, who, I am sorry, is not in his place, say he only desired to postpone it; but we observe by the very motion which he has placed in your hands, by the very contract which has been brought in here by what is called the new Syndicate——

An hon. MEMBER. Not a contract.

Mr. SHAW. It is not a contract, I admit, but the hon. member for Wellington (Mr. Guthrie) seemed to think that we had just as good option to adopt it as the resolution before the House. If we are wrong in calling it a contract in the one case, I suppose, according to hon. gentlemen opposite, we will be wrong in calling the other a contract. I will refer to the 20th, 21st, and 22nd sections of this offer. I would desire to point out what seems to be the view entertained by hon. gentlemen opposite, in regard to the construction of that road. The 21st section reads thus:

"In the event of the Government desiring to postpone or withdraw from the construction of the said railway extending from Kamloops to Port Moody, they shall be at liberty to do so," etc.

The 20th section containsa similar provision with reference to the eastern section, but only the word "withdraw" is used. If it is the desire to postpone that section of the railway, it must be admitted that it is not desirable to commence its construction at present. If it is not desirable to construct it at present, but only at some future time, they have not told us how they intend to construct it. If the Sault Ste. Marie road is constructed and a large number of emigrants settled at Thunder Bay and the Sault Ste. Marie, their interests will, I think, have a tendency to prevent the construction of the road north of Lake Superior. Other lines of traffic will be made. The course of trade will be directed in a particular channel, and it will be a long time before it will be diverted thence to a different

route. If, however, a population were settled in the North-West, and lands sold there—if it is the intention of the Reform party to finally construct the section north of Lake Superior—they have not pointed out their plan of doing so. But supposing they intend to construct it out of the railway fund, which may be accumulated by the sale of lands in the North-West—a thing which I presume is very doubtful, if the opinions of hon. gentlemen opposite respecting the value of those lands be correct—it would be a long time before they could accumulate a fund sufficient for the purpose. But suppose the lands did sell for a very considerable amount, producing a sufficient sum to build the road north of Lake Superior, and it was proposed in this House to use it in that way, and that three or four Provinces then existed in the North-West, with a large population, also at Thunder Bay and the Sault, should we not be very likely to witness in Parliament a scene similar to that of the Ontario Parliament, when it was proposed to distribute the railway fund? Some hon. gentleman would be very apt to move that the railway fund should be distributed among the different Provinces, according to population, or that a general division be made. No hon. gentleman could know what the member on his right or left hand wanted or would do, and a general scramble for that fund might be witnessed. It seems to me that unless the lands of the North-West are utilized at present for the construction of that road, in future we shall have very little chance of so employing them. Hon. gentlemen opposite say that this is not a political question, but should be looked upon simply as a commercial transaction. I doubt that view. I am much more inclined to take the view of the member for Glengarry (Mr. McLennan) who said that this was not a common contract, or one that could be regarded like a contract for the building of a house or small branch railway. It cannot be denied that it has large political consequences, and must be looked upon in a political as well as a commercial aspect; and if it is meant that we are not to look upon it in a political aspect, if we are not to take a party view of it, or advocate it for the purpose of obtaining a party advantage, I agree with that view; but if it is meant that the political view of the situation is not to be considered as well as the commercial, I deny that proposition. I think that unless the Provinces be united by such a railway, the object we entertained at Confederation will not be accomplished. These Provinces require to be linked together in order to secure a lasting union, and if they be not so linked together by a friendly spirit and by such a railway, we shall not get the advantages of the National Policy inaugurated, nor the full advantage of Confederation. That certainly was the view of those patriotic gentlemen who united these Provinces. I do not know that any other view has ever been attempted to be advocated before the people; and I am quite sure that if any such attempt was made, the people would frown it down. We ought then to attempt to carry out this policy, and if we do not construct the Canadian Pacific Railway now we are never likely to do it in the future. We have heard it said that commerce knows no bounds; that we should not regard this scheme from a political point of view, and that the road is simply for commercial purposes. If we are to look at it simply as a commercial question, and to proceed with the construction of this road to the Sault, and thence into the United States, I think hon. gentlemen must go a step further and advocate the doing away with Custom-houses along the frontier. That seems to me to be the necessary consequence, and the course they should logically advocate. It appears to me that if we are now to advocate the construction of a road to Sault Ste. Marie, for commercial purposes only, it was a mistake to expend so much money in building the branch from Thunder Bay to Selkirk, with its fine grades and curves, and with the expressed intention that it should be made the great road to the North-West. If we are now to abandon the construction of the Canadian Pacific road and expend $3,000,000 for the road to the Sault Ste. Marie, it was a great mistake to bother about the water stretches, about the Georgian Bay Branch, and the extensive and expensive surveys which we have been carrying on for years. The whole course of this Parliament for the last ten or twelve years, according to that view, must have been a mistake, and it is only after expending $14,000,000 on the Thunder Bay Branch, and $3,000,000 on surveys, that we have made the discovery. It may be argued, it has been argued, that the building of that road from Thunder Bay to Selkirk would enable our emigrants going into the country in summer, to get in without touching on American territory. Is that the object we had in view? Was this to be a mere immigration road, constructed for that purpose and no other? No; it was constructed as a branch of the Canadian Pacific Railway, intended for that originally, and the Conservative party intend it shall be such yet. It is all very well for Reformers to say that we are to be guided by present circumstances only—that we are not to look to the past—that we may not be consistent—that the question is: what is best and cheapest for the country now! That is one view, but there is another view, and it is one which Conservatives, at all events, are likely to entertain. It is that which has been the policy of the country for a great number of years, which have been the views of the wisest and best men, the best educated and most patriotic, for a considerable number of years, and which is entitled to very great respect. Such has been the opinion of hon. gentlemen opposite. It has been the opinion of Conservatives that a Canadian Pacific Railway should be constructed, and it is the opinion of Conservatives yet. We have respect for the opinions, the views and the judgments of the past. We think that a country must have some history, that there must be some continuity of legislation, that no country ever attained to any importance unless it had some fixed object in view, something to which it pointed the attention of its people as an object they had to attain to in the future. That is the view we have taken of the Canadian Pacific Railway, and, as Conservatives, we are bound, if possible, to carry out that view and build this road from ocean to ocean. I have no doubt that they will succeed, and that the proposition which has been laid on the Table eventually will carry. Now we have an amendment to this proposition. I am not experienced in the practice of Parliament, but when I examined this amendment, I was not exactly sure whether it was in order. I could not see that it was actually an amendment to the proposition laid on the Table, but as no one else took exception to it I did not feel that I should. It was argued by the hon. member for South Wellington (Mr. Guthrie) that we were free to accept either this proposition or the one which has since been laid on the Table of the House, but in the amendment we are not asked to accept the later offer. The leader of the Opposition does not seem to have confidence in the new Syndicate proposition himself, for he does not propose to substitute their offer for the other, and surely he might have had some confidence in it seeing that it emanates from his political friends. I think if the hon. gentleman had not been afraid of "putting his foot in it," he would have asked the House to accept the offer, instead of declaring as he has declared in his amendment simply that the contract should not be legalized. With regard to the second proposition, the hon. gentleman says it is an inconceivably better one. I deny that; or rather, I say if it is an inconceivably better proposition it is inconceivably better for the contractors and not for the country. The second Syndicate can abandon three sections of this road by the consent of the Government. It seems to be the desire of the hon. gentlemen opposite that the eastern section should be abandoned, but they do not attempt to

show how it is to be constructed hereafter. Hon. gentlemen in their calculation of the land and money grant never have apparently taken into account the cost of running the road through what has been described as a wilderness, and what is certainly a poor, barren country, as we all know; those parts of the road will not pay for years and years to come. It is true we know what the country is giving for this road, but the contractors have great uncertainty as to what they will get for its construction. They know that they will get $25,000,000 in money and 25,000,000 acres of land, but the value of that land cannot be estimated at $1, $2 or even $5 an acre, as has been done by hon. gentlemen opposite. We do not know the value of that land. It may be considerable, but we must deduct from its value the cost of placing emigration there, the interest on the money expended for that purpose, the cost of running the road in the meantime, and the interest on the cost of the plant—all this will have to be deducted from the value of the land—so that the Company cannot know what they shall receive. But it is quite possible to say—if the eastern section be withdrawn, at the desire of the Government, and the Yale-Kamloops section be postponed—there is no uncertainty about the second contract. There will be money in that. If the opinion of the hon. gentlemen opposite be that these sections should be withdrawn, that they ought not to be built at present, then the second company will have an excellent bargain. I will not go into calculations because that has already been done so extensively. Now, as regards the contract itself. Whether it is a good contract or not, in the interest of the country, I think there can be no doubt that if we are to obtain the construction of the Canadian Pacific Railway we must be prepared, as a people, to make some sacrifice. We have not to look upon it as a mere commercial transaction, but we are to look at its political necessity in binding together the Provinces of the Dominion. The objections taken to the details of the contract I look upon as captious. It is true that if hon. gentlemen opposite take the ground that it is not desirable to have a Canadian Pacific Railway, then I can easily understand their objections. If they take the view that it would be ruinous to this country to proceed with the eastern section or the western section, then it would be quite in order for them to give a factious opposition to the adoption of this scheme. It does seem to me that many of the views expressed by them, in regard to different portions of this contract, would indicate that. There was one objection taken by the hon. gentleman for West Middlesex (Mr. Ross), which struck me when I read the contract first, and that was that when new Provinces are formed in the North-West, the Company being free from taxation on their road and plant, better terms would be required by these new Provinces. Now, it has been clearly shown that the amount of taxation upon the plant and railway of the Company would be very small. But even, were it larger than it will be, it is simply removing taxation from the older Provinces and placing it upon the new. It is simply making the North-West do some of that which hon. gentlemen opposite ask should be done by the older Provinces. But when we are obliged to pay so much for railway accommodation in this country, I see no reason why the North-West should not assume some portion of the burden. If this is an argument against taxation, it could be met by simply increasing the bounds of the new Provinces, by giving them a little more territory, and you would make up for the deficiency of taxable property. I think this is not a real difficulty. I think it is a burden which they ought to assume. The hon. member for Centre Huron (Sir Richard J. Cartwright) seems to think that this Syndicate will prevent lines of railway running south. I do not see any reason why he should object to that. That would simply form a connecting link with the Sault Ste. Marie, and if it is not in the interest of the country to construct the road north of Lake Superior, but to postpone it indefinitely, I do not see any reason why he should object to that road being deflected in that direction. The hon. member for South Huron (Mr. Cameron) also raises certain objections to this contract. He says it is inferior to the Allan contract, and that when the hon. member for Richmond and Wolfe (Mr. Ives) compared the Allan contract with the present one and pronounced the latter more favorable, the hon. member for South Huron complained that he did not compare the two in their details. There is no doubt he did not. The hon. member for Richmond and Wolfe only compared them in respect to the money and land grants. He was not then dealing with the details, and the hon. member for South Huron (Mr. Cameron) was simply exercising a little ingenuity when he said the hon. member for Richmond and Wolfe did not deal with the details. He was comparing the two schemes in another way, and, in the way in which he did compare them, I think the present scheme compares very favorably with the Allan scheme. The hon. member for South Huron also took objection to this contract, because he said it was to be constructed according to the standard of the Union Pacific when first constructed. A great deal has been said on that point, and I perceive that the new Syndicate points to the year 1873 as a better time, as the period when that road was in good condition. Hon. gentlemen opposite in effect say: "when first constructed" may alude to a period anterior to that. I do not think that is a fair reading of that section, or that it would be so read by any impartial person. It admits of argument, no doubt; but suppose, for example, that an immigrant went to the North-West, erected the walls of a house, covered it in, and took his family into it; and after a time he completed his house. Would it be said that the house was constructed when he first went into it? No; it would be when the work was finished. I think the advantages are very much on the side of the Government in dealing with the Syndicate. In dealing with the Government, the Syndicate will be obliged to place something like a fair and honest construction on the terms of the contract. It will be in their interest to do so. It cannot be in the interest of the Syndicate to be at war with the Government of the country. Some hon. gentleman referred to a decision of a United States court, with regard to the time the Union Pacific Railway was constructed, that it was in the year 1869; but on referring to that case, one must perceive that the railway at that time, had obtained grants of land along the line of the railway, and that United States troops had been carried over the line, and hence neither party was in a position to say that the road had not been finished, because they had both been using it as a finished road. The last speaker told us that a great monopoly would be created in that country. It is very difficult to say what that really means. Every railway is a monopoly to some extent, and wherever there is a large amount of capital employed in the transaction of any business, it creates a monopoly to some extent. We have monopolies in Ontario and Quebec. Take, for example, the road in my own county. I recollect a printer there who had to send for his press to Liverpool, having to pay as much to have it carried from Guelph to Walkerton, a distance of about seventy miles, as he had to pay to have it carried from Liverpool to Guelph. To talk of monopolies in the North-West, when we have monopolies all over this country, seems to me absurd. A monopoly in railway matters exists everywhere, except at competing points, and nineteen places out of every twenty, in Ontario, are affected by monopoly. Now, do hon. gentlemen mean to argue from this, that we are to encourage competition in the construction of railways? My own impression is, that there has been too much competition in the construction of railways in Ontario already, and that a great deal of money has, in

this way, been lost. It is, perhaps, the only way by which we can overcome a monopoly at the present time, but it is a very clumsy, awkward and expensive manner of doing so, and a better method, I have no doubt, will be found in the course of a few years. I have no doubt that, finally, railways will come under the direction of the Government; but is any hon. gentleman prepared to say that Canada is now in a position to deal with the question in that way? We had better do away with the monopolies in Ontario and Quebec before we deal with them in the North-West. Future expenditure in the construction of competing railways should be done away with, and we should have one general scheme. I do not think Canada is in a position to adopt that course. I do not think we have the money to do it, and even if we had, I question whether otherwise we would be capable of adopting that course. But, supposing we should try to adopt it in regard to the North-West, is the Government to cut and pair that Company down so as to render it as poor and weak as possible, so that it might not prove a monopoly capable to compete with the monopolies in the United States? I say no. It is not wise to take that course. Our course should be to grant power to that Company, which they would be fairly able to use in the interests of the country; and the Company will, in my opinion, have all they can do, even backed by the Government of the Dominion, to overcome the competition of the United States roads. I believe the assistance the Government of the Dominion will give them will be little enough to enable them to compete successfully with the United States roads. This is not a rich country in money. It has an immense acreage of fertile lands and fair prospects. It is the interest of Canada to deal as liberally with the Company as circumstances will permit. Now, I would refer to that matter of taxes again, because there seems to be a very strong point attempted to be made with regard to it The lands in the United States are said to be selling at $6 an acre. Now, we know that has been caused by the introduction of railways, by the granting of large sections of land to aid railway companies in opening up new settlements, and yet after these lands have been opened up and increased in value to this extent we are asked to put the same value on our lands. After they have largely accomplished what we are beginning to attempt to accomplish, we are asked, not to do as they do, but to do the very reverse; we are asked to assume control of railways which it is impossible for us to do and leave our lands barren and waste. There is no other way, in my opinion, to open up the North-West than that indicated in this arrangement on the Table. To attempt the other, would simply be abandoning the construction of the Canadian Pacific Railway for all time to come. The adoption of the proposition will enable that road to be built, if not in the time mentioned, at least I hope very nearly within that time. I have no doubt every Conservative in this country, every one who wishes to see this country advance to an independent position, must desire to see that road built. I have no doubt that there will be no break in the Conservative ranks with regard to this proposition, and I am quite sure that everywhere it will meet with the approval of public opinion in the country. I know that public opinion has been attempted to be enlisted against it during the holidays: that parties have been active in trying to obtain an expression of public opinion against the construction of this road. But they met with entire failure. They came back from the country with very different feelings from those with which they set out. They went to the country enthusiastic, with heated imaginations. They thought they were going to wake up the country to opposition to this scheme. Their walk in the country did them a good deal of good. It cooled their ardor wonderfully, and when they came back, instead of opposing the different details of the contract, as they had before that time done—because many hon. gentlemen opposite said they would be very willing to have that contract ratified, provided the details were satisfactory—they, seeing the change in public opinion, brought down a contract of a very inferior description, very much more favorable to the contractors, and very much worse for the country than the Syndicate terms, and under which the Canadian Pacific Railway would never be built. We think that the Government of a country can further the country's interests—that this Government did further the interests of this country by its National Policy—and we still wish to promote that and to make this an independent country. When the country was in difficulties hon. gentlemen opposite held out their hands and said they were powerless to do any good, that they were mere flies on the wheel, and that times had simply to change and the country would eventually improve, and things come right again. Well, I do not think the Canadian Pacific Railway will be built in that way. Some action will require to be taken by the Government, and this contract is the proper action to be taken. It is quite true, there may be some things connected with this contract that one would rather see changed, but the same would occur in any contract. I have no doubt that there is not a contract anyone has made, in which he would not like to see some conditions changed or introduced; and, no doubt, in this case, our own interests make us alive to improvements in this contract. But we believe that the Conservative party will carry on this work—that the country will support them, and that it will not be in the interest of the country to change the old contract for a similar and inferior one and place it in the hands of hon. gentlemen opposite, to enable them to postpone or delay either of the sections. In that case an event would take place in the future, such as has taken place in the past—those flies would collect around the wheels of the political machine and clog them for the next ten years. We intend the political machine shall revolve freely, though it may occasion a little trouble to brush the flies away. We intend to carry on this railroad, and with this object I believe every Conservative will vote in a solid phalanx for the Government motion before the Chair.

Mr. BECHARD. Owing to illness since the beginning of this Session, I have not ventured to take part in this protracted debate, which is engaging the anxious attention of the Canadian people. However reluctant I may be to speak on this almost exhausted subject, at the risk of only repeating something that has been already said, I will endeavor to set, at least, briefly, before the country my opinions with regard to this question. The motion placed yesterday in your hands by the member for West Durham meets my hearty concurrence. Indeed I am prepared to go still further than he proposes in that motion; for not only do I consider it against the public interest to vote the resolutions which are now before the House, but in my humble judgment, the whole question should be immediately submitted to the people. I am aware that at the opening of this Session the right hon. leader of the Government expressed the opinion that the people, however intelligent they may be, are not competent to judge of the importance and bearing of a question of this magnitude. Notwithstanding the great respect which I profess for so high an authority as the right hon. gentleman, I remain convinced that the people, after all, constitute the supreme tribunal which pronounces final judgment upon all great political issues. No one in the House forgets, I presume, that so soon as Parliament is over, everyone of us will have to submit, to the judgment of the people, his course with regard to this, as well as all other questions acted upon in Parliament. Then the people, regardless of all that may have been said in this House to show their incompetency, will affirm their competency and pronounce a verdict by which every one of us will be bound to abide. It has been suggested on both sides of the House, during

this discussion, that this should not be made a party question—that considering the great public interests involved in its solution, it should stand far above all party interests. I am glad to say that I am in warm sympathy with this patriotic feeling; but I must say that I know of no better way of reaching this object than an appeal to the people. For as soon as the people will know and pronounce upon our opinions, our course will be dictated by them, all party spirit will be hushed, and the question finally settled. It is quite true that this question has been before the Canadian people for a number of years, ever since 1872; but everyone remembers that from that time to this moment it has undergone great changes and modifications. It has assumed different forms, involving different schemes, upon which the people have not had an opportunity of pronouncing. During that lapse of years we have had no less than five or six different schemes submitted to Parliament for the construction of the Canadian Pacific Railway. We had first the scheme of 1872, which provided that the railway should be constructed by a company which should receive a cash subsidy of $30,000,000, and a land grant of 50,000,000 acres. Then we had the scheme of 1874, and the Act of 1874, which embodied the main features of the Act of 1872, with provisions not to be found in the previous Act. In 1879 it was intimated to us that the work would be constructed as a Government work, with the assistance of the Imperial Government by means of a guarantee, and otherwise. In 1880 this plan was somewhat modified. We heard no longer of Imperial assistance; the railway was to be constructed with the proceeds of the sale of these 100,000,000 acres of land, and although this scheme was ratified by Parliament some months afterwards, we are called here before the usual time of the meeting of Parliament for the purpose of ratifying another scheme which is entirely different. The mention of these different schemes reminds me of the fact that during this debate a charge of inconsistency was made against the Liberal party by some of my friends from the Province of Quebec—I think my hon. friend from Rouville (Mr. Gigault) and my hon. friend from Portneuf (Mr. Vallée). Surely when those hon. members made that charge, they forgot that their own political friends had changed their minds several times within the last few years. I do not intend to cast any blame on hon. gentlemen opposite for that, for I think it is only reasonable to suppose that dealing with a question of this magnitude, and respecting which we have been so long without sufficient information, public men will modify their opinions from time to time. But I would like to tell my hon. friends from Quebec, who make the charge of inconsistency, that they should not forget that profitable lesson of wisdom, set out by the celebrated Molière, in the following lines:—

> "Il faut s'examiner soi-même un fort longtemps
> Avant que de songer à condamner les gens;
> Il faut mettre le poids d'une vie exemplaire
> Dans les corrections qu'aux autres on veut faire."

I believe it to be of the utmost importance that this last scheme which is now before the House should be submitted to the people, and I consider it of equal importance that the people should have an opportunity of pronouncing upon the policy suggested last Session by my hon. friend from West Durham. Who can say, with certainty, in this House, that the people would not endorse that policy if they were consulted upon it. But I may be met by the statement that British Columbia is impatient, that a bargain has been made with her, and that we must stand by that bargain no matter how severe the terms. I do not believe that the people are bound to incur ruinous expenses for the purpose of remaining faithful to a ruinous bargain. I hold that the people have in their hands the power to mitigate the terms of that bargain, and that having made reasonable proposals to British Columbia if she chooses to become noisy and turbulent and to threaten secession as she has already done, the people of this country have also the power to tell her that she may slide out of the Union if she wishes to do so. But there is another reason why this question should be submitted to the people, and that is that the contract has been let without tenders having been called for. We have heard it said over and over again, during this debate, that my hon. friend from Lambton, while Minister of Public Works, had called for tenders and had received none, and, Sir, if I am not mistaken, one hon. gentleman said that his non-success in that particular was an evidence that the Liberals, when in power, could accomplish nothing great; nothing worthy of the consideration of the people. I could reply to that hon. member that his own friends have not always been successful. I could remind him of the fact that the Allan Company did not succeed in raising the money in England which they required for the construction of this road, although the attempt was made at a time when money was abundant. But when my hon. friend from Lambton called for tenders the circumstances were entirely different. The times were hard; we were in the midst of a severe commercial crisis which affected the whole world. Financial and commercial houses everywhere were shaken while others were broken down and the fragments of their capital scattered to the wind. Railway construction was suspended, everywhere capital stood uninvested, and I think, under such circumstances, that it will be a matter of no wonder to a reasonable man, at all events, that my hon. friend did not succeed in receiving tenders—that no capitalists were found ready to place their money in the construction of the Pacific Railway. But at present things are different. Circumstances are a great deal more favorable, times are becoming good, prosperity is being restored to the world, capital is abundant and is seeking for investment. Under such circumstances, the Government could hardly pretend, at the beginning of the Session, that they had made the best possible bargain, and at all events I hold that they are entirely precluded from that contention now since another offer has been made to construct the railway on conditions which however objectionable in some respects are certainly on the whole preferable to the contract now before the House. A great effort has been made in the course of the debate to show that of all plans which have been submitted to Parliament for the construction of the Canadian Pacific Railway, the present scheme is by far the best, that it is superior to the contract of 1872 and to the scheme of 1874. It is true that you find at first sight that the cash subsidy is less by $5,000,000 in the present scheme than was proposed in the scheme of 1872; it is also true that the land grant is one-half less in respect to the number of acres. But you discover that this advantage is only apparent and is more than balanced by the other concessions which are made to the Company. Besides the cash which we are giving we are giving $28,000,000 worth of of railways completed and to be completed, besides $3,000,000 which have been expended on surveys. I understand that by this scheme we are giving only 25,000,000 acres of land, but there is a great difference in the manner in which the land is to be selected from that proposed in the previous contracts. We know that under the previous contracts, the land was to be selected from the Western boundary of Ontario, alongside the railway for its entire length, while under this scheme, the land is to be selected only on the fertile belt of the North-West, which affords more attraction and more immediate advantages to settlers, and where the lands would be worth five or six times more than it could be worth for a long time to come in the other parts of the country where the road passes. But I am not going to weary the House by going into a discussion of the other concessions made to the Company. I shall not, therefore, speak of the transfer to the

Company, of 5,000 tons of steel rails, at a price under their market value; nor to the concession which permits them to import all their materials free of duty; nor to the concession which permits them to keep their lands free from taxation for twenty years. But I cannot conclude my remarks without alluding for one moment to what I consider as the most objectionable feature of this contract. I wish to refer to the almost exclusive power given to the Company of building railways in that country for twenty years. In my humble judgment that concession will create a monopoly, the end of which no one in this House can hope to live long enough to see; for after the Company has made use of their power for twenty years, they will become so powerful that they will be in a position to annihilate all attempts at competition. If that concession is made and becomes law, we will see in all the North-West Territory the same state of things which has been witnessed in the Western States of America. But, Sir, the interest of the settlers alone is not concerned; it will also affect the commercial interest of the Dominion. On the one side will be the interest of the Company, and on the other side the interest of the people. For, while you give that Company absolute control over the whole carrying trade, it is clear that the concession will be productive of results most injurious to the general commercial interests of the people. I look upon all legislation covering a great monopoly by removing competition as injurious in its character. I consider that freedom of competition is an essential element of progress everywhere, and the absence of it as meaning either stagnation or oppression. Competition means liberty, whilst monopoly means oppression all over the world. I am quite ready to admit that this piece of policy is in accordance with the principle of commercial exclusion which was adopted two years ago. For my part I do not hesitate to say that I am unfriendly to any such legislation, and I intend to stand by those broad principles of free competition which have been taught to mankind, within the last half a century, by enlightened England—those principles which, I hope, will be prevailing in the whole world before another half century has elapsed, and which should, at all events, be prevailing on Canadian territory, and wherever the British flag waves over British soil. Now, Mr. Speaker, strong objection has been made during this discussion, to the Sault Ste. Marie route, and some of my hon. friends from the Province of Quebec have strongly advocated the route north of Lake Superior, as offering some peculiar advantages to our Province. I must confess that I fail to see those advantages. What do the railways in Quebec and in all the other Provinces want? They want traffic. I consider that the route by Sault Ste. Marie, whilst giving those railways the carrying trade of our western territory, would at the same time give them the carrying trade of a large portion of the American territory which lies in the northern part of the States of Michigan, Wisconsin, Minnesota and Dakota. We are told that the road will throw us into the arms of the Americans, and that American railways will get the carrying trade of our North-West. Sir, if it is true, as I believe it is, that the line of the Canadian Pacific Railroad is the shortest for the transportation of western products to the European markets, I fail to see how the route by the north of Lake Superior could offer superior advantages for that carrying trade. But admitting, for the sake of argument, that American railways could offer equal advantages with our own, I would see in that fact a protection, and the only protection left, against the exactions of this Syndicate, as it would bring their tolls down to a reasonable rate; whilst the route by the north of Lake Superior would secure still more to the Company their monopoly by placing them almost beyond the reach of all competition. Now, let me conclude my remarks as I commenced them, by suggesting that this whole question be sent to the people. We have had conflicting evidence of the opinion of public meetings that have been held in different parts of the country. Some meetings, we have been told, have been enthusiastically in favor of the contract, while others have just as strongly opposed it. Since recess we have seen every day petitions pouring into this House, praying that this contract should not become law; whilst, on the other hand, we have seen petitions praying that it should become law. In this perplexing condition of things let the voice of the people be heard at the polls and let their will be our guide.

Mr. BOLDUC. Mr. Speaker, when, at the beginning of the Session, these resolutions for the construction of the railway were laid before us, the terms of the contract appeared so advantageous to hon. gentlemen opposite, that the hon. member for West Durham (Mr. Blake) hastened to ask for an adjournment of the debate, in order to be able to find some objections against the ratification of this contract. We had a right to expect that a contract so advantageous, especially for the Province of Quebec, would be supported by hon. members on the other side of the House, especially by hon. members of the left who represent the Province of Quebec. But, Sir, after the meeting of hon. gentlemen opposite, after their meeting in caucus, it was decided that it would be better to oppose the measure. They forgot the interests of the party to think only of the interests of their country; and although the Government did not grant the adjournment asked for, still they allowed a long debate, they allowed every member to say what he thought of the contract, so that it could not be claimed that the Government had tried to stifle debate. Thus we have seen, Sir, during the Christmas holidays, hon. members on the other side going through the Dominion and calling meetings, and, in order to be quite sure that only friends should assist at these meetings, only those were admitted who were worthy of receiving a ticket, who were worthy of applauding the Liberal speakers. It was known beforehand that, if free discussion were allowed, if the Conservative speakers were allowed to meet these gentlemen, the people would pronounce in favor of the ratification of the contract. Moreover, petitions were circulated in all parts of the Dominion asking that the contract be rejected, but, Sir, even in the Liberal strongholds, only a few signatures could be obtained. The hon. member for Gloucester (Mr. Anglin) who had recourse to the help of all the valiant defenders of the Liberal party in the Maritime Provinces, has succeeded in getting one petition signed; but we had the right to expect, after all the trouble he had taken, numerous petitions, if, as hon. members of the Opposition say, the people are indignant at the terms of the contract and determined to re-elect only those members who oppose its adoption. Yet in all the Maritime Provinces, the hon. member for Gloucester (Mr. Anglin) after having worked for more than a month, has succeeded in bringing down a petition signed by 4,400 electors only. Well, Sir, it must be admitted that after such hard work, on the part of these gentlemen, we had a right to expect petitions signed by a greater number of electors. I say, moreover, Sir, that we, the representatives of the Province of Quebec, have the right to be surprised at the conduct of hon. members on the left from our Province—for if there is a route to be followed, if there is a railway favorable to the Province of Quebec, it is certainly the route mentioned in the contract passed between the Government and the Syndicate; if there is a route favorable to the Province of Quebec, it is surely the route to the north of Lake Superior; this route is more favorable to our interests than the Sault Ste. Marie route. But, Sir, we are not yet aware whether the Opposition is really determined to build this railroad or whether they intend to oppose the building of it, for in the amendment moved by the hon. member for West Durham

(Mr. Blake) it is not said, supposing that the Opposition should come into power, whether they would build this road or not. I will not inflict upon the House the amendment of the hon. member for West Durham (Mr. Blake), for it would take me half an hour to read it. I will content myself with the conclusion of his amendment, which is as follows: —

"That it is not in the public interest to ratify the contract by which it is proposed to grant $25,000,000 and 25,000,000 acres of land."

Do the hon members opposite oppose the ratification of the contract because the number of acres of land granted to the Syndicate is too large and because the sum of money is too heavy? The amendment of the hon. member for West Durham (Mr. Blake) would seem to indicate as much; yet hon. members on the other side, representing the Province of Quebec, who have addressed the House, strongly denounced the contract because, according to them, it was useless to build the railway in British Columbia and to the north of Lake Superior. But, Sir, in 1872, the party now in power had made a contract with Sir Hugh Allan for the construction of the Pacific Railway, and what was the amount to be paid to the Allan Company for the construction of this road? Sir Hugh Allan was to receive $20,000,000 in money and 54,500,000 acres of land. Now, by estimating these lands at a dollar an acre, we have a total amount of $84,500,000. Later on, when the hon. member for Lambton (Mr. Mackenzie) came into power, instead of declaring himself opposed to the building of the Pacific Railway, he merely wanted to change the mode of construction. He wanted Government to undertake the building of the road, although it has been shown beyond all question that it is preferable that a railway should be built by a private company rather than by the Government. What is more, Sir, during the elections of 1872, and during those that followed, before the coming into power of the hon. member for Lambton (Mr. Mackenzie), instead of coming out squarely in favor of the building of the Pacific Railway, the Liberal speakers in the Province of Quebec always sought to frighten the people. They maintained that if the railway was built it would be the ruin of the Province of Quebec, of the Province of Ontario, and of the Maritime Provinces. All the Liberal speakers declared themselves strongly opposed to the building of the Pacific Railway. But as soon as the hon. member for Lambton (Mr. Mackenzie) came into power, they changed their minds; instead of opposing the building of the road, they submitted to the command of their leader, who, in his famous speech pronounced at Aurora, had said: "The building of the road will not be given to a private company, but the Government will themselves undertake the construction of the Pacific Railway." A few days later, however, the hon. member for Lambton, by an Act that he had passed during the Session of 1874, offered to any private company that would undertake the construction of the Pacific Railway 55,940,000 acres of land, which, estimated at one dollar an acre, form a sum of $55,940,000, He offered, moreover, $10,000 per mile, which made a total of $29,770,000; and besides that, he offered four per cent. on the surplus that would be required for the construction of the railway, representing $20,977,500, making a total sum of $106,687,500. Well, then, Sir, why had hon. gentlemen so strongly opposed the Allan contract, which offered to build the road for $84,500,000; and why, in 1874, only two years later, did they offer a surplus of $22,000,000? What happened, Sir? It was naturally to be expected that capitalists desirous of investing their money in paying enterprises, in enterprises that were to give great profits, would have hastened to accept the offer made by the hon. member for Lambton. But, Sir, what confidence could they have in hon. gentlemen opposite, when, since the purchase of the lands in the North-West, these gentlemen had not ceased to repeat and proclaim in every possible manner that these lands of the North-West were worth nothing, that it was impossible to settle the North-West, because when a few strips of good land could be found they were ravaged by grasshoppers. What could be foreseen happened; capitalists having no confidence in the proposals of the hon. member for Lambton, refused this offer. Later on, Sir, in 1878, a law was passed, setting apart 100,000,000 acres of land for carrying on the construction of the Pacific Railway. When this law was passed, a considerable sum had already been expended for the building of the road. Now, by estimating these 100,000,000 acres of land at a dollar an acre, as I have done for the other land, we arrive at a total of $127,000,000 to be expended for the construction of the Pacific Railway. And, now, what is the price of the present contract? The sections finished, or to be finished, will cost $28,000,000. We pay a cash subsidy of $25,000,000, and we grant 25,000,000 acres of land, which, estimated at a dollar an acre, represent $25,000,000, making a total in all of $78,00 ',000. Well, Sir, this contract being the most advantageous, I think that no hon. member of this House should hesitate to pronounce expressly in favor of its adoption. And by granting land in alternate blocks, instead of spending a considerable sum, I am of opinion that the Government will succeed in paying for the construction of the Pacific Railway without making the older Provinces pay a single farthing; for, Sir, if we deduct from the 250,000,000 acres of land that we possess in the North-West, the quantity granted to the Syndicate, we have 225,000,000 left. Now is it possible to sell a single acre of these lands if the Pacific Railway is not to be built; and will not the construction of this road increase the value of these lands at least ten times? I maintain, therefore, that the contract is highly advantageous, and I am surprised to find hon. members opposing it. Now, Sir, it is said we have another contract; a new Syndicate has been formed, and we have now before the House an offer that is infinitely more advantageous than the one made by the first Syndicate. But how is it that these devoted capitalists, these patriotic gentlemen who are alarmed at the amount given to the first Syndicate; how is it that these gentlemen who were in the Dominion of Canada in 1874, when the hon. member for Lambton had his law passed for the granting of a far larger amount; how is it, I say, that these same gentlemen did not then offer to build the Pacific Railway, when at least $26,000,000 more was offered than the sum they are willing to accept? I think that an independent paper, published in this city, gives the reason of all this fine zeal. This is what that paper says in explanation of this fine zeal of the members of the new Syndicate. In looking over the list of the members of the new Syndicate we are surprised to find that the greater part of them are unfortunate candidates at the last elections:

H. H. Cook, Grit candidate, beaten in North Simcoe.
John Stuart, Grit candidate, beaten in North Norfolk.
John Walker, Grit candidate, beaten in London.
D. Macfie, Grit candidate, beaten in East Middlesex.
H. Chisholm, Grit candidate, beaten in Halton—for the Ontario Legislature.
A. T. Wood, Grit candidate, beaten in Hamilton.
C. A. Cox, Grit candidate, beaten in Peterborough.
John Carruthers, Grit candidate, beaten in Kingston.

It is not surprising, Sir, that all these defeated candidates should bear spite against the Conservative party, and that they should have said: "We will try and deceive the people; we are very sure that the Government cannot accept the tender we are going to make; we are sure that the Government cannot cancel the contract they have signed with the former Syndicate to accept new tenders; but, in order to make people believe that the Government has refused to accept the lowest tender, we will make a more advantageous offer, and we will succeed in hurting

the Conservative party at the next elections." Well, Sir, I think that these gentlemen believe that the people are more simple-minded than they really are, for electors understand perfectly well that when such an advantageous contract as the one now before us is passed, it only remains for us to ratify it. Hon. gentlemen opposite have spoken of the monopoly that is going to be exercised by this Company that is to receive a grant of 25,000,000 acres of land. How is it that these hon. gentlemen have decided to accept the proposal of the new Syndicate which would also exercise a monopoly, because the only difference between the two proposals is 3,000,000 acres of land, and I do not believe that these 3,000,000 acres of land can make a great difference in the monopoly. I consider that of all the proposals made up to this time, the one now before us is the most advantageous that it was possible to obtain under the circumstances. For my part, I believe that the people of the Province of Quebec are ready to ratify this contract; consider it as advantageous, and will re-elect, at the next elections, all the members who will have voted for it. I do not wish to take up the time of this honorable House, and I will conclude by saying that I will give my most cordial support to the Government, because I believe that it was impossible to make a better arrangement.

Mr. KAULBACH. The subject now under discussion by this House is fraught with more than ordinary importance to this Dominion, and requires much careful thought and calm deliberation. In dealing with it as the great national highway of this Dominion, I hope to assume such a position as to be able to view the contract and all its details from a higher standpoint than that of party, and trust that, apart from party bias and party feeling altogether, to be able to satisfy my mind in view of the interests, entrusted to my keeping, of my constituents, whose rights and privileges I hold most dear, and in view of the interests of this vast and important Dominion, that in the position I take in this matter of such magnitude and importance, I am acting wisely and well. The first thing that suggests itself to my mind, is the enquiry, "Are we compelled to enter into this gigantic undertaking and construct this contemplated Canadian Pacific Railway"? to which an answer is given in the fact that when the present Government assumed office, there was apparently no alternative or no course left open for them but to go on with the work, and have it finished with as little delay, and as early as practicable, in consequence of the late Government, under the Mackenzie *regime*, having pledged themselves, and the country being bound by the agreement to which the Home Government was made a party, to have the whole road finished and equipped by 1890. In addition to this vast sums of money have already been expended, not only in surveys over the whole line, but in actual construction, very much of which would be utterly wasted unless additional construction were entered upon immediately. Both political parties have committed themselves to it by speeches, legislation, and work completed, and the question now remains as to how it is to be constructed. There is, and has been from the first, a strong feeling in the country in favor of having the work performed by private capitalists, or a Syndicate, and not by a Government whereby the older Provinces would be taxed. Experience has demonstrated the fact that railways cannot be built as cheaply by Government as by private companies; this has been proven, I am sorry to have it to say very sadly to our injury in the Province to which I belong. This Dominion not being without its experience also. You will remember that just previous to the Intercolonial Railway being built, it was estimated to cost but $20,000,000. But what do we find? We have now the statement from the hon. the Minister of Railways that to-day that work has cost the people of Canada no less than $45,526,000. Now let a Government build this Canadian Pacific Railway, maintain it, and run it, and we will have millions of dollars deficits rolled up every year for the next twenty years. Now, upon the faith of the Canadian Pacific being built more cheaply by a company, the Government have negotiated with this Syndicate for the entire construction of this gigantic work from Nipissing in the East to Burrard Inlet or Port Moody on the waters of the Pacific. That the contract with the Syndicate in principle is a good one, few I think will attempt to question, but with reluctance I state that in my mind in detail some of the clauses are objectionable, and in order that I may not be misunderstood, I feel that I had better name them. The middle part of clause 10 of the contract reads thus:

"And the Government shall also permit the admission free of duty of all steel rails, fish plates and other fastenings, spikes, bolts and nuts, wire, timber and all material for bridges to be used in the original construction of the railway, and of a telegraph line in connection therewith, and all telegraphic apparatus required for the first equipment of such telegraph line."

I am aware that at present there is no duty on steel rails. To have the Syndicate have the steel rails and other equipments for the construction of this road free of duty to my mind, is an important concession, and inconsistent with the object this Government had in view when establishing a protective policy, and unfair to the manufacturing industries of Canada, more particularly Nova Scotia, where the coal and iron can be had in unlimited quantities, and where steel rails can be manufactured for all the railways of Canada. I should feel satisfied were the clause referred to, to read thus:

"And the Government shall permit the admission free of duty of all steel rails, fish plates and other fastenings, spikes, bolts and nuts, etc., so long as there are no manufactories of the same within the Dominion of Canada."

Which would then offer to Nova Scotia, or any of the Provinces of Canada, the chances to manufacture, if they thought proper to engage in the enterprise. To obviate the objections referred to, I am told that Canadian manufacturers will be placed with regard to nuts, bolts, fish-plates, etc., on a fair footing with that of steel rails, by a rebate of 17½ per cent. on all imported iron, and a bonus if Canadian iron is used. At the same time, I should prefer seeing that part of clause 10 referring to the importation of articles free of duty removed entirely, and thereby offer the inducement for all supplies to be purchased from our own manufacturers, and thus give employment to the working man. Another objection, and which appears to me a serious one, is parting with the Pembina Branch, so called, or that leading from Winnipeg to the American boundary at Emerson. I contend that we should have held this branch as a sort of key and not have parted with it, so as to have retained the controlling power in our own hands and thereby prevented the possibility of any diversion of traffic from the contemplated main Canadian Pacific Railway through American channels; this contemplated Canadian Pacific being intended as a feeder to the Intercolonial in the success of which latter the eastern or Maritime Provinces are deeply interested. The River St. Lawrence, the main artery of Canada, in its course runs nearly parallel with the direct line of the Atlantic sea coast and thereby geographically renders the American ports of Boston, New York, and Baltimore (the present great and principal grain and shipping ports of America) more accessible for the export of grain from the great North-West, than the ports of the Maritime Provinces. Beside, the Northern Pacific Railway Company, being an American one, it is said, are building their hopes upon the traffic they expect to derive from this contemplated Canadian Pacific, hence the greater necessity for the further restriction and greater protection of the main line of the Canadian Pacific from any and all rivalry, especially the danger, as I stated, of having it tapped on the borders for the purpose of deflecting the trade of the great North-West to American channels. It is for

the future as well as the present that I wish to see precaution adopted. I certainly do think, and would recommend, that we should have a clause inserted in the contract leaving it optional with the Government to purchase and resume the road at the expiration of twenty years at costs and charges, if we deemed it wise in our interests to do so; at the same time, I entertain the idea that to get rid of all railroads, and thereby relieve the Government and the country of the embarrassment of building, keeping up, and running them, would be the best in the end. Another clause in the contract freeing the lands to the Syndicate from taxation, appeared to me very objectionable, but upon calm reflection, finding they are to be taxed as soon as patented, or occupied, seems reasonable and right, and relieves me of any impression of unfairness. I regret very much to find the vacant chair of our respected friend, the ex-leader of the Opposition, as I shall be using a quotation or two of his on this subject and should prefer his being present. I can assure this House that it was with the greatest regret I learned by a paragraph in the newspaper this morning of his illness. He has, I am sure, the cordial sympathy of every member on this side the House, and the earnest wish that he may be speedily restored to health, and in a few days be seen in his accustomed seat. With regard to rates and tolls, of which so much mention has been made by hon. gentlemen on the opposite side of this House, I may say that I entertain no fears, whatever, as the Consolidated Railway Act, with an extension, settles the difficulty; the Governor in Council having the power of reducing the tolls down to a minimum consistent with a bare 10 per cent. profit to the Company. With regard to a land monopoly, as spoken of by hon. members opposite, I certainly cannot agree, for, if there is anything I admire in the contract, it is the allottment of the lands to the Company, the Government giving them every alternate mile, square blocks, and retaining the intermediate ones, so that, if the Syndicate lots become valuable, what the Government retains must necessarily become quite as valuable also. Now, Mr. Speaker, having given my views regarding some of the details in this contract, I would offer a word or two regarding the wonderful powers of magic, possessed by our hon. friends on the opposite side of this House. It is well known to every hon. member of this House and the country, that the hon. members opposite advocated the construction of this road by private capitalists and considered it, to use their phrase, "a great national necessity"—and an enterprise to which the faith of the Dominion was pledged, and which the hon. the ex-Premier (Mr. Mackenzie) said, "We are morally, as well as legally bound to construct," and again he says:

"It will be necessary to complete our great national highway across the continent, and I think it will be the duty, as it will be the desire, of the Government to develop any plan by which these results can be accomplished."

We find that in 1874 he (the ex-Premier) proposed, and which was ratified in Parliament, to give $30,000,000 and 56,000,000 acres of land for the construction of the entire road. Under the Carnarvon terms he, the ex-Premier, agreed to expend $2,000,000 per annum in British Columbia in addition to the other outlays on the road, and to build this road from Nanaimo to Esquimalt on Vancouver Island. The hon. member for West Durham (Mr. Blake), now the leader of the Opposition, estimated at that time that the British Columbia end alone would cost $36,000,000. We find that in 1876 he, the ex-Premier and his party, offered $10,000, and 20,000 acres per mile, that is $27,000,000 and 54,000,000 acres of land for the construction of the entire road, with, mark you, four per cent. for 25 years, on the cost above the $10,000 per mile; the work to be done by a Syndicate or Company. At that time he estimated the lands worth no more than $1 per acre; now the hon. members opposite place a higher estimate upon the lands. If they are more valuable now, it is because of the anticipated completion of this railway. In any case the higher the value put upon the lands the worse stands the case in comparison between the Mackenzie Railway Act of 1874, and the Syndicate contract of 1880. How our hon. friends in the Opposition can fairly now object to the principle of this contract I cannot understand, when they calculated to build the road from end to end in ten years out of the public revenue of the country, and have it completed by 1890, a proof of which we had by their going on with the construction, and even on the Pacific slope, carrying the rails from Victoria to Yale, and advertising for tenders for building that section of the road as late as 1878. Now, Mr. Speaker, I certainly must state that had the late Government not committed themselves to build the road over the Rocky Mountains to the Pacific Ocean, and to have it completed by 1890, and had this contract not been entered into with this Syndicate, I feel, in viewing the condition of the road as it at present exists, and finding that one of the most costly and difficult sections —that between Thunder Bay and Selkirk—a distance of 410 miles, is all but completed; and from Burrard Inlet to Yale, a distance of 90 miles, and from Yale to Kamloops, 127 miles, now under contract, and must be completed before being handed over by the Government to the Syndicate; that it would have been as well had the Government retained the matter in their own hands, and built the 1,000 miles by contract over the rolling prairie from Selkirk to Jasper Valley, at the base of the Rocky Mountains out of the sale of lands, which would in a short time more than have paid the outlay for construction. We would then have had, by using the water stretch from Georgian Bay to Thunder Bay, or Fort William, over Lake Superior, a perfect connection with the great North-West for at least five months in the year, and have obtained access to the rich prairie lands of that country now comparatively a howling wilderness, but soon to become the happy and comfortable home of many families, and a perfect garden of richness and beauty; and we might have allowed the construction of the connection between Jasper Valley and Kamloops, a distance of 350 miles, and between Nipissing and Thunder Bay, a distance of 650 miles, to have been postponed for the present, and completed when the necessity of the times required, and we in a better position financially to proceed with the work. I certainly cannot feel satisfied to support the offer of the second Syndicate, feeling that the parties whose names are appended to the document are not serious, and that they have been induced by certain parties, in order to embarrass the Government, to bring forward a proposition of this kind. You will remember that for years we have expended a very large amount of money in paying emigration agents to attract settlers to our great North-West. Now compare the members of the first Syndicate with those of the second. Who are the first? Germans, French, English, Scotch, and men of other nationalities who will be as if emigration agents without salary, to assist in colonizing the North-West. Who are the members of the second Syndicate? Principally Canadians and Americans, who would not have the slightest influence with any foreign people in inducing them to migrate to this country. If you view the difference between the two, even at a hurried glance, you will find the advantages in favor of the former very considerable. The first Syndicate means, apparently, work. The second Syndicate anything but work, their object being to pull down and destroy everything tending to the growth and prosperity of this country. The first Syndicate, doubtless, will construct the whole road for the consideration named in the contract, and have money to spare; but when we consider the obligations they are under, not only to build and equip this road, but to maintain it and run it, I am led to believe that it will entail an outlay and loss to

them, even under the most skillful management, of millions of dollars every year for the next twenty or twenty-five years —perhaps longer. The second Syndicate, I believe, would repudiate the contract, if possible, after building the central or prairie section, or instead of complying with the conditions and building the more difficult sections as well, they would carry it over American territory, and thereby render it subsidiary to American Railways, more especially that of the Northern Pacific. When we consider the interest the first Syndicate must necessarily exercise to make it a success to themselves, combined with their immense influence, we must arrive at the natural conclusion that it will early tend to a large immigration, and a speedy settling of the great North-West, and ultimately relieve us of heavily paid servants now employed as emigration agents. Now, Mr. Speaker, with regard to the details as referred to, I certainly do hope that the Government and the Company may remove as far as they can the objectionable parts and agree upon certain amendments in the original contract, so as to satisfy all excepting those who offer captious opposition on political grounds, and consequently will not be satisfied.

Mr. KING. Mr. Speaker, I have listened to the speech of the hon. member from Lunenburg (Mr. Kaulbach), who has just resumed his seat, and I am pleased to know, Sir, that one gentleman has been impressed by speeches delivered by hon. gentlemen on this side. He has pointed out to this House almost as many objections as I can, and yet, Sir, I have no doubt he will vote for the contract. I listened with attention to the speech of the hon. Minister of Railways and Canals, delivered at the opening of this debate, and Sir, I dare say his friends in and out of Parliament look upon it as an able effort. Well, Sir, the only attempt at justification, on the part of the hon. member for the adoption of this bargain, was that it was better than the Allan contract, to which he himself was a party; or, the offers made by hon. member for Lambton, which have never formed the basis of a contract. Let me say here, Sir, before proceeding farther, that I also listened attentively to the other speech delivered by the hon. Minister of Railways and Canals, when attempting to defend his and the Government's position in forcing this contract through this House without giving time for the House or country to consider it. If the hon. gentleman was now in his place, I should at once request him to do me the favor of sending as many copies of that last speech into my county as were sent of the former. I have no doubt, Sir, it would be an antidote to the first, and the effect would be all I could desire. I was not surprised to find the hon. Minister of Railways and Canals defending the plea urged by the right hon. the First Minister, while attempting to force this contract through Parliament with indecent haste, in order to facilitate the interest of contractors by enabling them to secure ties. I have not forgotten, Sir, and the public have not forgotten, that a similar plea urged with reference to another contract on this same Canadian Pacific Railway, has cost the country some $214,000. And more, Sir, that in a few days or weeks the same contractors disposed of their interest for a consideration. We are now asked to vote away the same section for ever, giving the Syndicate ten years in which to complete the contract. I do not propose to take up the time of the House by instituting comparisons between present and former contracts or offers for this work. These offers are things of the past. This Parliament has now no opportunity of choosing between them. But we are now face to face with the newer propositions, and while I do not hold myself committed to either, I do say this, if we are compelled to choose either of two evils we ought to choose the least. It must appear to every hon. member of this House that this contract has some novel features in it. In ordinary contracts with the Government it has been customary for the Minister having supervision over the work to be let, to base his contract on tenders elicited by public advertisement; the Minister of Finance being specially charged to provide the funds wherewith to meet the liability incurred. But in this case, Sir, a secret bargain has been made and almost every department in the Government has been compelled to make its contribution to the Syndicate. First, Sir, we have the Minister of Finance coming down handsomely with $25,000,000 of the people's money; next, Sir, we find the Minister of the Interior pledging his department for 25,000,000 acres of land; the picked lands, the fertile lands of the North-West; and more, Sir, agreeing to extinguish the Indian titles to those lands. Still farther, Sir, agreeing to exempt those lands from taxation for 20 years or till sold, also the road bed, rolling stock and other property for all time. Next, Sir, we find the Minister of Customs agreeing to insert a clause in this contract, by which the Syndicate are allowed to import, duty free, steel rails, fish plates and other fastenings, spikes, bolts, nuts, wire, timber and all material for bridges to be used in the original construction of the railway and branches forming part of the road, thereby contributing his $1,000,000 or more to this work. Then, Sir, we come to the Minister of Agriculture, who is charged with the work of promoting emigration to the North-West, and who has been credited by the Minister of Railways and Canals with a stroke of genius in his management. He has omitted in this contract to make an arrangement by which emigrants going to that country would be conveyed at fair and reasonable rates, leaving the gentlemen of the Syndicate masters of the situation. Should they deem it more desirable to settle first their own large areas of lands south of the boundary or in the North-West, by discriminating against the Government in settling their lands, they have the power to do so. Then, Sir, we find, contrary to precedent in dealing with American transcontinental lines, no provision has been made for the carriage of mails, either, free or at reasonable rate, leaving that an open question to be arranged with the Postmaster-General and the Syndicate at some future day. Then, Sir, we are told that this is to be a military road. But not one word do we find in it relating to the carriage of troops, ammunition or supplies. This, Sir, it seems to me is an omission on the part of the Minister of Militia which is not warranted. I quite understand, Sir, that the Consolidated Railway Act gives the Governor in Council power to arrange for this as well as the postal service of the country. This may, Sir, meet the case in dealing with ordinary railway lines built by private capital. But in a work of this kind, involving at least a hundred millions of the people's money, the whole of which may be now or may soon become the property of a foreign company, some provision should have been made for these services. Then, Sir, section 26 of the contract provides:

"The Company shall have power and authority to erect and maintain docks, dockyards, wharves, slips and piers at any point on or in connection with the said Canadian Pacific Railway, and at all the termini thereof on navigable water, for the convenience and accommodation of vessels and elevators; and also to acquire and work elevators, and to acquire, own, hold, charter, work, and run, steam and other vessels for cargo and passengers upon navigable water, which the Canadian Pacific Railway may reach or connect with."

It seems to me that this may be turned to account by the gentlemen of the Syndicate, so as to ensure a monopoly of the carrying trade on some, at least, of our inland waters; and in this way, Sir, the Minister of Marine, or the gentleman who succeeds him, may be able to contribute his quota to this work. It would be well, I think, Sir, for some gentlemen who are interested in the carrying trade by water to look carefully into this provision and estimate its value for all time to come, if they can. Then, Sir, the hon. Minister of Justice, whose duty it is to guard against

ambiguity of terms in this contract, has allowed provisions to be inserted which, to say the least, puzzle the lawyers to define them. I refer to the clause relating to the standard of construction, and another relating to the profit to which the Syndicate is entitled before Government can interfere with their rates of freight. If allowed to pass without amendment there is no doubt, Sir, there is millions in it for the Syndicate. Then, Sir, last but not least, the Minister of Railways and Canals is to proceed with the building of railways for the next ten years, at a cost to the people of this country of $28,000,000, including portions now under contract, and is to hand over, when completed, to the Syndicate, to be their property forever, 706 miles of road, costing, as I have said, $28,000,000, without including the three or four millions and over spent on surveys and the interest on this large sum, amounting to millions. In addition to this, Sir, the department over which the hon. gentleman presides, is to be kept in full blast for ten years, at a cost of $40,000 per year, making a sum of $400,000, a department which might be dispensed with. But, Sir, we are told that this is to be an Imperial work. I ask is it not, viewed in this light, very significant that the fourteenth member of the Cabinet, our High Commissioner in England, has been unable from his standpoint to assist in any way to swell the amount to be paid to the Syndicate. Has his mission failed? If so, Sir, his usefulness has gone. Had he not better be recalled and save to the people of this country the very large sum it costs to keep him at his post? Now, Mr. Speaker, I think I have shown that this contract differs materially from ordinary contracts. I am unable to point out what it will cost the people of this Dominion. Time alone will tell that. The new offer now on the Table has many objectionable features, many which I cannot sub cribe to, but is not deserving of the treatment accorded it by the Government. There is one thing quite plain, Sir, that a large number of the taxpayers of this Dominion have no direct interest in the North-West, and while, Sir, they, as citizens of this Dominion are willing to consent to anything that is reasonable, they cannot silently consent to the proposition of burdens which are entirely uncalled for. I say, Sir, in keeping faith with British Columbia and in the development of the North-West, they too have claims that ought to be considered. The Government have no right to treat in the contemptible manner they have a proposition now before the House for the building of this road infinitely better than the contract which we are asked to assent to, an offer, Sir, that would save the people of this Dominion many millions of dollars, that would insure, if this Government wish it, the building of an all rail line on British territory; and yet, Sir, this offer is to be treated almost with silent contempt. The gentlemen who make it are told it is a put up job. Well, Sir, in one sense, it is a put up job. $1,400,000 have been put up, which is more than can be said of the other. I call to mind, Sir, another period in the history of this Dominion, a time of which I and those I represent have vivid and painful recollection. The Government of that day, which is the Government of to-day, were dealing with the construction of another great line of railway. Then as now, Sir, offers were submitted for the construction of that road which would have saved the Dominion some $13,000,000 in cash, enough to construct the Sault Ste. Marie Branch and also the 900 miles of road through the prairie country; would have given a good commercial line by the nearest route to a Canadian winter port; would have kept faith with a Province induced to enter the Confederacy with the understanding that a line by that route would be secured to her. But, Sir, then as now, the Government refused to consider these propositions to which I am referring. The result has been, Sir, many millions of dollars on interest and in deficits, to say nothing of the cost of construction, have been throw away.

In the construction of the Intercolonial Railway to which I have been alluding, we were told that, in order to secure an Imperial guarantee, and for the purposes of a military line, it was desirable the line should be as far removed from the American frontier as possible. The same thing is repeated with regard to the roads north of Lake Superior, a road 650 miles long, through a barren, sterile, rocky country, uninhabited and uninhabitable for aught we know. We are told, Sir, that it is absolutely necessary to build this road in order to perpetuate British institutions on this continent. Well, Sir, I, and those whom I have the honor to represent, yield to none in point of loyalty, and in a desire to see British institutions protected. But, Sir, that idea is exploded. Having once been deceived by it, we are not again to be caught if we can help it. We hope for a longer lease of power for these institutions than this contract assures us. Why, Sir, let us examine it; what does it provide? An Imperial highway? A road for trans-continental traffic? Nothing of the kind. It provides for a road of wooden bridges; a road of steep grades and sharp curves; a cheap road; a degraded road. And no security in the contract that even this is to be run for more than ten years after completion. And no power by which the Government can acquire it if it is found it is not managed in the interests of the people who are taxed to pay for it. Does this assure the perpetuation of British institutions on the continent? In my opinion permanency of British institutions will be better assured by practising a system of economy which will reduce taxation to which the people are subjected. Nothing can be gained by a vain attempt to build up new Provinces in the west, by depleting older Provinces in the east. You may impose taxes but you cannot compel people to remain in the country. The alarming exodus which has already taken place in the older Provinces will go on increasing, if the burdens of the people are so increased yearly by expending millions in unproductive public works. The hon. Minister of Finance—and I regret that he is not in his seat—last night took occasion to refer to a meeting held in my county during the holidays. He said, Sir, that I too was trying to arouse public opinion. He was mistaken, Sir, public opinion in his native county, as he had a right to claim, was aroused. The secrecy with which the bargain had been made, the attempt to conceal its objectionable features after it was made, and the attempt to force it upon the people without giving time to consider it was of itself sufficient to disturb the minds of the people. It was my good fortune, Sir, to secure an invitation to attend a meeting of the electors of my county, for the purpose of considering with them this bargain. I was anxious, Sir, I confess, to elicit their opinions on this question. I hope I shall never, Sir, think it beneath my dignity to consult their wishes and opinions on all public matters; and I am happy to tell the hon. gentlemen, although the meeting was made up of his former friends and admirers, we were in perfect accord on the question. Well, Sir, the hon. gentleman says, I told the electors that the railway would impose upon New Brunswick a debt of five millions of dollars. Did the hon. gentleman deny it? No! Then, Sir, I think I shall not now take up the time of the House by establishing that fact. But he says I did not tell them that we had still 125,000,000 acres of land in the North-West and that would pay off all our debt. I did not, nor do I now, believe it. In discussing this question I was dealing with facts and not drawing upon my imagination. I hope, Sir, when I do assume the *role* of the prophet I shall make a better record in that line than the hon. gentleman has. Mr. Speaker, I have sat here night after night, listening to speeches from representative men from different Provinces discussing this question. I had hoped, Sir, when the Minister of Finance had spoken he would at least have pointed out some of the merits of this contract. But, Sir, in my humble opinion he has failed. It is true, Sir, he has told

us faith must be kept with British Columbia. But, Sir, did he point out to us how faith was violated with his own Province, when British Columbia entered the Union. Did he point out to us how faith was violated in reducing New Brunswick representation in the Cabinet from two members to one. Did he point out to us how faith was violated with the Maritime Provinces in forcing a protective tariff upon them contrary to his own promises when they entered Confederation. And again, Sir, coming down to a later period, although not a believer in the hon. gentleman's National Policy, I would like to have some explanation why faith has not been kept with the manufacturers. Only two years ago we were told that the demand for iron consequent upon the construction of this great public highway, would be so great as to make a market for from two to three hundred thousand tons of that article. That iron and coal abounded in the Maritime Provinces, and that such an impetus would be given to this industry during the construction of the Canadian Pacific Railway, that it would be so firmly established, it would be able to hold its own again all comers in the future. And now, Sir, we find that that industry has been robbed of the promised protection, while the protectionist tariff still remains to its disadvantage. No, Sir, faith has not been kept with the Maritime Provinces. They were deluded and deceived in entering this Confederacy by gentlemen who had their confidence at the time. A great future was predicted for them, their taxation was not to be increased but rather reduced. They find themselves powerless to prevent the imposition of taxes that are odious and burdensome. They are told, Sir, that they get back dollar for dollar for what they contribute to the revenue. But what does that avail when the money is ruthlessly squandered; when they find their Province is gradually sinking instead of rising in the scale; when they find, Sir, the debt of this Dominion, for which they and their posterity will be held responsible, is rapidly accumulating. Is it any wonder, Sir, that a feeling of discontent and discouragement pervades that Province? Is it any wonder, Sir, that they are fleeing from it in large numbers? Gentlemen who represent them in this Parliament, who have no interest in common with the people, can thus afford to treat this matter lightly. But I warn them, Sir, that those who confided their interests to their keeping will at the proper time hold them responsible.

Mr. BERGIN. Before addressing myself directly to the subject under discussion; I must congratulate you, Sir, and the House, and the country, that you have on your left a body of gentlemen so modest, so pure, so wise, so disinterested, and so patriotic. Amongst all these the gentleman who combines in himself the greatest amount of all the virtues is the leader of the Opposition. I wish, Sir, whilst giving him credit for all these virtues, I could give him credit also for the tone and temper with which he has conducted this debate. I regret that I cannot do this; I regret it, not only because of the feeling it has created on this side of the House, but I regret it in the interest of the House and the country. It is not well that the leader of the Opposition should set the example which he has set for his followers. Yesterday he opened the debate with the most studied insults to gentlemen on this side of the House. He told us that there were amongst us, men so low as to vote for this contract. I do not think it was becoming a man in his position to hurl any epithet across the floor of the House to gentlemen who ventured to differ from him in opinion. Consider for a moment that the gentlemen opposite are but a very small band, and that on this side of the House there are men who at least are their peers—peers of the leader of the Opposition in everything, but his inordinate self-esteem and his great abilities which, in common with him, we admire so much. He told us, when we dared to controvert his opinions, that we were but curs, dogs, snarling at him as he passed through the streets. Is this language becoming in the leader of a great party? I shall not fatigue the House by quoting the language which he used yesterday. But I shall take occasion, as I go on, to recur to the position which he occupies towards the House and the country, and to show that, with all his boasted patriotism, his course is most unpatriotic, and one calculated more than that of any other hon. gentleman in this House to damage the interests of this country. I regret exceedingly that the hon. member for Lambton is not in his place. Through no fault of mine, through no fault of any hon. gentleman on this side of the House, is he not now in his place; and I could wish that he were here, because I shall be obliged, during the course of my remarks, to recall the attention of the House to words that have fallen from him during the past eight or ten years. Whilst speaking on this subject the other day the hon. member for Lambton said we had nothing whatever to do with the Allan contract or with the new proposition before the House which is the subject of laudation of hon. gentlemen opposite just now. What we had really to do with, he said, was the present contract submitted by the hon. Minister of Railways. From no man could this have come better than from the hon. member for Lambton. It suited him as well probably as any hon. gentleman on the other side of the House to distract attention if possible from former contracts, and from the former treatment of this question by his Government. Let it not be forgotten that upon all occasions since the entrance of British Columbia into Confederation, hon. gentlemen opposite regulated their conduct on the subject of the Canadian Pacific Railway by their being in or out of office. When in office they were always ready to assure the country that it was quite capable of carrying on the work as they proposed to carry it on, without increasing the rate of taxation. When they said, year after year, with the quibbling of pettifoggers, that they were ready to build this Pacific Railway, provided it could be built without any increase of taxation, they knew they were committing a fraud upon the public; they knew in their hearts that it was impossible that a gigantic work, as the hon. leader of the Opposition has described it, such as this, could be constructed without increase of taxation. Did these men, when in power, prosecute any part of that work without increase of taxation? On the contrary, almost the first act of the late Finance Minister—a gentleman who has not hesitated to use language which no gentleman should use, in the House or out of it—was to call for an increase of $3,000,000 taxation. What for? To build this Pacific Railway? For no other purpose. He told us that if he were granted these $3,000,000, certain obligations which this country was under would be relieved, and the $3,000,000 could be devoted to the purpose of building this great Pacific Railway. I think it will be well for me to say a word or two as to whether there rests any obligation on this country to build this Pacific Railway. One of the conditions on which British Columbia entered the Union was that this road would be built. I may go further, because I say it was more than the dream of those who brought about the Confederation of these great provinces that this inter-oceanic, this inter-provincial, and this trans-continental railway should be built; that on this continent there would be built up a great English speaking nation, founded upon monarchical principles which should last during all time, and which should overshadow the Republic to the south of us. This, Sir, was the dream of the authors of Confederation. I hear the hon. member for Gloucester (Mr. Anglin) sneer and laugh. Well, Sir, from his antecedents we would not expect anything else. Who, Sir, would credit him with the desire or idea of building up a great monarchical nation upon this continent? We were bound to build the railway in consequence of the union with British Columbia, and because of the desire of the

authors of Confederation to build up a great nation, as I have feebly attempted to describe. I will quote a few words drawn from the speeches of the hon. gentlemen opposite, and it would be well that hon. gentlemen would remember the speeches they made in those days, and that they would act up to them and carry out the work, as the leader of the Opposition said a year or two ago, when speaking on this great question, independent of party, regardless of party, and of the great difficulties that surround it, because they were bound in honor to construct the road. In looking over the record of the debates in 1872, one of the first speeches that attracted my attention was a short one made by Sir A. T. Galt, in which, though he disapproved to a certain extent of the terms, and looked upon the contract as one of very great difficulty, and one, perhaps, too onerous for this country; yet, seeing that we have entered upon it, we ought to carry it out, and he believed, after all, the country was able to undertake the work. He thought it essential that the Government should run and control the line to a certain extent. The present leader of the Opposition (Mr. Blake), speaking upon this question, said, with respect to the first resolution, which simply affirmed the necessity of building the road according to the terms of the agreement with British Columbia:

"Those who hold that the good faith of the country should be observed could not object to the construction of the road. All the provisions were entirely consistent with the absolute necessity of carrying forward this work with the utmost expedition compatible with prosperity, in order that they might maintain the honor and good faith of the country."

I do not know, Sir, that any language that I or any member on this side of the House can use, could go further to show that the faith and honor of the country is pledged to the construction of this road. I may be told by gentlemen opposite that they are willing and preparing to construct this road; but when I call to mind their conduct, their speeches during the last five weeks, the difficulties they have thrown in the way, the obstructions they are still prepared to cast in the way, I cannot help feeling and saying that they have no desire whatever to construct this road, unless they can construct it as the party in power. He said on another occasion:

"That the broad features of that policy were, as he had plainly stated, anterior to the late general elections, and the verdict of the country was taken down upon it, and the result was a decided acceptance of it. He said it is not reversible by us, we have no mandate to reverse it, that he could not consider it would be wise for an instant to consider any such proposition."

And yet this gentleman who leads that band of monopolists opposite—for at all events they monopolize to themselves, if we may credit them, all the virtues I have mentioned to-night—asks us to assist him in throwing obstructions in the way of the Government—to prevent this Parliament, if possible, from carrying out this great work. Why, if it were stopped to-day—if this contract were not carried out by this Parliament—if we were to treat the leader of this Parliament and Government as men without honor and without character, we would take the advice of the hon. gentlemen opposite and vote down his contract. But because we look upon our leaders as men of honor, and believe that not only their honor, but that of Parliament and Canada is at stake, we refuse to be dragged through the mire by him; we refuse to besmirch ourselves and to take the advice of the member for Bothwell (Mr. Mills) "that to commit treason is no crime." He said he had committed it himself and was thought as much of as before by his party. But he was not thought as much of by the *Globe*, for almost the next day it branded him as a traitor. If we took his advice how should we be branded? I do not mean to ask how should we be branded by the newspapers of the country—because for their opinion every honest man may care little provided he does his duty to his country—but how should we be branded by all the capitalists of the world? Would they not say that the Conservative party was devoid of honesty and truth. I shall only quote one extract from the speech of the member for Lambton as to our duty and obligation to build the road. He said on one occasion, in the House:

"That the late or preceding Administration, in entering into a contract for bringing British Columbia into the Confederation, had an express obligation as to the building a railway across the continent, from Lake Nipissing to the Pacific, with a specified number of years; and that when the present, or his Administration acceded to power, they felt that this, like all obligations, was one which imposed upon them certain duties which they had no right to neglect—that they were bound to carry it into effect to the extent he had indicated."

I do not think, although that hon. gentleman opposite who followed that able man so slavishly, will gainsay what he said—I do not think there is any hon. gentleman on this side who will attempt to gainsay it. So surely did they feel the force of the obligation, that in 1874 that hon. gentleman introduced an Act for the purpose of constructing the Canadian Pacific Railway; he laid before the country two plans which are embodied in that Act. One of these plans was to carry it out as a Government work provided it was found impossible to find a private company to undertake it. That Act, which I contend is sufficient authority, and for aught I know, is the authority under which the Government entered into the present contract, he took advantage of to build a portion of the railway as a Government work. I know that gentlemen on the other side of the House told us that they would not build a mile of that railway or put an inch of it under contract until the most thorough surveys had been made. We have had that question enquired into by Committees of this House, and it has been shown beyond peradventure that the contractors were on the ground almost before the engineers, before the first step had been taken to secure anything like a knowledge of where it should start from or where it should go to. Thousands, I had almost said millions, of the money of this country were wasted in the attempt to construct that railway as a Government work. I believe that the hon. member for Lambton (Mr. Mackenzie) did, to the utmost of his power, endeavor to construct that work economically. I believe that, whoever else may have been dishonest, he at all events tried to do his duty to his country. I do not say that he always did it wisely or that he always did it well. It is not an easy thing for a man who has imposed upon him a labor perhaps greater than three or four men ought to undertake, to do that which he would desire to do, particularly when he is surrounded by men hounding him every hour to do something for his followers. But I say, that with a view of the waste and extravagance which then took place, with the view of the extent to which he was hampered by his followers—I will not say his colleagues—with that example before us, knowing that as a Government work it would be almost impossible to prevent waste, extravagance and corruption—I think that the Government of this country ought to be congratulated that they had the wisdom and the courage to enter upon this contract, and to ask this Parliament to give it the sanction of law. I honor them for it, because I know that the very same attempt that was made years ago to obstruct and to prevent the construction of the Grand Trunk Railway, will be made now. I remember at that time, meetings were called all over the country, that the same cry was raised that these hon. gentlemen opposite have always raised when any thing is done that they have not the power to do as a Government, when they are in the cool shade of the Opposition—the cry was raised, ruin! ruin! And, Sir, they have cried ruin! ruin! so often that unless they are in the midst of it, I do not believe they are ever happy. No wonder that an hon. member on this side called them the other night the party of ruin and decay. Ruined or not, they certainly will not have an opportunity, during this Parliament, of ruining the bright future of this young nationality by destroying this contract. The hon. leader of the Opposition

introduced his amendment yesterday, and although I am not a lawyer, and have not always at hand a cork block and razor to split hairs with, as he has, I am prepared to say that I do not look upon that amendment as in order. An amendment ought to affirm something, but that amendment affirms nothing. It is a mere negative of a proposition before the House. I do not think the point of order is worth urging, because there has been obstruction enough thrown in the way by the hon. gentlemen opposite without my taking up the time of the House to show that that hon. gentleman in this, as in all other legal questions which he brings before this House, is almost certainly wrong. We had an instance of it the other day when he said that the Courts could not enforce this contract. I believe the hon. gentleman was entirely wrong, and that the Courts will enforce this contract.

Mr. BLAKE. I did not make that statement.

Mr. BERGIN. The statement was substantially as I have stated.

Mr. BLAKE. No.

Mr. BERGIN. I cannot remember an occasion when a gentleman on this side of this House has quoted a statement of the hon. gentleman's, that he did not spring to his feet and say: "I did not make that statement," and he put it in some other way. Of course, I am bound to accept his statement. I am sure the hon. member for Lincoln (Mr. Rykert) will come to his feet shortly and overhaul that hon. gentleman, and will show that upon this occasion, as upon the Oaths Bill and many other cases, he is entirely astray, and that he is not as great an authority upon law as he would wish us to believe. I said that the hon. member for Lambton took occasion, under the Act of 1874, to build this railway as a Government work. I gave you a brief intimation as to the consequences that were entailed by the construction of that work in that way, sufficient to show to the House that if we were to go on and build this railway in the same manner, not by a private company, as it is now proposed to do under this contract, that we should have these lobbies filled with contractors and people looking for work. We have now a proposition to do this work a little cheaper than the other, and expecting special advantages should the hon. gentlemen opposite get into office again. But they will not go into office soon enough to enable them to hand over these 22,000,000 acres of land and these $22,000,000 to these gentlemen to build the prairie section. I think the experience of five years of hon. gentlemen opposite, in building this railway as a Government work, and the experience of the Minister of Railways, with all his energy, all his ability, all his determination to prevent contractors getting the advantage of him and the country, will show that it would be better for us to pay twice the sum we have agreed to pay than to have these corridors filled with these harpies who desire to feed upon the vitals of this country. I know that does not suit gentlemen opposite. I know, with all their professions of a desire to see this railway built by a private company, that they desire still more to have it in their own hands. Why, Sir, if through the commotion they are attempting to create it were possible for them to poison the minds of the people of this country so as to lead them to believe that this contract is a dishonest one, designed to put money into the hands of a Syndicate and take it out of the pockets of the people,—if they could do that, they would displace hon. gentlemen on the Treasury benches, and when they went there I have no doubt they would carry out that part of the contract relating to the prairie section. But, Sir, they would carry out that other part of the contract, which would not only prevent the construction of a railway on our own soil north of Lake Superior and the railway west of the Rocky Mountains, but carry out their policy of making this country part and parcel of the United States. What other result could follow the acceptance of the propositions these hon. gentlemen have been making from day to day? Have they not been telling us hour after hour that we should only construct the prairie section, and that then, instead of constructing the remainder of the railway upon our own soil, we should ask the Americans to build a branch line from Sault Ste. Marie to Duluth in American territory to drain away everything from our own North-West through American channels to the seaboard, and destroy the prosperity of this country? If I for a moment believed this country could be so false to itself as to listen for one moment to the counsels of hon. gentlemen opposite, I should despair for its future. But I do not believe there is any American sympathy in the minds of the people of this country. We desire a railway from ocean to ocean upon our own soil, and we are not so blind or ignorant but that we can see that if the trade of this country were diverted for a little while through American channels, as the *Globe* predicted a few years ago, a hostile neighbor would put down his foot upon the bonding system, and there would be no outlet for the productions of our North-West, either to the east or the west. All these productions would have to remain in the North-West. We could not get them into Ontario or Quebec. We could not get them west through British Columbia to the sea. We could not get them south through American territory to find their way to the seaboard. What would be the result? In self-defence the people of the North-West would break up this Confederation, so far as they were concerned. They would ask for union to the United States. The bonding system, aye, and more than that, the entire Customs would be swept away. The North-West would become part and parcel of the United States, and the millions of money we have expended to bring that North-West into Confederation, and make it the future happy home of a great, free, happy and glorious British people would be rendered useless. There would be no more of our nationality there. Self-defence would draw them to the nationality south of the line, and the dream of the authors of Confederation, the ardent hopes of those of us who have no desire to have anything further than a friendly relation with the United States, would be blasted, and we in Ontario, in Quebec, and in the Maritime Provinces, who have been building so much upon the increase of wealth that will flow in from the great North-West, will be disappointed grievously. Our manufacturers will not have, as they expected to have, a home market in the North-West. On the contrary, they will be exposed to the most dreadful competition with the United States, because, under the influence of our fostering tariff, manufactures have sprung up to such an extent in Ontario, and will continue to spring up for some time to come, will prevent the getting an adequate home market in Ontario and Quebec or the Maritime Provinces, and if deprived, as they would be deprived if the policy of gentlemen opposite were adopted, of our prospective market in the North-West, they will be obliged to compete in the United States markets. In the face of these evils, I do not think it is to be wondered at that hon. gentlemen on this side of the House should be united as one man in supporting the Government, that they will listen neither to the blandishments nor the threats of hon. gentlemen opposite, but will do their duty by the country—even although hon. gentlemen opposite possess, as they claim to possess, all the patriotism in this country. It is a sad day for Canada when fifty gentlemen will dare to stand up before the whole country and say they possess all the patriotism in the country, that the one hundred and fifty or so gentlemen who differ from them are not patriots but partisans. If I were inclined to be severe, and to stigmatize, as I think ought to be stigmatized, such language towards gentlemen, who certainly ought to have, if they have not, as much love of country as their opponents, I would say that gentlemen opposite represent

not a party but a faction. The hon. member for Lambton, having put up certain portions of the road to tender, advertised in this country and in Europe for tenders for the construction of the road, and he offered $10,000 in cash and 20,000 acres of land per mile for its construction by a company. He offered, in addition, four per cent. on such further sum as might be necessary for its construction. He desired to remove this railway, this great national work, out of the sphere of politics—to carry out, I am persuaded, honestly, the policy of the right hon. gentleman, his predecessor, as leader of the Government. He felt that it was the wisest course he could pursue in the interest of the country. But notwithstanding his desire, and the attempts he continued, I believe for two years, he was unable to get a single offer for the construction by a private company of this great Canadian Pacific Railway. Why? Hon. gentlemen opposite may say it was because of the difficulties of the money market—that it was tight, and money was dear. But the real reason, in my opinion, is that the capitalists of the world had no confidence in hon. gentlemen opposite. When we know and remember that the late Finance Minister of this country went to England, and exhibited to its capitalists a shield which was brazen on one side and silver upon another —that when he come back to this country, at a public meeting he had the audacity, the indecency, to boast of the trickery he had perpetrated on the capitalists of the money markets of the world—I am not astonished, and the country need not be, that no one could be found to enter into negotiations with the late Government for the construction of this great work. This is in my belief the true reason why the hon. gentleman was unable during his term of office to obtain any offer from any Syndicate or private company for the building of this road. The people of British Columbia, dissatisfied with the slow progress which this work was making, appealed to the Government of the member for Lambton. They put their grievances before him in the strongest possible terms; and failing to obtain as readily as they anticipated that meed of justice which they thought ought to be measured out to them, like loyal subjects they went to the fountain-head. I hope it will not be considered an Irish bull to say that going to the fountain-head they went to the foot of the throne; they appealed to Her Majesty, and as a result obtained what is commonly known as the Carnarvon terms. We know that the member for Lambton, desirous of meeting so far as he could, so far as he would be permitted by the band of patriots around him, the wishes of British Columbia, sent a missionary to their Province. True that missionary was instructed by the present leader of the Opposition, if I am to accept his word, not to threaten the people of British Columbia, but to persuade them, if he could, to accept the terms which the hon. member for Lambton offered them. They did not accept those terms. Lord Carnarvon interposed his good offices. The recommendation of Lord Carnarvon was accepted by the Government, and they entered into a contract firm and sure, with the people of British Columbia, to spend $2,000,000 a year as soon as the surveys could be made until the completion of the road from ocean to ocean across our own territory by the year 1891. These surveys have long since been made, at all events sufficient to enable them to go on with the construction of the work in British Columbia. The hon. gentleman who then led the Government, before his fall advertised for tenders for the construction of the road from Yale to Kamloops. Nay, more, for the purpose, as he said, of showing that he was sincere and honest in his desire to carry out the agreement with British Columbia, he sent up there 5,000 tons of steel rails that there might be no delay. We were told since that he did not mean anything by this, that he was only humbugging the people of British Columbia; but I, for one, do not believe this. I scout the aspersion that has been attempted to be cast upon him in that respect, and believe that he was sincere in his desire to carry out the bargain with British Columbia and the Imperial Government. This Government has carried out the proposition which he made then. The road from Yale to Kamloops is now under construction, and it will be finished, I believe, within the period assigned in the contract. But if he was sincere, how has it been with others. How has it been with the present leader of the Opposition? He opposed the construction of the Esquimalt and Nanaimo Road, but he was not then in the Government. Shortly afterwards he went into the Government, and the *Globe* spoke as follows:—

"Mr. Blake may have felt it his duty to oppose the Government, as, for instance, in the case of the Vancouver Railway. It was just one of those matters which a Government find it necessary to carry out, as a legacy of their predecessors, which some of its members might have liked to have seen modified in some of its particulars, but which, perhaps, only a Minister himself, informed on every point affecting it, was fully competent to decide. We rejoice to think that in this and other questions, Mr. Blake has accepted the responsibility, as he will also enjoy the advantage of sharing in the councils of his friends in the Government, without in the least fearing that his advice, valuable as it no doubt will be, will in the least degree lead to any measures affecting our good faith towards either the people of British Columbia or the Government of Great Britain."

Notwithstanding this, the member for Vancouver (Mr. Bunster) said the other day that the leader of the Opposition wished to throw over British Columbia. I know the hon. gentleman explained that by saying something which amounted to the same thing and which itself required an explanation, but the member for Vancouver accepted it as a retraction.

Mr. McINNES. What he did say was that if British Columbia wanted to go she might go.

Mr. BERGIN. In a word, let her rip, I suppose. Now; whoever in this House or out of it doubted the sincerity of the member for Lambton on this question, certainly the present leader of the Opposition was not that man. He took occasion to say, in 1875, that the House must not forget that we were not at perfect liberty to determine whether we could make that expenditure or not. They had to keep faith with British Columbia, and he believed that the Premier (Mr. Mackenzie), and I believed it, would keep faith with that Province as he would keep faith in all the agreements he might enter into. I feel that I would be false to my constituents and to my country if I did not again draw attention to the manner in which Canada has been defamed by the man who believes himself to be, and who has great reason to believe it, one of the ablest of her sons. We know that in a discussion that took place a few short months ago, in this House, as to the value of the land in the North-West, everything that it was possible for human tongue to utter, in depreciation of our heritage there, came from the lips of that hon. gentleman. And, Sir, his defamatory speech was not confined to this House. It went to every hole and corner, nook and cranny of this Dominion. It went the wide world over, and there was not a foreign seaport on the other side of the Atlantic in which the speech of that hon. gentleman depreciating his own country and lauding Kansas to the skies, was not freely circulated. No emigrants left those shores, but there was placed in his hands a copy of that laudation of Kansas by that hon. gentleman, and hundreds and thousands of emigrants that were intending to seek a home on this continent and desiring to live under the British flag, were turned away from Canada and led to the United States. Canada has reason to be proud of the great ability of that hon. gentleman, but she would have far greater reason to be proud if he had devoted those abilities to the service of his country instead of to his party. I have in my hand the pamphlet of an American Emigration Agency containing the likeness of the hon. member for West Durham. I had an opportunity of

holding it up before the people of Glengarry, at a meeting at which there were present between 2,500 and 3,000 of the most intelligent electors of that loyal old country, and there were men there who recognized the likeness, but I am bound to say that there was not one man of that vast assembly but looked upon that picture with regret and hung his head with shame that Canada had a son who could so defame and dishonor her in the face of the world. And, Sir, I, the son of an Irishman, boasting, as I heard him boast two or three times within the last two years, of his Irish lineage—I feel, when he spoke of the United States as the only proper field for Irish emigration, that to me at least he was offering the greatest insult it was in his power to offer, because he was insinuating that in no Irish breast beat any love for monarchical principles. He told us in so many words that monarchical institutions were foreign to the genius of the Irish people, and that their love of any form of government was that they had for the republican. I hurl it back, and I say to him that Irish Catholics particularly—but Irish Protestants, like Irish Catholics, feel the insult—are as loyal as he. I do not know that when the country was in danger he ever shouldered a musket, but I do know that thousands and thousands of Irish Catholics did, and the history of the British Empire shows that where blood flowed freely in defence of the British flag, that the stream was not the smallest of Irish blood. Oceans of it have been shed in defence of the Empire and of the flag, and if Ireland had the same institutions as we have in Canada it would flow just as freely; and if the empire were dragged into war, all Ireland's wrongs, real or imaginary, all the difficulties under which she labors would be forgotten, and her sons would be foremost to bear the brunt of the battle in her defence. It is not the least of the great advantages of this contract which we are now discussing, that the gentlemen who compose the Syndicate are not all Canadians. We want a railway stretching from ocean to ocean through our own country, but we want interested in that railway men belonging to the countries of Europe that are over-populated, men who will have an interest in bringing to this country Frenchmen, Germans, English, Scotch, and Irishmen, Austrians, Prussians, and Russians. We want to attract here members of all these great nationalities, and perhaps we will be able to carry out the idea, not very delicately or elegantly expressed, by a former local Minister of Agriculture, that all these races will in this northern country make the greatest nation that the world has ever seen, the wisest, the strongest, the ablest, the best. I believe it. I believe in this northern clime, when the country is filled up with people of different nationalities, when immigration has to a large extent ceased from the other side of the Atlantic, when the races have become merged,—we will have a nation with all the great qualities and virtues of all those other nations combined in one. And, Sir, that cannot fail to make us one of the greatest, as I believe we are to-day, one of the proudest peoples on the face of the globe. I said a while ago that I believed the Act of 1874 was sufficient authority for this Government to enter into this contract, and let me here call attention to the statement made within the last twenty-four hours by the leader of the Opposition. He spent three mortal hours to prove that that Act did not apply to this contract, and could not authorize it. Why, I should think that he, being a party to that Act—for he was a supporter of my hon. friend from Lambton at that time, if he was not a member of his Government—would, at all events, know what were the contents of that Act. During five weeks he has been discussing this question in ignorance, real or pretended, of the effect of this Act, and he only made known yesterday his opinion that we had no authority under it for this contract. I am not going to discuss whether we have or not; but I can tell him and hon. gentlemen opposite that, even if we have not, we have the power to sanction that contract and to make it the law of the land. Speaking of the Nanaimo and Esquimalt Railway in connection with this Act, the hon. member for Lambton said:

"The Bill as proposed did not require that the contract should be submitted to Parliament. The Government must either let the contract without it being submitted to Parliament, or put off the work for another year. Rightly or wrongly, they had agreed with British Columbia to construct the road immediately, and the Bill was introduced accordingly."

The leader of the Opposition was at that time a follower of the hon. member for Lambton, and one would suppose, if he were satisfied with the leadership of that hon. gentleman, that he would offer no objections to going on under that Act without the authority of Parliament, but he did. Somehow, I cannot tell by what means that Bill did not pass. And what was the consequence? That hon. gentleman himself, to atone for the non-construction of that railway, agreed to pay over a large sum in cash to the people of British Columbia. That was one consequence of not following the policy of his leader. I said awhile ago that the hon. gentleman last year, while depreciating this country and extolling the United States, told us that our lands in the North-West were valueless. He did not mean to say that they were valueless to us because we were unable to sell them, but he said they would not bring $1 an acre in the market—he did not believe they were worth it. Well, I am willing, for the sake of argument, to admit that they are not worth $1 an acre to us just now, but I believe they are worth more than any of these gentlemen have stated, to those who will go into that country and settle upon them. I do not believe the lands are of any value unless the Pacific Railway be constructed, and constructed in the way which the Government proposes. And why, Sir, will these lands be worth so much money when this Government constructs this railway in this way? Let me ask the hon. member for North Norfolk (Mr. Charlton). He is sometimes an authority on one side of a question, and sometimes an authority on the other side. I shall only ask his authority on one side just now. He said:

"In constructing this railway, under the Bill, the Government were providing for the growth of Canada as a nation; they were providing for peopling that vast region which now lay in a state of nature, and developing its resources."

In this barren waste, that these gentlemen spoke of in 1880, the hon. member for North Norfolk told us:

"There were lands which would give sufficient sustenance for 15,000,000 or 20,000,000 people. Let them get inhabitants for it as soon as possible. If they could pour 50,000 a year into it, those settlers would pay into the coffers of this country, in the shape of Customs duty, $250,000 per annum, and the Government would derive a far greater revenue this way than from the sale of these lands."

He held:

"That the only policy to open up and develop these large tracts of country was a liberal railway policy, and that while it was proper to exercise due caution, it would not be a good policy to postpone the building of lines for the sake of saving a few hundred acres to the mile."

What a change has come over the spirit of his dream! Just make a calculation of the number of hundreds of acres to the mile that will be saved by this new Syndicate, there will be 3,000,000 of acres on 2,700 odd miles. It is dreadful to contemplate. Just think of what will be saved according to the member for North Norfolk, and yet he will come down to-morrow and tell us that the country is going to ruin; that we are destroying it; that we are making away with our heritage; that the people that go into the North-West will be so ground down by taxes, and oppressed by the legislation of this House, that it will be impossible to live in that region. Nay, more, he will tell the people in the United States who desire to come into this country, and the people in Great Britain, France and all over Europe, that they will do better not to come here, as we will so tax them that it will be impossible for them to make an honest living, and he will be cheered by the gentlemen about him; and yet men, who act in this manner, will taunt us with acting as partizans.

Mr. RYKERT. Have you not something for the member for Bothwell? Give the philosopher a pill!

Mr. BERGIN. I think I saw somewhere a similar speech from that hon. gentleman. On one occasion he told us——

An hon. MEMBER. He was in office then.

Mr. BERGIN. Yes, he was in office then, brimming over with patriotism——

An hon. MEMBER. Getting $7,000 a year.

Mr. BERGIN. Yes, and $7,000 a year greatly influences the opinions of some of the hon. gentlemen opposite. On the occasion I speak of this hon. gentleman was dilating upon his favorite theme—the, to him, glorious prospects the States of Minnesota, Iowa, Missouri, Arkansas, and—does the hon. member for West Durham hear me? it will surely be music to his ears—the State he loves so well—Kansas and Illinois. He said:

"Hon. gentlemen would see from these statistics that there was an intimate connection between the progress of railway construction and the progressive settlement of a country."

He went on to say:

"But it was money obtained from those who settled in the immediate vicinity of the railways; it was not money taken out of the pockets of the people at large, but it was paid by those people who had taken possession of the land, which had no value except for purposes of settlement. An opportunity was thereby given to immigrants to make those lands valuable, and at the same time shoulder their share of the general burdens of taxation. If railways could be built by the aid of public grants of land, or money obtained by the sale of that land, the country could not make a better use of the public lands than thus to open them up for settlement and to capitalists the opportunity of investing money there. It was largely by the construction of railways that the lands of the North-West were to be made valuable; their value depended upon the facilities afforded for the transport of the products of the settlers. By constructing railways through the North-West, reaching to every fertile point where a colony could be established, we would largely contribute to increase the traffic and travel over that railroad, which must for many years to come, be a single line from Winnipeg eastward to Lake Superior."

Yet when we say to-day that we are prepared to construct the Canadian Pacific Railway upon a plan more favorable than ever offered before—and I venture to say which, if not carried out now, will never again be offered to the people. They throw every obstacle in the way and would persuade the people of the older provinces that they are to be ruined by taxation. It makes all the difference to gentlemen opposite upon which side of the House they sit. "Remember," he said, "it was money obtained for the lands sold in the immediate vicinity of the railway." *Credat Judaeus!* "It was not money taken out of the pockets of the people at large, but paid by those people who take possession of the land which had no value except for the purpose of settlement." The hon. gentleman has thus proved my case, that until the land is settled it is worthless; and therefore I contend we are giving to the Syndicate only $25,000,000 for the construction of the road, and $28,000,000 in the shape of what has been constructed, making in all $53,000,000. What do they give us in return? I think I shall be able to demonstrate that they are giving us almost a heritage in return for those $53,000,000. I would ask the Minister of Agriculture how much it costs us for every immigrant landed at Winnipeg?

Mr. POPE. $40.

Mr. BERGIN. The late Chief Engineer of the Canadian Pacific Railway, who has been highly spoken of—we have the authority of the member for Lambton and of the Minister of Railways, that he is the ablest man in his profession in this country; so able, indeed, that the Imperial Government, at the time of the construction of the Intercolonial Railway, agreed without hesitation to, in fact I believe suggested, his appointment as engineer of that great work—we have the authority of Mr. Fleming for saying that we would require to have three millions of people in that country before the railway could pay, and I believe that estimate to be correct. Now, this Syndicate will find it necessary, before the twenty years are up, to put three millions of people into that country, at a cost of £8 per head, or at a total of £25,000,000, or $120,000,000 to them, which amount they give to us in return for $53,000,000, and the right to run the road for ever. The Government of the United States, who have the most accurate means of ascertaining the value of their immigrants which land on the shores of that Republic, have demonstrated that each immigrant is worth to them at least $1,000. Now, on that basis, just fancy: We will have the benefit of 1,000 times three million dollars in return for $53,000,000 which we give the Syndicate. Then we were told by the hon. member for North Norfolk (Mr. Charlton) that 50,000,000 would be worth to this country $250,000 in Customs dues, and taking his estimate of $5 per head we would be advantaged by these three millions of people to the extent of $15,000,000 a year. And further: it must be patent to everybody who gives the matter a moment's consideration that to bring these people into the country is to force the Syndicate to sell their lands, and if they do sell them there can be no monopoly—the only monopoly we will have will be the monopoly of purity, patriotism and wisdom by hon. gentlemen opposite. If the Syndicate sell their lands, as they must sell them at $3 or $4 an acre, as the lands of the Western States were sold—and the leader of the Opposition himself said that if they were close to the railway they would bring at least as much as in Kansas, that is $5 per acre—I say it will be incalculable the amount of money we shall receive from these lands, and we are only compelled to give the Company one-tenth of the lands of fair average quality in the North-West. I predict, Sir, that even in my lifetime—and I am approaching the sere and yellow leaf—we shall receive enough from the transaction and from the sale of the lands, not only to pay for the railway and the interest upon construction, but enough to pay all our debt from the beginning until this day. And yet, Sir, with a great future like this before us, these hon. gentlemen opposite, who know these things as well as we do, but who—I was going to say—are not blind, though extreme partizanship is apt to blind the eyes, insist not to assist, but to obstruct the measure before the House. We were told the other day by the leader of the Opposition that there were those who had ears and could not hear, who had eyes and could not see, and I may add that there are some who will sleep even when the greatest interests of their country are at stake. However that may be, I believe that we are on this side of the House all wide awake to the discreditable attempt that is being made by gentlemen opposite, to palm off upon this country a bogus proposition for the construction of the Canadian Pacific Railway. Why, Sir, so discreditable is it in the eyes of the people of this country, that even the Montreal *Star*, that for weeks had been teeming with the severest paragraphs against this Syndicate, comes out and says there can be no doubt that it smells of party and party corruption. Even the Montreal *Witness* tells us that this scheme contains the most objectionable features of the present contract—that is, the disposal of the lands in the same way that these resolutions propose to dispose of them. The cloven hoof sticks out, it is visible to everybody and cannot be concealed. You cannot repeat twice in a lifetime the Acts of 1873. It is impossible for the people to be aroused again by anything of that kind. They are sick of the Pacific Railway, and its construction by the Government as a Government work. They do not like to read every time they take up a newspaper during a Session of Parliament that there is a notice upon the paper calling for an enquiry into some rotten contract. They do not wish the lobbies of this House to be filled with people looking for favors from the Government in the shape of contracts. For the credit of their country they beg and pray that there may be no more letters to my friend Moore. They pray that all this sort of thing may be swept away,

and that to secure such a consummation this railway should be constructed by a private company, that the Government may have nothing to do with it except to draw the receipts that legitimately will accrue from that great Canadian Pacific Railway enterprise. I do not misrepresent the feelings of the people of this country. I say that they who insinuate that the gentlemen on this side of the House are bartering away the liberties and rights of this country, are themselves committing a great crime against this country. I believe that we have eyes and see, and ears and hear, as well as those gentlemen opposite. I believe we are just as capable of judging as to whether a contract is right or wrong, and that in addition to eyes and ears we have noses as keen to scent corruption, if any exists, as gentlemen opposite, and I venture to say that if we scented anything of that kind every man on this side of the House would vote against the Government, because we are, what these gentlemen claim to be, sincerely desirous of doing our whole duty to our country and nothing but our duty. Speaking for myself I have nothing to gain from the passage of these resolutions except the satisfaction that every Canadian feels who has done his whole duty on an occasion like this. I wish to draw attention to the dishonest attempt which has been made to impose upon the people of this country, the idea that we are giving away their birthright by exempting from taxation this railway in the North-West. My hon. friend from Lincoln (Mr. Rykert) made mincemeat of the attempt of hon. gentlemen opposite to humbug the people with the idea that $600,000 a year would be given away to this Syndicate in exemptions. He showed that this railway could not be exempted from taxation in Ontario, Manitoba or British Columbia, and that it could only be exempted by this Parliament in the North-West Territories. He also showed that about $1,000 a year was the outside amount of the exemptions, estimating the lands at $5 an acre, which is about the average assessed value of lands in many of the counties in Ontario Ask the people of Ontario whether they would choose between the Grand Trunk Railway, exempted from taxation, and no Grand Trunk Railway, and how long would they hesitate before they gave us the railway. We would exempt it from taxation, and, if necessary, give a large sum to the Grand Trunk Railway, for the continuance of its operation. There is hardly any sum too great for this country to pay for that great through line, and the same experience will be found in the North-West. They cannot exempt it from taxation, for that, I may say, is already done; but they will offer them bonuses to move their line a little nearer to them, or to build them a station. Has it not been the policy of every Province in this country to exempt railways from taxation? Is not that the policy in the United States? Does not our Ontario Legislature, and do not our municipalities, every year grant bonuses to railway companies? Why, the hon. gentleman himself was charged the other evening with buying up the whole country with his railway schemes. It is idle to suppose that the exemption from taxation can possibly be at all injurious to the people of the North-West. It can do them no harm. But I will tell you that harm might accrue. I do not believe that this or any Syndicate that was sincere would accept any contract unless it were exempt from taxation. I know in my own person the consequence of being subject to taxation. I had, unfortunately, a little land, some 800 acres in a western county, and after I had paid taxes on it for a few years, I found I had paid more in that way than I originally paid for the land. Two years ago I dropped it. I was not as wise in my generation as a friend of mine who got another man to buy his land in for the taxes. I did not know enough for that. But then, I am not a lawyer. If the railway company were left at the mercy of the men who will settle the North-West, they would be taxed to death. They would be fleeced as in the United States. They would be obliged to build school-houses where there were no people, and certainly where there were no children. They would be obliged to build bridges where there was no necessity for them. There would be no end to the exactions to which they would be obliged to submit. No company, sincere in its undertaking, and understanding what it was about, would undertake to build this railway unless it was exempted from taxation. There have been other objections made to this contract. There has been the monopoly objection, which, I think, I have disposed of. There can be no such thing as a monopoly, for the simple reason that the Syndicate, if they would make anything out of this contract, must sell the lands; and if the lands are sold and they only get the lands in blocks of a mile square, which prevents their holding any large sections anywhere there can be no such thing as a monopoly. But we are told that the people will be robbed by the railway in the rates of freights that will be imposed on the produce they send to market. There can be no question that if this Company should dare to exact from the residents of that country a larger toll than they can afford to pay, it will be of no use for them to send their grain to market, because when it reaches there they will not get enough to pay for their labor and the freight. When that comes, the people will cease to grow grain, or raise cattle. They will leave their lands and go to some other country, and the railway will be left without anything to suppport it. There will be no people to travel on it, and no grain or cattle to be carried to the seaports from that great North-West. Even although this Act of Parliament threw no protection around the settler, the Company must in their own interest exact only a fair rate. But if blind to their own interests, if forgetful of what is due to the people, they should impose these extravagant rates, then we have a paternal Government which has the power and the will to make the Company carry at reasonable rates the produce of the North-West to the ocean over our Canadian soil, and not through American territory. Is there any other objection of any valid kind that can be brought against this contract? I have read that almost interminable document—I was going to say, the seventh volume of the speech of the leader of the Opposition, but in that I may be making a trifling mistake, because his last speech but one was the sixth volume, and this is only, I suppose, an abstract of it on this railway question. I shall treat it, however, as an abstract proposition and as a recapitulation of all he has said before; and I shall take leave of it by saying that, in my opinion, I have heard nothing from gentlemen opposite from the commencement of the debate to this hour, that could induce me for one moment to believe that there is any danger threatening the people of this country, in consequence of the contract entered into between the Government and this Syndicate. So far from that, I have now greater hope for my country than ever before. I see for her a great future. I look to see in that great North-West, aye, and British Columbia, a happy, a free and powerful people; and without this great transcontinental railway, without the ability and courage that have been employed to bring about this contract, I believe it would be many a long year before we should be able to reach the shores of the Pacific. I know that but a few years ago the leader of the then Government told us that within two years we should be able to go, within four or five days, from Toronto to Fort Garry. It was but an idle dream. He had not behind him the men to strengthen him in his policy, and he failed because he was not honestly and effectually supported. I hope to live to see that railway completed within the time prescribed, by 1891; and if it should be completed and, please God, I have health and money enough to carry me across the continent, I shall go to see the terminus on the Pacific slope, and shall have the proud satisfaction of knowing that I have contributed my

mite towards the great future of my country, in the success of this great work.

Mr. WHITE (Cardwell) moved the adjournment of the debate.

Motion agreed to; and (at 1:30 o'clock, a.m.,) the House adjourned.

HOUSE OF COMMONS.

THURSDAY, 20th January, 1881.

The SPEAKER took the Chair at Three o'clock.

PRAYERS.

BILL INTRODUCED.

The following Bill was introduced and read the first time:—

Bill (No. 34) to incorporate the Dominion Salvage and Wrecking Company Limited.—(Mr. Girouard, Jacques Cartier.)

TARIFF OF PILOTAGE.

Mr. VALLÉE enquired, Whether the Harbor Commissioners of Montreal have submitted to the Government, for its approval, a by-law having for its object a reduction in the tariff of pilotage between Montreal and Quebec; and if so, whether the Government intend to approve of the said by-law before having placed the pilots in a position to express their views on the subject?

Mr. POPE (Queen's). A request has been received by the Government from the Montreal Harbor Commissioners asking that some change be made with respect to the Pilotage Act. As it had not been considered, and until it had been considered, of course we cannot say what action will be taken.

FRENCH COPIES OF SECOND SYNDICATE OFFER.

In answer to Mr. BOURASSA,

Mr. LANGEVIN said: It is not the intention of the Government to deprive the French members from having French copies of the new offer; on the contrary, we shall do with regard to the French copies what we have done with regard to the English copies, and the hon. gentleman may be sure that I will give my attention to the question.

CANADIAN PACIFIC RAILWAY.

House resumed adjourned debate on the proposed motion of Sir Charles Tupper for the second reading of the resolutions reported from the Committee of the Whole on the 14th January instant, granting certain moneys and lands for the construction of the Canadian Pacific Railway, and the motion of Mr. Blake in amendment thereto.

Mr. WHITE (Cardwell). Mr. Speaker, I realize very fully the difficulty of addressing the House upon a subject of this kind, which has already occupied its attention for more than a month, and upon which so many hon. gentlemen have addressed it in terms very much better than I could pretend to do. I would very gladly have avoided saying anything upon the subject itself were it not that I feel that it is one of so great importance that every hon. member should be prepared to state on the floor of Parliament the reasons which induce him to adopt the course he intends to take. Never, perhaps, in the history of the country, was there a question upon the proper solution of which its future interests so largely depend, and never was there a question which appealed more strongly to the sense of responsibility that every hon. member must feel as to the manner in which he shall cast his vote upon it. Sir, at the very outset I may say that there is a wide line of distinction between the two political parties, and that on this account we, on this side of the House, have no difficulty in ranging ourselves under the policy which has been enunciated by the Administration of the day. The Conservative party of Canada, since Confederation, have always kept steadily in view the object of uniting all the Provinces, and all the portions of British America, under a great Confederation, and they have, with this object in view, incurred in the past, and are prepared to incur to-day very serious responsibilities, because they believe that upon the accomplishment of that object will depend greatly the future prosperity of this part of Her Majesty's dominions. The Conservative party, in relation to this particular question—if I may be permitted to speak in their name for a moment—hold that the honor of the country, as well as its material interests, require the construction of a Pacific Railway uniting the Pacific Ocean with the existing railways in Canada on Canadian Territory. That, Sir, was the policy of 1871. That has been the policy of both political parties in this country until last Session; and last Session, for the first time, in the history of this country, we had the declaration of hon. gentleman opposite that they were bound, neither by the obligations which the country had assumed, nor by the interests of the country, to build the Pacific Railway from the Pacific Ocean to the Canadian system of railways. And yet, Sir, if we look back to the discussions which took place during the time the hon. gentlemen opposite were in office, we will see how strong their conviction was on that question. They went on incurring very large liabilities, they went on making very large expenditures. Their apology to the electors when they met them, their apology in this House, for those large expenditures was, that they had inherited them from their predecessors and that they were obligations which they could not avoid. If the statement which they now make, if the position which they now assume be true, that contention on their part was not warranted by the facts. If, Sir, to-day, we may abandon the idea of the Pacific Railway; if, to-day, we may postpone indefinitely the construction of any portion of that railway in British Columbia; if, to-day, we may abandon all idea of an all-rail route through British territory, connecting the Pacific Ocean with old Canada, we could have done that at any time during the last seven years, and hon. gentlemen opposite must therefore take this horn of the dilemma that all the expenditures which they made when in office were not the result of meeting the obligations which they had inherited from their predecessors, but were their own deliberate policy, undertaken of their own free will and motion, and for which they are entirely and completely responsible. Parliament last year affirmed the principle, contrary to the views of those hon. gentlemen, that the Pacific Railway shall be built. On the vote which was taken in this House in relation to the British Columbia section, that affirmation was distinctly given. Parliament, by its vote, affirmed that the honor of the country, as well as its material interests, required that the Pacific Railway should be built through British Columbia. And, Sir, what has been the result since? What has been the decision of the people, the verdict of the people, in relation to that issue presented to Parliament last Session by hon. gentlemen opposite, and accepted by Parliament by an overwhelming majority. We have had nine elections since; three in Ontario, five in Quebec, and one in Manitoba, and what has been the result? At all those elections it is to be presumed that this great question, upon which hon. gentlemen challenged the vote of Parliament last year, was submitted to the electors in those several constituencies, and yet we find not one single constituency, which before was represented by a friend of the Government, has gone to the Opposition; but, on the contrary, we find that whereas of those nine

constituencies four were last year represented by hon. gentlemen who sit upon the other side of the House, now but two are so represented. So that we may fairly say that at the only test which we can have during the term of any Parliament, that of the by-elections, the people acquiesced in the decision which Parliament gave last year, to construct the Pacific Railway as a whole. I propose, therefore, in the remarks which I intend to address to the House—and I trust they will not be lengthy—to discuss the question from that standpoint; that is, from the standpoint of the obligation of this country to construct a railway to the Pacific coast, to connect with the Canadian system of railways in Canadian territory. Sir, there can be no doubt that in the statements I am about to make I must to some extent repeat what has already been made in this debate. Both parties in Canada were committed to the construction of the railway, and both parties were committed to its construction by means of a company. The resolution of Parliament in 1871 was to the effect that the railway should be constructed and worked by private enterprise and not by the Dominion Government, and that the public aid to be given to secure that undertaking should consist of such liberal grants of land and such subsidies of money or other aid, not increasing the present rate of taxation, as the Parliament of Canada might thereafter determine. To that an amendment was moved by the then leader of the Opposition substantially accepting that policy, but desiring to have included the words, that it should be done in that way "and not otherwise." Every member of the Opposition then sitting in Parliament voted for that amendment. When the policy of 1872 was introduced in accordance with that resolution, no opposition was offered to the subsidy of 50,000,000 acres of land and $30,000,000, together with certain other subsidies of land for the branches. There were but three amendments moved. One was moved by Mr. Macdonald, who represented the County of Glengarry, that the route of the railway should be submitted to Parliament before it was finally adopted; another was moved by Mr. Mackenzie, requiring that the contract to be made under the Act of Parliament should be submitted to Parliament before being confirmed, and another was moved by Mr. Young, then representing one of the ridings of Waterloo, that no contract should be made with the Company that would prevent Parliament from dealing with the alternate sections reserved by the Government, as Parliament considered from time to time in the interests of the country. These were the three amendments moved, and I congratulate hon. members opposite that in the contract now submitted, every one of these amendments are practically affirmed. We have the route fixed as to its general points in that contract; we have the contract itself now before Parliament, ready to be accepted or rejected as the will of Parliament may determine; and the Government have themselves reserved in the contract the right to deal with the alternate sections of land in any way they may think proper—the right to give them away or to sell them at any price they may choose. There was but one other amendment to the policy, which was assented to by Parliament with comparative unanimity, to construct the railway by means of 50,000,000 acres of land and $30,000,000, and that was that the disposal of the grant should be in the hands of Parliament to be dealt with by an annual vote. That amendment was moved by Mr. Wood, now Chief Justice of Manitoba, but it was so absurd on the face of it, that no division was taken upon it, hon. gentlemen opposite allowing it to be declared lost on division. That, then, was the policy of 1871—to grant 50,000,000 acres of land, together with certain quantities for the branches, making in all 54,574,000 acres of land and $30,000,000. That was not considered too much for the construction of this railway in 1872. As a matter of fact, it failed to induce capitalists to invest. Sir Hugh Allan, who certainly occupied as high a position in the financial world as any man in Canada, as high as any of the Canadians who are connected with either of the Syndicates now before the country, went to England. He was known there; he was engaged in large shipping enterprises; he was engaged in business on the other side, and his name was as well known there as on this side as that of an enterprising, earnest, business man who was in the habit of turning into gold almost everything he touched; and yet, with all that prestige, with all that reputation, and with all these enormous subsidies, he failed to enlist foreign capitalists in the enterprise, and had to come back and give up the contract. Well, in 1874, hon. gentlemen opposite came into power. They might then, and they certainly ought—on the principle they now lay down that we may abandon this enterprise altogether without dishonor and without injury to the interests of the country—to have declared at once that this work was beyond the resources of the country. Did they do so? No, Sir. They introduced an Act of Parliament granting substantially the same subsidies as the Act of 1872, and adding that any person who might tender could say to what amount they wanted four per cent for 25 years in addition to the subsidies of land and money. Whatever that might be, whether little or much, and I am not going into a calculation on that point, it was at least in excess of the general subsidies granted by the Act of 1872; and yet it failed to induce capitalists to undertake the construction of this railway. The amount on which four per cent was guaranteed for 25 years under a similar arrangement with the Canada Central Railway was $7,500 a mile, and I think it ought at least to be remembered that the contractor who undertook the work at that price failed, and was obliged to give up this contract. That Act remained on the Statute-book until hon. gentlemen opposite left office. It is, in fact, on the Statute-book yet. Hon. gentlemen inserted an advertisement in the papers of England, the papers of the United States, and the papers of Canada, and they failed to induce any one, even to make a tender for the construction of this railway upon these large subsidies. Now, Sir, what is the comparison—and I am simply going to state it in general figures without dealing at any length with this branch of the subject—what is the comparison of these subsidies with the subsidies now proposed to be given? Hon. gentlemen opposite have done everything they possibly could to exaggerate the value of the lands in the North-West. Comparing their speeches of this year with those of last year, one marvels that the hon. gentlemen, who declared at that time that these lands were comparatively worthless as an asset for the purpose of building this railway, should be to-day so anxious to make it appear that they are immensely valuable. I confess I cannot understand why they should desire to increase the value of the lands. It seems to me that the higher the price they put on them, the greater the difference between their offer and the offer now before Parliament. If you take them at $3.18 an acre, which is the figure they now appear to accept, although last year, language was scarcely strong enough in which to express their dissent from the idea that anything like that much could be realized for them; the subsidies of 1872 amounted to $203,946,000, the subsidies of 1875 to $205,580,000, and that without counting the four per cent. additional upon such sum as might be asked for 25 years, while the subsidies now proposed amount to $132,500,000, or $70,000,000 less than the subsidies of either of the previous propositions. But we are told by hon. gentlemen opposite—and the hon. member for West Durham went into a very elaborate calculation on this subject—that 50,000,000 acres of land are not so valuable per acre as 25,000,000 would be. We are told that the subsidy of 25,000,000 acres will involve

the selection of the land in the better part of the country, nearer to the railway, either the branches or the main line, and, therefore, it is not fair to assume 50,000,000 acres as worth per acre what you assume 25,000,000 to be worth. I admit at once that there is something in that argument. I am perfectly satisfied to accept that view of the case, and to see how the matter then stands. The hon. gentlemen will admit, I think, that as to 25,000,000 acres, the price ought to be the same in both cases.

Mr. BLAKE. Hear, hear.

Mr. WHITE. I understand the hon. gentleman's "hear, hear," and I quite appreciate that there may be something in the argument which he intends to suggest, that is, that the lands then were less valuable than the lands now, because of our greater knowledge of the country and the construction of railways leading into the country.

Mr. BLAKE. And also as to the choice.

Mr. WHITE. I will come to the choice presently. I am not dealing with that branch of the subject now. But he must know that what has caused the increase in the value of the land to-day has been the fact that railways have been constructed, and if that railway had been built under the terms of the Sir Hugh Allan contract, those lands would be infinitely more valuable than they are at this moment. So that there is really nothing in the argument the hon. gentleman appears to suggest. But if you assume the value of the second 25,000,000 acres of land to be $1.50, what is the position then? That, in 1872, the subsidies amounted to $154,000,000, in 1874 to $153,500,000—not counting the four per cent., which I have not included in any of my calculations—and, to-day, to $132,500,000. So that, even by that method of calculation, assuming the hon. gentleman's argument that you cannot regard 50,000,000 acres as equal in value per acre to 25,000,000, I say, taking one 25,000,000 at the price named by the hon. gentleman and the other 25,000,000 at half the price—which I think is not an unfair way of putting the case—the present proposition is upwards of $20,000,000 less than the proposition of 1872, or that of 1874, without counting the four per cent. guarantee at all. I think we may fairly assume that all the discussions that took place last Session as to the quantity of acres of land, and the amount of dollars in money, that were to be paid for the construction of this railway to a company, had relation to the Act of 1874. Well, what do we find? The hon. member for West Durham, in his speech referring to what had been done by the Government of which he was a member, said:

"But, meantime, further progress was made and to some enquiries the Government answered that it hoped to be able shortly to advertise for tenders for the whole work on the land and money basis, subject to the approval of Parliament. It was the policy of the Government, at the earliest moment at which the condition of the surveys would permit, to take that step and so to give a fair trial to the plan, the only plan by which the road could be constructed in any short time, without increasing the rate of taxation."

This is the statement of the hon. gentleman, that the granting of 50,000,000 acres of land, and about $30,000,000, and four per cent. on any sum which might be demanded in excess of this, would not increase the rate of taxation, that the road could be built with the subsidies without increasing the rate of taxation. But there is another view. The speech of the hon. member for West Durham, the night before last, shows what was the general view as to the probable expenditure that the railway would involve. The hon. gentleman, discussing the question of getting tenders for the construction of this railway, was complaining that the Government had not asked for tenders, and referring to the speech made by the hon. Minister of Railways, in which that hon. gentleman said that if tenders were asked for the section from Red River to Kamloops, capitalists would undoubtedly be obtained to undertake the work, said:

"That scheme was that it should be constructed as a Government work, leaving out for the present the eastern link. This was declared to be, in their opinion, the true policy. It was justified by the proposition that the conditions had wholly changed, and that now the most proper and profitable thing to do was to proceed with the construction of this as a Government work. Was it that they said it would be difficult to obtain its construction by a company? Not so. They declared that if they now issued advertisements the response would be satisfactory and immediate; but although that was their opinion, they were determined to proceed with the construction as a Government work. In order to show the hon. gentleman that I am speaking by the book, I will read from the speech of hon. Minister of Railways in laying the policy of the Government before the House last Session:

"'Hon. gentlemen must not forget, as I said before, that the whole aspect of affairs in this country has entirely changed within a brief period; that that which would have been properly regarded as highly imaginative in relation to the development of the Canadian North-West, must now be looked upon with very different eyes indeed. My hon. predecessor need only recall to his mind the fact that he publicly advertised, in 1876, offering $10,000 a mile and 20,000 acres of land for the construction of the road, and asking how much more capital tenderers would require four per cent. upon for twenty-five years to induce them to undertake this work. And what was the response? Not a tender. So completely had the hon. gentlemen opposite succeeded in imbuing the minds of capitalists in this country and abroad with the hopelessness of this enterprise, that not one of them would undertake it as a commercial enterprise.'

"Then he proceeds with the statement of an offer he had at that time; so he was persuaded that by advertising for tenders in the term of the Act, he could secure the construction of the work, such as he was proposing to construct it, on more favorable terms, and that a response would be given by the first capitalists in the country to that advertisement."

It is somewhat to be regretted that the hon. gentleman stopped there. It is somewhat to be regretted that when he was quoting from that speech of the hon Minister of Railways he did not go on a little further. Had he done so, he would have shown this House and the country how very much better, how infinitely beyond anything which even so sanguine a Minister as the Minister of Railways anticipated last year, how much better than anything which this House even dreamt of last year, is the contract which is now submitted to Parliament. Here is the sentence from last year's speech of the Minister of Railways following the quotation made by the hon. gentleman:

"I have good reason to state that such an offer as that would secure the construction and operation of the whole line from Red River to Kamloops, with the operation and maintenance of all the road to the Pacific, at a cost not exceeding $13,000, or $10,000 per mile, from Red River to Kamloops, and 26,000,000 acres of land."

That was the best that even so sanguine a Minister as the hon. Minister of Railways ventured to hope for last year:

"In that case we would be in this position, as the hon. gentleman would see, that the whole expenditure of an unknown quantity, proving a burden that could not be calculated, would be entirely removed, and we would be in a position of having this great national work accomplished within ten years, and on terms that would involve comparatively light expenditure from the people of this country, and that would be a thousand times recouped from the development of the North-West."

Now, what was that proposition? The price under the contract, taking the lands at $1 per acre—and as I said before, if you assume them to be worth more, the argument is all the stronger—is $25,000 a mile from Red River to Kamloops. Yet the estimate which the hon. Minister of Railways suggested last year as something so good that it would relieve the people of this country altogether from the burden hereafter of the construction of the road, was, taking the land grant at $1 an acre and $10,000 per mile, $29,259 per mile, and at $13,000 per mile, $32,259 per mile, so that we have a contract laid on the Table which shows an actual saving of $7,259 per mile, as compared with the proposition made by the hon. Minister of Railways last year. The hon. gentleman, when he quoted from the speech of the hon. Minister of Railways, ought, in fairness, to have read the balance of the speech to show what it was that was proposed by it. What was the proposition then? If this was a question of building the railway from Red River westward, it would be folly for the country to put it in the hands of a company. What is the proposition before us to-day? It is the completion of the whole work, comprising that part north of Lake Superior, as well as that part west of Red River; and it is because we secure by the handing over

of these subsidies to the Company, the construction of the entire line, at a lower price for the whole 2000 miles than was, as to its western part from Red River, suggested as the best that could be dreamed of last year, that this Parliament should accept the proposition submitted to it. Now, Sir, there are two questions which will naturally suggest themselves to hon. members. I believe the member for West Durham, in the speech delivered in Montreal the other day, put those two questions and answered them according to his views of the case. The first is, what are we to get from the Company which is to be chartered, and the second, what are we to give for that which we are to get? The Company undertakes to construct the railway from Lake Nipissing to Kamloops within ten years, and to operate it for all time, giving security for its operation for twenty years; that is the period of initial difficulties in connection with the railway. The Government undertakes to get Parliament to give the existing lines of railway in return, completing the contracts that are let, except those immediately west of Red River, and the extension to Port Moody, the cost of the whole being estimated at $28,000,000. The Government also promise to give 25,000,000 acres of land, and $25,000,000 in addition. What is the cost to the Company of doing what they have undertaken to do? According to the statement made by the member for West Durham—and I take his statement as one which I suppose will be accepted by hon. gentlemen opposite at any rate—the estimated cost of the railway which is to be constructed by this Company is $46,500,000, or, taking the higher estimate of last year, $5,500,000 more. It may, at any rate, be assumed, I think—and that will not be considered an exaggerated statement, because it is substantially within the statement made by the member for West Durham himself—that the amount of cash the Company would have to furnish, in addition to the cash subsidy, will be, at least, $25,000,000. What is the result? The immediate sale of 25,000,000 acres at $1 an acre, without one dollar of expense to the country for administration or sales in connection with this enormous tract. That is the first thing we get. But we get in addition to that the construction of the railway, which will undoubtedly largely enhance—every one will admit that—the value of the alternate sections retained by the Government. We secure the active co-operation of the railway company in the matter of immigration to this country; and those who have listened to the debates in this House during the last two or three Sessions will realize how generally accepted is the fact that these railway companies form the most important and valuable auxiliaries in the matter of immigration. We shall obtain large contributions to the revenue by the settlement of the lands which the construction of the railway will secure, a matter which I think ought not to be, and cannot be, overlooked in considering this question; and we get what is more important, if I may say so, than almost all the other benefits, an exact, or comparatively exact, knowledge of our liabilities connected with this great enterprise. During this debate hon. gentlemen opposite have attempted to minimize these liabilities, and the member for West Durham, in his opening speech on the Canadian Pacific Railway resolutions, asked what is the intermediate character of this business? and he answered the question by saying "it is that we do not know the cost of the construction of the railway." Mr. Speaker, this is a most unfair way of stating the case. Last year the hon. gentleman said:

"The engineers, taking the Intercolonial Railway as a guide, have estimated the running expenses of working the 125 miles at $295,000. If there is hardly any traffic it will not cost so much. But we cannot hope to escape altogether from running expenses, which will, of course, include renewals and repairs, though I fancy the item of renewals to rails will not be a heavy one. Our annual payments, therefore, in respect to that railway after construction will be considerable. The interest on the cost of construction at $10,000,000 will be an annual burden of $500,000, or if the line costs $12,000,000, $600,000, to which may be added a loss in running expenses of perhaps $150,000 a year, or more, making a total annual charge of from $750,000 to $850,000 a year. But that is not all nor the chief part of the burden, because this line is proposed to be constructed not as an isolated transaction—not as a complete thing in itself—not as the end of the expenditure in British Columbia, but only as the commencement. It is but a pledge. It is but a hostage for the many other millions to be expended there."

That was simply as to the British Columbia section. That was his idea of the indeterminate character of the liabilities which the Government were assuming last year as to this British Columbia section alone—that they would amount to from $750,000 to $850,000 a year, or, leaving out interest on the cost of construction, from $150,000 to $.50,000 a year for mere running expenses. Then the hon. gentleman went on referring to the whole line as follows:—

"Now, besides this enormous expense to which I have referred, besides this aggregate of I do not know how many millions of dollars, the interest of which, according to the old estimates, will be $6,000,000 a year, we have got to consider the running expenses. These expenses Mr. Fleming estimated in former days at $8,000,0 0 a year; but my hon. friend from Lambton estimates them at a gross sum of $6,750,000 a year for the whole line, or $4,500,000 a year from Fort William to the Pacific. Of course, against this sum are to be set the receipts, which will be considerable, and will, in some sections of the road, perhaps, meet the expenses; but in the early days, and for a long time, the road as a whole will, I believe, be run at a loss. Thus, you have a charge for interest and expenses for this Pacific Railway which, if you add the cost of interest during construction, places it, according to any estimate you may form, wholly beyond the resources of this country to do the work in the way and at the rate that the hon. gentleman has suggested."

He said, last year, that to build the railway simply from Red River to the Pacific Ocean, leaving out the Lake Superior section altogether, was a burden so great as to be beyond the resources of this country, with all its revenue and all the lands thrown into the bargain. But I would like to ask the hon. gentleman, if, in view of this statement made last year, he thinks it is a fair way, an honest way, of dealing with a public question of this kind, that he should come down now and tell us that the indeterminate character of this enterprise involves nothing more than the mere question of the cost of its construction? By his own statement the running expenses alone involved a larger sum per annum than the interest on the entire cost of the railway. But not only was the question of running expenses an element of uncertainty. The question of the cost of the railway itself was an element of uncertainty. The hon. gentleman, last year, in making a statement as to the cost of the railway, fixed it as, at least, $120,000,000. That was his statement, based upon all the evidence and information he had at hand. I do not, of course, hold the hon. member responsible for these statements in their fullness, because he objects to be held responsible for statements which he made before. I do not desire for a single moment to forget the explanation he made in this House on this subject. I do not desire to misrepresent in the slightest the hon. gentleman. I am aware his statement is that he desires to escape responsibility for what he said before, because the conditions are changed now; but if that be the doctrine which may be laid down, then there is an end of all fair controversy on public questions. The conditions have undoubtedly changed. Hon. members on this side were proposing to go on with the work as a Government work, and it was necessary to adopt one line of argument; this year they propose to go on with the work by entering into a contract, and hon. gentlemen say that the conditions are changed, and that he must not be held responsible for what he said before. But not only was that the case, according to the hon. member for West Durham (Mr. Blake), but the hon. member for Lambton who, I may say, with no disrespect to the leader of the Opposition, is a better authority than he is on matters of this kind, laid down the doctrine that the railway could not be built for less than $120,000,000. I shall not trouble the

House with a long quotation from his speech, but I shall read a short extract:

"I am sure I am within the line in stating these figures, and that it will be impossible to construct anything that can be called a railway, nothing less than a mere tramway, for the amount now given, as the hon. gentleman says, by the Chief Engineer."

So that the hon. member for Lambton, with all his practical knowledge and practical experience with regard to this question, came to the conclusion that the railway could not be built for less than $120,000,000. Now, Sir, these hon. gentlemen may have been wrong last year in these statements, but they will surely admit that they may have been right; and if they were right, if there is any doubt whether they were right or wrong, we get rid of the indeterminate character of the liability connected with the construction of this railway by the arrangement which has now been made. But here is another authority as to the possible loss in the working expenses of this railway, and in citing it I may remark that it is an evidence of the extraordinary variation of argument which we have heard in connection with this question since it was first announced that the Government had arranged with a company of capitalists for the construction of this railway. Last fall the correspondent of the New York *World*, in this city, who, like all correspondents, was anxious to get all the news, thought he had discovered the whole details of this scheme, and he sent a statement to his paper giving the details of the Government proposal. Among the statements made by him was one to the effect that large subsidies were to be given for the construction of the road, and that after it was constructed it was to revert to the Government. Well, Sir, the *Globe* newspaper in the article which was referred to by my hon. friend from Frontenac (Mr. Kirkpatrick), yesterday, used the following language:

"Estimating the value of the road under construction at $30,000,000, and calculating the price to be obtained for the land at the rate of 2 an acre, the total subsidy amounts to $105,000,000, or $20,000,000 more than the estimated cost of constructing the whole line. Making allowance for a fair profit of say $10,000,000, the large sum of $10,000,000 would remain to the Syndicate. The engagement to pay so much was, of course, understood to imply that the Company would take the risk of running and maintaining the line for all time. Ten years after completion, in 1891, the road may possibly pay running expenses, and the large sum in excess of its cost would be given to the Company for risking a loss in the meantime."

Then, further on, the writer adds:

"The avowed object of negotiating with a Company for the completion of the work in ten years was, that the Government of Canada should escape all responsibility for the enterprise by making a definite payment. The people are perhaps not opposed to granting a subsidy in excess of the sum for which the line can be built, if by such grant the line can be finally got rid of But to pay $20,000,000 more than the estimated cost of the railway, and after doing so assume the enormous responsibility of running and maintaining it, never occurred to any advocate of the Syndicate scheme. Such a plan would unite nearly all the evils of the contract system with all the evils of pushing forward the enterprise much more rapidly than could be done on that system. Absolutely nothing would be gained by it except that one set of contractors instead of several would undertake the construction of the road. Add to $20,000,000 the great sum which will be annually lost in running and maintaining a line 2 500 miles long during the years which must elapse after 1891 before a traffic sufficient to pay running expenses can be created, and we have the amount which the country will be called on to pay in excess of the cost of building the railway as rapidly as the development of the North-West warrants."

That, Sir, is the statement made by the leading Liberal journal of this country, that the people would not be unwilling to give $20,000,000 to get rid of the indeterminate liability of working the railway afterwards. And yet hon. gentlemen tell us, in their discussion of this question, that the only indeterminate feature connected with the business is the mere cost of construction. But the records of Parliament furnish another very remarkable illustration of what is held to be the cost of running and maintaining this railway. When the late Government advertised for tenders for the construction of the Georgian Bay Branch they included the plan of giving four per cent. upon such a sum as might be asked over and above the regular subsidy, for

25 years. There were a number of tenders received, among them one from Mr. English, a gentleman it is said of considerable ability and capacity, one who knew what he was about. The tenders asked for were for two classes of contracts: First, a contract to build the railway and hand it over to the Government, and, second, one to build the railway, work it, and own it themselves. One would imagine, from the statements made in this House as to the great gift we are giving the Syndicate in giving them the railway when it is built, that the amount asked upon the second proposition would be infinitely less than upon the first. Mr. English's tender, for the railway to be built and handed over to the Government after construction, was four per cent., or $100,000 for 25 years per mile; but if he was to work the railway, if he was to have the indeterminate liability of maintaining it after construction, he wanted the interest on $110,000 a mile—a difference amounting to the interest on $10,000 for 25 years, in the two schemes. Then, Sir, there is another doubt as to this matter, altogether apart from the question of the cost of construction, and that is as to the financial ability of this country to meet the obligations connected with the construction of the railway. Personally I have no doubt, I never had any doubt, as to the ability of this country to meet these liabilities. There is no doubt whatever that the cost of running and maintaining this railway might be a serious cost at the outset, but I believe that from the development of the country, from the sale of public lands, from the revenues to be derived from the settlers coming in through the ordinary means by which the people of this country pay taxes to the Government; by all these means I believe we would be capable of accomplishing the work. But there was a doubt connected with the matter—a serious doubt. The hon. member for Lambton, in relation to that point, laid down this view:

"I propose to consider the proposal to build this road by the sale of lands. If the consent of the House is obtainad to the Government proposition upon the faith of its obtaining the entire cost of the road and a great deal more from the land sales, then hon. members will be deceived. I believe it is impossible to obtain the means in that way." * * * "I have always held that whateyer revenue is realized from the lands will be absorbed mainly in settlement and governmental expenses, and that the money must be contributed by the people of Canada for the building of this railway."

That was the view of the hon. member for Lambton in relation to the construction of the Canadian Pacific Railway. He may have been wrong in that view, it is possible he was in error, but hon. gentlemen opposite will admit that he may have been right, and if he was right then we get rid of that serious liability, that indeterminate liability, in connection with the construction of this railway by handing it over to a company in the manner in which it is proposed here. The hon. member for West Durham also dealt with this aspect of the question. I have a long quotation here which I will not trouble the House with reading, but I will give simply these three lines as showing in a few words the general character of the hon. gentleman's argument:

"I say that all the experience of all Governments with reference to the sales of public lands, is that the settler is slow to pay."

That, Sir, is a statement made by him after he had elaborated an argument to show that the Government could not hope to get any money from the land which would enable them to construct this railway. There was another indeterminate feature connected with this, namely, as to the population which might be obtained for that country. The success of the railway depends altogether on the success of the Company in sending immigrants into that country, and yet the hon. member for West Durham, last year, when he was endeavoring to excite the alarm of the people of this country because the Government proposed to go on slowly with the construction of the whole railway, fulfilling in the meantime its obligations to British Columbia, he went on to

say, referring to arguments which had been drawn from the experience of the western States:

"Let us compare our circumstances with theirs in these particulars:—First of all, we have at present no nucleus of population in the North-West worth mentioning. It is towards the end of the decade, for which we are calculating, that this factor will begin to exert an appreciable influence. Next, look at that native recruiting ground, that constantly increasing population, first 20,000,000, running up to I know not how millions from which I have shown the Western States draw their main supply. How do we stand as to that? We stand 4,000,000 against their 30,000,000 or 40,000,000.

And again he said:

"I do not think that the only experience to which we can refer, having regard to the differences between the two countries, justifies us, however sanguine or fervent our hopes may be, justifies us as business men dealing with a business transaction and calculating the cash returns we may count on from the North-West lands in the next few years, in concluding that there will be an emigrant population of 550,000 in that country at the end of eleven years, and in incurring, on the faith of that result, enormous liabilities, which, if not met out of the lands, must be met otherwise."

Then we had a statement from the hon. member for North Norfolk (Mr. Charlton) on this question. That hon. gentleman was the third person in that trinity which was formed last year for the purpose, as the hon. member for West Durham informed us, of presenting this question to the House. What did that hon. gentleman say? He pointed out, according to his view, "the utter absurdity of the estimates of the Minister of the Interior, as to what might be derived from the lands." After an elaborate statement the hon. gentleman said:

"What does all this show as to the estimate of increased population? I think it shows conclusively that the calculations made by the hon. gentlemen n the Treasury benches are extravagant. What does all this show, as to the question of the arable land? It shows that the estimate made by the hon. Minister of Railways, that we have 180,000,000 acres of arable land in the North-West, is exceedingly wide of the mark. He is deceiving himself and he is deceiving the country. He is guilty of a great wrong to the country, if he involves it in a great expenditure in the belief that the proceeds of land sales will repay the outlay. What does it show as to the prospective revenue from lands? It shows that in place of receiving an average of $7,000,000 a year from land sales for the next ten years, he is not likely to receive a net return of one-seventh of that amount. I think, Mr. Speaker, that I have shown that the various calculations made by the hon. gentlemen opposite are extravagant and visionary, and if this is the case, the fact, I think, should be held to cast much doubt upon the wisdom and ability to manage great public concerns, of those gentlemen who made the calculation."

Now, Sir, that was the statement of the hon. gentleman last year. All these were matters of doubt. The hon. member for North Norfolk may have been wrong. I doubt it very much. It is difficult to believe that he can always be wrong, for, like Mr. Vennor, the weather prophet, if he finds himself wrong in one speech, he can always put his finger upon another speech where he was right, and say that is what he referred to. But he may have been right, and if he was right, then we get rid by this contract of the indeterminate liability connected with this enterprise, in so far as the sale of lands and the money to be derived from lands, and the ability to put population into that country, are concerned. But we have not only settled that liability, we have settled it within the amount fixed by hon. gentlemen opposite, when they were in office, as the amount which they were prepared to give annually for the construction of this railway. When they came in, they increased the taxation of this country by $3,000,000. If they had simply increased the taxation of the country, they might have said that it was on account of the construction of our canals, the completion of the Intercolonial and other public works, which required to be constructed, and which, therefore, involved a necessity for increased taxation. But that was not the state of the case. The statement made by the leader of the Government at that time, was to the effect that this $3,000,000 additional taxation had been expressly raised for the construction of the Canadian Pacific Railway. That statement was made, not on the floor of Parliament, not as a hustings speech, but it was made in an official document for submission to the Imperial Government, a document in which, if anywhere, it seems to me a public man in this country ought to be exceedingly careful and accurate in the statements he ventures to make. It was made for the purpose of inducing the Imperial Government to acquiesce in the proposition that this Government were doing everything they could to implement the bargain with British Columbia. Here is one statement made in the report of the 23rd of July, 1874, being a minute of Council prepared, I venture to say, by the then First Minister himself:

"So anxious, however, were the present Government to remove any possible cause of complaint, that they did take means to increase the taxation very materially in order to place themselves in a position to make arrangements for the prosecution of the initial and difficult portions of the line, as soon as it was possible to do so."

And then, in order that there might be no doubt as to the precise amount they had added to the taxation for this purpose, another minute of Council of 8th of July, 1874, used these words:

"In order to enable the Government to carry out the proposal, which it was hoped the British Columbia Government would have accepted, the average rate of taxation was raised at the last Session about fifteen per cent, and the excise duties on spirits and tobacco a corresponding rate, both involving additional taxation exceeding three millions of dollars on the transactions of the year."

Now, what is the obligation assumed under this? What is the fixed liability which we are asked to assume under this arrangement? The whole cash subsidy, including the works to be given as well as the cash subsidy to be paid, amounts to $53,000,000. We will be able, I have no doubt, to borrow at four per cent., but taking it at five per cent., in order that there may no cavil, and the whole annual expenditure of this country connected with the construction of the Canadian Pacific Railway from end to end, will be $2,660,000, or $550,000 less than the hon. gentlemen opposite, in 1874, appropriated for the purpose. Now, Sir, I will ask you whether, having regard to the general character of this bargain, the general proposition that is submitted to us, I would ask you whether this is not a proposition which relieves us from all this indeterminate liability, which hon. gentlemen dwelt upon last year, which limits absolutely the liability of the country in respect to this great work, by the completion of which we vindicate the honor of this country and advance its material prosperity as we can do by no other possible means, when we are really able to do that for $550,000 less than the amount appropriated by hon. gentlemen for this purpose in 1874? That is our liability. I venture to hope, I venture to believe, that the surplus of this year will meet that liability, if we had to pay the whole of it this year. But we do not only secure by this bargian the completion of this great enterprise within the liability fixed by hon. gentlemen opposite six years ago, but we secure, by the construction of that railway, means and resources to this country, which will not only wipe that liability out as a tax on the country altogether, but will actually give us enormous revenues to enable us to go on with other public works and enterprises in the country which we could not hope to obtain in any other way. I notice that the honorable and gallant knight from Westmoreland smiles at this. Does he mean to say that we shall not derive from the lands we reserve a very large amount of money? If he does, then I ask him, why all this talk about the enormous subsidies to be given to this Company? The whole basis of the objections of hon. gentlemen opposite to this bargain is that these lands are so valuable that the Company are going to realize large profits out of them. Does the hon. gentleman mean to tell us that we are not going to derive important revenues from the people who go into that country in consequence of the construction of this railway. What is the fact to-day? The contributions of the people of this country, in customs duties amount to somewhere about $4.50 per head. The hon. member for West Durham admitted last year, when he was in a doleful mood, that 550,000 people, at least,

would go into that country within the next ten years. I believe that 1,000,000 people will go in if this work goes on energetically, as I have no doubt it will, within the next ten years. Well, what will be the result? Taking $1.50 per head for the subsidies of the new Provinces to be established there, we shall have $3 a head, or upwards of $3,000,000 of contributions to the public revenue from the people of that country, irrespective of the lands altogether. So that, assuming that a million people will go into these North-West territories, we shall have a contribution from them, in consequence of the construction of this railway, sufficient to meet the entire liabilities connected with it. And yet hon. gentlemen tell us that we are ruining the country, that we are imposing on the country obligations which it cannot meet. So much as to the general proposition before this House to give the subsidies of land and money to this Company. I come now to a part which I dare say hon. gentlemen opposite thought I should have come to earlier, that is the objections which have been raised to this particular bargain. First, it is said that the attempt to build the whole railway is a folly; second, that we should for all time—because practically that is what the talk of hon. gentleman opposite postponing a portion of the railway amounts to—for all time, content ourselves with a connection with our own North-West Territories through a foreign country. That is the proposition made to us, and it is a wonderful illustration of the power of adaptibility of hon. gentlemen opposite. We have had discussions on this question of the Pacific Railway for a great number of years. When the contract was given to Sir Hugh Allan and his associates in 1872, that gentleman held a meeting in the town of Peterborough at which I had the pleasure of being present, among friends with whom I used to reside. Sir Hugh was then seeking a subsidy for the Ottawa and Toronto Railway. In that speech he dealt to some extent with the general question of the Pacific Railway, and said:

"He had also been promoting another railway from Carleton Place, at the south side of Ottaw , to Sault Ste. Marie, striking the Georgian Bay about the mouth of the French River. That line was of great importance, as it would take the entire trade of the West and North-West, by connecting with the Northern Pacific Railway. That would form nearly an air line, and a very considerable portion of the western trade must come down by it, for there was no other way to reach the seaboard so quickly."

That was the statement made by Sir Hugh Allan. It was not at that time proposed that the Government should give a subsidy to the Sault Ste. Marie road. It was not to be an additional burden on the people of this country beyond the subsidy given to the Canada Pacific Railway. I was then strongly in favor of the construction of that railway—not as a Government work to be in competition with the Canadian Pacific Railway proper, but as an important commercial work which I believed would bring a large portion of the trade of the Western States down to Montreal and Quebec. It was simply a proposition that Sir Hugh Allan and his company should out of their own means, as a part of their general railway enterprise, construct that piece of railway. And how was that proposition met? Why Sir, the Toronto *Globe*—and the Toronto *Globe* was not then a mere newspaper, but its statements were the statements of the acknowledged leader of the Liberal party—said of that scheme:

"Here was the scheme to suit Sir Hugh Allan exactly. He would by the assistance of the Canadian Government, gain access to the producing regions and lands awaiting settlement in the North-West, and by his further connection with the Northern Pacific, command the immigration and traffic of the West. True, the British Canadian road would be only constructing while its successful rival was already working; true, the immigrant seeking a home in British territory would be beset at every station by Minnesota land agents and touters of all descriptions; but the Allans would grow richer and the Allan ships be loaded to the water line."

There were other statements made. There was a controversy going on between the *Globe* and the newspaper with which I was connected on that very subject. I defended at that time the proposal to construct the Sault Ste. Marie Branch as a private enterprise, not as a Government subsidized enterprise; and I have not since changed my opinion. I should be glad to see it constructed, and believe it would be of enormous advantage to this country, if constructed as a private enterprise, but not as a part of or a substitution for a part of the Canadian Pacific Railway. On the 27th December, 1872, the *Globe* said:

"Like Sir Hugh Allan, the *Gazette* displays an almost gushing fondness for the Northern Pacific. It points out that the Canada Central has taken powers to extend to Sault Ste. Marie; that having crossed the Sault by a bridge, it would then, by the aid the Northern Pacific is willing to afford, be united by a line to that at Duluth; that the said railway from Duluth to Pembina approaches completion; that a charter has been granted to the Central Pacific (Canadian) line which will connect Pembina with Fort Garry; and that it is then a simple business proposition that the road should be pushed forward from Fort Garry to the Rocky Mountains."

Then, after the quotation, the paper goes on to say——

An hon. MEMBER. What quotation?

Mr. WHITE. It is a quotation strongly in favor of the railway as a private enterprise, as likely to advance very largely the interests of the country.

"That is to say, the trade of our own North-West, to carry which the Canadian Pacific Railway is mainly to be built, and also the traffic of the States the Northern Pacific passes through, are to be brought to the Sault and thence by Canadian lines to Montreal. And yet Sir Hugh is all the time the trusted agent for building the Canadian Pacific through Canadian territory."

Then, on the 1st February, 1873, the *Globe* said:

"The *Gazette* does not, of course, honestly admit that the whole scheme of John A. has gone to smash. It pretends, notwithstanding its previous admissions, that the terms with British Columbia must be observed, and that the railway must pass through British territory. But what does it say next? Why, it goes into a glowing description—just as Sir Hugh Allan did at Peterboro'—of a railway, not through British territory, but a rival American line—in short, the Northern Pacific from Duluth to Pembina—as the right and proper substitute for the grand undertaking that was to unite the railway system of Canada with the Pacific. The line, says the *Gazette*, from Duluth to Pembina is now built, and a short branch from the latter point to Fort Garry would afford immediate connection by rail with Manitoba. From Duluth no one can very well make out. But this is clear enough, John A. and his organs are not going to build the Canadian Pacific Railway."

These are statements in the Toronto *Globe* to prove that the construction of this railway meant the abandonment of the Canadian Pacific Railway; that the abandonment of the Canadian Pacific Railway, and the construction of this railway, meant the handing over for all time the interests of this country to an American corporation, and the preventing of this country getting immigrants into the North-West, in consequence of their having to pass over an American line.

"And what is the position this co-partnership with the Northern Pacific places us in? It is not merely the fact that the one line may prove a powerful competitor. By no means, but that at every stage the Canadian Pacific may be thwarted and embarrassed by men who have a great stake in the Northern Pacific, and must play their own game at all hazards. * * * * If this scheme is carried out, our national enterprise, instead of being the successful rival of the American company, competing for the Asiatic trade, which is now in its infancy and building up the Dominion, as no other undertaking will do, will simply be the Canadian branch of the Northern Pacific Railroad, entirely under its control, and dictated to by it relentlessly."

These were the views of the *Globe* at that time. Now, I have said that the Toronto *Globe* then was not simply a newspaper. To quote from the opinions of a newspaper on a serious discussion of this kind, might not be a proper thing to do, but this quotation is not from the Toronto *Globe* as a newspaper, but it is a statement of the acknowledged leader of the Liberal party at that time. There was a dinner given in Toronto in the beginning of 1873, at the very time these articles were appearing in the *Globe*, and that meeting was presided over by the late Hon. George Brown. The hon. member for Lambton, who was called on to respond for the House of Commons, made this clear statement as to his submission in the matter of leadership

to the hon. gentleman who was the editor of the *Globe*, and who was responsible for the opinions I have just given:

"When he rose, being called upon first by the chairman of the meeting to address the audience, he did not do so in the character of one entitled to speak for the Commons of Canada further than an individual member. It was quite true that his hon. friend, Mr. Blake and himself, were obliged, under the circumstances of the case, in consequence of a slight accident that occurred in South Ontario in 1867, to take the front benches; but it was in no other position than as simple members of the Liberal party that they had taken these seats, and had endeavored, in the absence of their then leader, to maintain the position of their party, and to unite the scattered fragments after the disastrous election of 1867."

So that at the very time this position was being taken in relation to the Sault Ste. Marie, as a substitute or competitor in any sense of the Canadian Pacific Railway, the hon. member for Lambton, speaking for himself and the present hon. member for West Durham, declared that they sat on the front benches simply in consequence of an accident, and to keep the place warm for the leader of the party to whom they acknowledged allegiance at that time. But not only was this condemned at that time. We had only last year an appeal from the hon. member for West Durham, to the members from the Province of Quebec, in relation to this very question, of the abandonment of the Lake Superior section. The quotation is a long one, and I shall not detain the House by reading it, because I want to get through before six o'clock, But the statement made was to the effect that the people of Quebec had expended $11,000,000 on their railway as a part of the Canadian Pacific Railway, to connect with the eastern section, on the faith that that eastern section would be built, and the hon. gentleman asked members from the Province of Quebec to realize what would be their position if they permitted expenditures to be made in British Columbia to the detriment or postponement of the eastern section of the Canadian Pacific Railway. It was only last year that this appeal was made, yet the hon. gentleman now tells us we should reject this contract because forsooth, it includes the construction of that very portion of the railway. There is no doubt that the portion of this railway over the prairie section from Red River westward could be built very much more cheaply than the subsidy allotted to it in the contract, if it stood alone. But it does not stand alone. It stands as a part of the whole enterprise, and the subsidies given for the whole enterprise are not in excess of those which, according to the statements and calculations made by hon. gentlemen opposite last year, the construction of this railway would cost. But, Sir, on its merits, will you pretend to say that we ought not to build this railway through British Columbia, and north of Lake Superior? One of the most painful features connected with public discussions in this House has been the disposition to depreciate the country itself; but things have somewhat changed in this case as to one part of the country. Last year even the rich fields of the North-West were depreciated in character, depreciated in quantity and in value, because at that time it was necessary to appeal to the fears of the people in relation to the Canadian Pacific Railway. This year we have attacks made upon the other sections of the country through which this railway passes. We have had the same thing in reference to almost every public enterprise in Canada so far as I can remember. I remember years ago, when I lived in Peterboro', the late Sheriff Conger started a proposal to open up colonization roads into the back country, including the Bobcaygeon, Opeongo, Victoria and Hastings roads, and others of that kind, and how he was met by opposition and assertions that it would be constructing roads through an inhospitable country where there was nothing but rocks and swamps, and where nobody could live. The discussion on the point went on for some time; he got into Parliament meantime, and I remember that it was with great reluctance the Government could be induced to bring down a vote for that purpose What has been the result? In those very districts, in the rear of Ontario, then denounced as utterly unfit for settlement, there are now now counties established, and along the line of the Bobcaygeon road, into which I saw the first settler go, a district where it was held cruel to put a man, a new county now exists. I can remember as to the Hastings road, in rear of the constituency of the hon. the Minister of Customs, so far back as 1863, there was a township called Tudor; an election was going on at the time and the joke was, we had not heard from it, when there were but thirteen votes. But, to-day, upwards of 600 voters live in rear of that place in a district then considered utterly unsuitable for settlement. This habit of depreciation has marked the speeches of the Liberal party for years—the tone and tendency has been rather to favor an appeal to the fears than to the patriotism of the people. They prefer to dwell on the immediate present, or the possibilities of the immediate future, rather than the possibilities and the bright prospects of the greater future. They appear determined to prevent the success of great enterprises, because they involve some expenditure and challenge defence on the part of those who undertake to make them. The same thing was said, or the same course followed, in regard to the Central Pacific Railway, when it was started; and yet I see by the last addition of Poor's work, he uses the following words:—

"When the roads were opened, the whole extent of country traversed by them was a vast waste, almost wholly without people or industries. It has since been found that the sterility of the soil is amply compensated by the richness of the mineral deposits which are everywhere being discovered, and which, though we have hardly scratched the surface, have placed the United States in the foremost rank among the gold and silver producing countries of the world." * * * 'The whole Rocky Mountain range is now known to be surpassingly rich in the precious metals, and is being everywhere traversed by branch lines, built by means largely supplied by the Pacific railroads."

That was the experience and result of the construction of a railway through a country so sterile that no one would think of going into it—through a country which, measured by the only test hon. gentlemen opposite seem disposed to apply in dealing with a country, its grain producing character, was utterly worthless. Yet it has produced such large revenues, so great an enhancement of values and increase of population, that branch lines now permeate every part of that region in connection with the very Pacific Railway that was constructed under the subsidies granted for the purpose. Another objection made to this scheme is the distribution of the subsidy. We are told that too much money has been given to the central section, that it could be constructed for very much less. If it was a question of building only that central section, I would say the subsidy was too great. But in the very nature of things, hon. gentlemen opposite ought to see that the Syndicate cannot sell their lands immediately or people the country immediately. It will be a gradual process, and the object of giving a large subsidy to that section is to develop it most rapidly. The railway through it can be constructed with greater rapidity, and people should be sent into it in order that the revenue to be derived from the sale of lands may be used in the construction of the other sections. It is a matter of utter indifference how the subsidies are apportioned so long as there are guarantees for the construction of the whole line—that is the important part. The apportion of subsidies to the central section is simply such as will enable the Syndicate to construct the railway through it, and to derive a revenue from its development by means of this railway, which will enable them to go on with other parts of the road successfully and comparatively rapidly. Then we have another objection, and that is as to the standard of the railway. I fancy that objection has been pretty well disposed of. It is quite true that the member for West Durham gave it as his opinion, the other night, that the letter written to the Government is of no value as modifying, in any way, the contract. I

am bound to say there is no professional gentleman in Canada, for whose opinion the public at large, and I myself, would have greater respect if we were getting it from him, as a professional man, and in return for a fee, in any ordinary matter. But we have seen enough of the hon. gentleman here to know that his opinion, as a political man, as leader of the Opposition, is not very valuable, and such it was the other night in relation to the statement of the hon. member for Lincoln (Mr. Rykert.) Will anyone pretend to tell us that the impression the hon. gentleman left on the mind of the House was not, that in his opinion, as a lawyer, the Courts could not enforce this contract.

Some hon. MEMBERS. Oh, oh.

Mr. WHITE. I am not speaking of the precise words he used. What I mean to say is this: that when an hon. gentleman, holding the position in the profession that he holds, guards himself carefully, by the use of a certain form of words, from committing himself to opinions that may come back on him, who, in order to save himself from the imputation of giving a certain professional opinion, uses words of a nature to create an impression entirely different, and which may be variously construed—he is not entitled to the respect of the House in relation to any opinion he may give as a lawyer. It is all very well for hon. gentlemen opposite to say "oh, oh;" that is their only method of answering my remark. But I will add that no man, in my opinion, has sunk lower than the member for West Durham from the manner in which he draggled his great reputation through the mire in the interest of his party, by giving his opinion in such a way as to convey an impression entirely different from his real conviction, on the occasion. Suppose that the letter is of no value. What then? The Syndicate have to build this railway and work it. I venture to think, myself, that the statement of the contract, "as first constructed," means, as first completed, and, not, while in course of construction—that this must be taken to be the fair meaning of it. But, Sir, whether that be its meaning or not, the guarantee which the people of this country have, is that the road must be built and operated and maintained by this Syndicate. What has been the course all through this debate? We have fallen back to the excessively low estimate made by the Minister of Railways in relation to the possible first constructing cost of the railway as a colonization railway. What is meant by a colonization railway? What has been the history of railways all through the Western States? That whole country has been populated by means of what are called colonization railways — a cheap construction at first, but involving almost immediately the strengthening of the railway, the constant strengthening of the railway, until by the time it is six, eight or ten years in existence it is as strong, as well constructed, as sufficiently equipped in all respects, as those which cost in the first place $40,000, $50,000 or $100,000 a mile in other parts of the country. I have always been in favor of building the road across the prairies as a cheap colonization railway, not because it would ultimately save in the cost of constructing the railway, but because it would open a way by which to get the people into the country, because it would afford the means of getting traffic for the railway; and the means of strengthening and building up the railway by the gradual development of the resources of the country. And every dollar expended in strengthening the road afterwards is a dollar to be added to original capital account and practically to the original cost of construction. And when hon. gentleman take these low estimates of the Minister of Railways as to what could be done if we were building the railway for a colonization railway across the prairies, and apply them to this Syndicate, we must remember that although they may build the railway at that cost, before they could get it thoroughly equipped in a thorough condition of efficiency, as a result of people going in and affording traffic for the road, the cost of construction will be infinitely greater; and I venture to say that at the end of ten years, when the honest capital account expended in construction by the Syndicate comes to be enquired into, it will be found that although the price at first of building the road across the prairies was only $10,000 per mile, the ultimate cost will be $20,000 a mile, or more. There is no person who knows anything about the railways of the Western States, no person who has studied their history, but knows that they have been constructed in the way I have described. They have been built cheaply at first, and in consequence of that cheap construction the country and its resources have been developed, the traffic of the railway has been developed, and these companies have expended large sums in strengthening and perfecting their roads. Another objection which has been raised to the contract is that of the exemption from duty. Now, Sir, the exemptions from duty, whatever may be the amount (and it is not necessary here to enter into elaborate calculations which all know can only be estimates), but whether we take this amount to be the $100,000 mentioned by the Minister of Railways on the report of practical *experts* of his department, or the $1,000,000 mentioned by the member for West Durham on account of the additional bolts and spikes used in the construction of wooden bridges—whatever the amount may be—the exemption is after all but a concession to the Company, and in one sense an addition to the subsidy; but an addition which lessens, to the extent of it, be it greater or be it less, the cost of the railway, and lessens them for the amount which will have to be earned by the Company before the tolls can be reduced upon it. The exemption from duty of the few articles which will be used in the original construction practically therefore amounts to nothing.

Sir ALBERT J. SMITH. It applies to the branches.

Mr. WHITE. To all the branches in the North-West?

Sir ALBERT J. SMITH. It applies to them for ever.

Mr. WHITE. Not at all. The hon. gentleman is mistaken, but I am not going to divert my argument to answer him on that point at present. Hon. gentlemen say that the Government should build the railway. That is their latest statement, though up to a recent period they held that it should be built by a company. But suppose it was built by the Government, would there be any duty on these articles? If it was built by the Government every locomotive, every car, every bit of equipment for all time would come into the country free of duty; but by giving the Company this exemption on the few articles used on the original construction of the railway, the Company getting the railway will find themselves afterwards compelled to pay the duty on ever single article of equipment, not only for the railway they build but for the portions of the road handed over to them by the Government, which they will have to equip immediately. I know, Sir, that when the contract was first published, the newspapers did not hesitate to say that this exemption applied to everything, equipment and everything else, and there was undoubtedly a very serious feeling with regard to that supposed provision; but when it became understood that it applied only to a certain limited number of articles—for steel rails cannot possibly be included, for there can be no possibility of our having mills for the manufacture of steel rails for sometime to come—I say when this became known the feeling entirely changed. We have had an announcement from the Government that legislation will be introduced to protect the manufacturers from any injury on account of this provision, and I am satisfied when the contract is let, when the Company begin the work of construction, when factories, under the legislation which the hon. gentlemen will bring down, are

busily at work furnishing bolts, spikes, etc., there will be no more talk about this exemption from duty, and every one will feel that in consequence of this arrangement, in consequence of the more rapid construction of the railway, and the greater amount of everything required to build it, no injury but good has been done in connection with the conditions of the contract. But we are told further that the railway is to be exempted from taxation. That is quite true. It is to be exempted in those parts of the country where the Government at this moment have control. But in the Province of Ontario, which, if the hon. gentlemen are right in their view of the boundary question, will extend near the Province of Manitoba, the exemption will not take place; it will not take place within the Province of Manitoba nor the Province of British Columbia, but only on about 1,000 miles across the prairie, which does not include one single important terminal point where there would be elevators or storehouses or any other thing of that kind necessary for working the railway. It includes simply that portion of the prairie section where there will be nothing but ordinary station houses along the line. Now, what does the exemption amount to? It is a subsidy—if you like—which the people of that part of the country will give the railway when they go in. And how does that compare with the subsidies which have been given in other parts of the Dominion? Everyone knows the generous subsidies given by municipalities in Ontario towards the construction of railways. At first it was attempted to be shown that it was an exceptional state of things. I shall not take up the time of the House by quoting from the laws of the United States exempting railways of a similar class from the taxation from which they are here exempted. But the practical experience of, perhaps, the most practical people on the face of the world, is to the effect that it is not an unreasonable thing to give to their railways, that are going to open up and people the country, a small advantage in the way of exemption from taxation. Then we are told that there is to be exemption from the taxation of the land. That is quite true, so long as the lands are in the hands of the Company, during twenty years. But what would be the position if hon. gentlemen opposite had had their way, and had let a contract under the Act of 1874? Why, of the 50,000,000 acres of subsidy which it was proposed to give then, we would have had 36,000,000 acres retained in the hands of the Government to be sold by the Government, and the proceeds to be handed over to the Company, free from the cost of administration. Hon. gentlemen opposite actually proposed in that Act that, as to the 36,000,000 acres of subsidy, there should be absolute freedom from taxation, not for twenty years but for all time, or until they were sold and the proceeds of the sale handed over to the Company. But after all what does this question of exemption mean? Is it the taxation on the land and the taxation of the road-bed? If the Company had to pay these large sums of money—and the larger the amount the more the argument applies—would simply have been so much more added to the working expenses of the railway; and every one understands that the working expenses of a railway come out of the people who are served by that railway. There would have been, in that case, simply a larger sum of money to be deducted as working expenses, before there could be any question of a reduction of rates under the clauses in the charter by which that may take place under certain circumstances. So that one would imagine, reading the debates that have occurred in this House with reference to this matter of taxation, that it was the Syndicate who were going to pay this taxation out of their own pocket. They are going to pay it out of the proceeds of the railway, and these proceeds are going to be made up from the payments of people to the railway, and therefore it is simply a question of paying it in another way. That is precisely the whole question of exemption from taxation. It relieves the Company from what undoubtedly might be an embarrassment in the floating of their land bonds. If any one were to get up and say that these lands were subject to taxation, and that taxation might be so great as to impair the value of the lands to the person who had loaned money upon them as security, it might seriously have affected the success of the whole enterprise, while in reality it amounted to so little, as the hon. member for Lincoln (Mr. Rykert) pointed out the other night, as really to be an unappreciable quantity, and whatever it is, it is simply a question of the reduction of the running expenses of the railroad. Then another objection is that there is a monopoly of branches. Well, Sir, as far as the monopoly of branches is concerned, I fancy that no one in that country will ever object to this railway running a branch line from the main line into the country which it is going to serve. The more branches they build the better for the country. But there is no proposition in this contract that the Government shall give subsidies for the construction of these branches. It is simply a permission to these gentlemen, that, in order to make their leading enterprise pay; in order to make the main line of the railway a paying line, they may construct branches to it, in order to bring down the traffic of the country upon that railway. That is the whole proposition. Yet we find hon. gentlemen trying to arouse public alarm and indignation, because there is a provision made by Parliament that will enable the people, out of their own money, with their own means, to permeate the whole North-West with a gridiron of railways. I am bound to say that that is the most extraordinary argument that I ever heard. There is no monopoly of the branches. There is nothing in this Act to prevent the Government of this conntry from giving charters for branches in every part of that country, with one single exception. They may give charters wherever they please. This Parliament could next year, or even now, reintroduce the Act of the hon. member for Bothwell, of 1878, giving to any person who thought proper to come forward and deposit their plan, not only a right to build a branch railway, but in addition to give them a subsidy for the building of it. Parliament is in no way restrained by this portion of the contract from granting charters for the building of these branches.

Mr. MILLS. Hear, hear.

Mr. WHITE. Does the hon. gentleman say we are restrained?

Mr. MILLS. Yes.

Mr. WHITE. We are restrained from giving a charter for branches to within fifteen miles of the boundary, south of the railway—only in a particular direction. But the charge hon gentleman make is that this railway is going to run too far south; they are making the charge against the Company, that they are going to deflect it to the south, so that the question of branches to the south will be of no consequence at all. It is the question of branches north of the railway that will be of consequence; and it is open to this Government next year or this year to reintroduce the Bill of the hon. gentleman for Bothwell to enable any person that chooses to go in there and build branches and give them subsidies to do it, if we think proper. But, Sir, will any one pretend to say that it is not infinitely better that the branch railway should be in the hands of the main line than in the hands of other companies? Every one understands that traffic arrangements, facilities for carrying passengers, and everything connected with the working of the railway, will be infinitely better when the branch lines are in the hands of the main line than when they are in constant conflict with the main line. We all know that difficulties are constantly arising between railways under different managements. There is no monopoly of branches except as to that one point, and as to that one point what

does it amount to? What was the policy of this Parliament only last Session? We determined in the Railway Committee—and the Railway Committee may be said to be Parliament as it includes at any rate one half the members of Parliament, and perhaps the most influential half, if one part may be said to be more influential than another—in the Railway Committee we had an announcement by the Minister of Railways that the policy of the Government was not to give charters for railways unless they ran in a particular direction south of the main line. That policy was adopted. But, say hon. gentlemen, there was nothing in that policy to prevent their crossing the line. True, but the policy of this contract is —and it is a wise policy, as the future will prove—that the railway company going through that territory shall be able for the next twenty years, for the purpose of building up their own line and the opening up the country, to build branch lines as well to do efficiently the work of the people Why, no greater curse can befall a community than to have a poor, miserable, inefficient railway traversing it. What was the effect with regard to this very railway of which we have heard so much in this House, the St. Paul and Manitoba Railway? Until the gentlemen who have now possession of it took control of it, that railway had gone down from year to year until it was unable to do the work of the country through which it passed. In another year, probably, it would have stopped altogether. It was inefficient in every respect and unable to perform the work required of it. Those gentlemen got possession of it less than four years ago, a broken down railway 400 miles long. What have they done since? They have built 450 miles in branches and in extension of the main line. They have strengthened the railway and made it efficient, and although the charges upon that road are high—no one has said more than myself as to the charges upon that road being high—yet there is this to be said, that they have used the high charges in creating an efficient railway, in extending it, both as to branches and as to the main line, and in developing largely the country through which that railway passes. That has been the history of that railway company. If you give a charter to a railway company to-day for the construction of a line over that prairie section, charged with the duty of developing that country and with building up traffic, and, at the same time, allowed railways to the south, which are hostile railways, and which have their own local traffic and traverse a country comparatively settled, to run their branches into the country and destroy the traffic of the prairie road, the result would be simply this: you must, in the nature of things, have a poor and inefficiently managed railway, a poor and inefficiently equipped railway, not an injury, because no railway can be an injury, but a serious inconvenience to the people whom it would serve. But we are told now that because of the fifteen miles there never can be any other railway into this country. To what does that apply? Simply to the territories over which the Dominion Parliament has control. There is nothing to prevent Manitoba now, if it thinks proper, granting a charter for a railway from Winnipeg to the boundary line. At this very moment there is a company in course of organization to build a railway from Winnipeg to West Lynn, on the boundary. And after this agreement is ratified, this provision does not take away from Manitoba a single right it possesses; in fact, this Parliament could not take away those rights. It has the same rights as the other Provinces for the incorporation of railway companies within the boundary of the Province itself, and there is nothing to prevent the Province of Manitoba from chartering a railway from Winnipeg to the boundary to connect with any southern railway. The only guarantee which this Company has under the contract is that their traffic shall not be tapped far west in the prairie section, thus diverting the traffic away from their line to a foreign line, but there is nothing to prevent a railway being built in Manitoba, within the Province, that would carry the traffic to any railway that may tap it from the American side. That is the position with respect to this matter. But what was the position of hon. gentlemen opposite in the Bill introduced by the hon. member for Bothwell (Mr. Mills)? What proposal did he make? It was this: When he introduced a Bill for branch lines—not branch lines to be built by the company having the main line, because he proposed at the very time that the Bill was introduced to subsidize a company for a main line with the subsidies to which I have already referred—when he proposed to grant large land subsidies to branch lines, what did he do? He actually inserted a clause in that Bill that no railways running parallel with the Pacific Railway should be subsidized or permitted to obtain a charter under that Bill, if it ran within forty miles of the railway, thus actually laying down the doctrine in that Railway Bill that the main line ought at least to have a fair assurance that the traffic of the country to be developed shall belong to it for a certain period of time. Sir, it is rather interesting to read the debates which occurred upon that branch Railway Bill of the hon. member for Bothwell. The hon. member for North Norfolk (Mr. Charlton) said for instance:

"It was useless to think of opening up and settling this country without furnishing it with railways."

He referred to the wonderful results from the Illinois Central and railways in Iowa, and then said:

"Some of the railways had, perhaps, been subsidized more than was necessary, perhaps more land had been given than was advisable; but capitalists would not embark their money unless they had a prospect of a fair return, and it was folly to haggle with them about an unimportant difference when important interests were at stake."

That was the view of the hon. gentleman: it was useless, it would be folly to haggle with a company about the precise amount of the subsidy to be granted when important interests were at stake. Then the hon. gentleman on this same Bill and in relation to the importance of the same railway branches, referring to the value of land, said:

"Now in the North-West there were untold millions of acres of land. * * * But in its present shape, of what value was this great wild lone land to us?'

Again he said:

"The Government could never properly utilize that country, or get any adequate return for the money it had expended without adopting a policy of that kind. They had committed themselves to the building of a trunk line through that country. Were they going to do that and make no provision for feeders to bring traffic to that line?"

The hon. gentleman actually made it a charge against the Government, that they had made a proposition to build a trunk line, for which they offer a larger subsidy than is proposed by this contract, and then, they are going to leave it without feeders. The hon. member for South Perth (Mr. Trow), who is a good authority in respect to matters connected with the North-West—and I am bound to congratulate him for the patriotism which induced him at considerable inconvenience to make a run over the country in order to understand subjects connected with it—said:

"If the hon. gentleman took a walk to the Western Block of the buildings, and looked at the great map there, he would find that there were over 180,000,000 acres of arable land in the North-West territories. The railway companies would not absorb more than from 12,000,000 to 13,000,000 out of the 180,000,000 acres fit for cultivation. He knew of no country that required railway communication more than Manitoba and the North-West. Feeders were required in every direction to intersect the arable lands which extended for thousands of miles, and the moment that companies undertook to construct railways a tide of immigration would set in. Companies of that description had done more for the Western States of America than all the emigration agents the Government could have engaged. These railway companies had now thousand of agents in Europe, and it behoved the Government, if they wished to attract from Europe the surplus population going to Australia to take advantage of the present opportunity. Now was the time to people those fertile prairies so easily cultivated."

And then:

"No company or corporation would undertake to build a railroad in a country unless they had some encouragement, and no better encouragement could be given than grants of land which would increase in value the moment the railway was in running order."

The hon. member for West Middlesex (Mr. Ross) had his say on this question. What did he say?

"If they referred to the policy of the United States, they would find that since 1852, 180,000,000 acres of land had been given by the American Government for the construction of the various railways, and the result of that was, perhaps, more largely than anything else, to develop and settle the United States. If they had stopped in 1820, and had not adopted this policy, instead of a population of 45,000,000 they would have had one under 30,000,0000. Now we had the same opportunity as the Americans had possessed of disposing of our lands for the purpose of encouraging immigration, for the purpose of bringing into this country a consuming population that would add materially not only to its resources, but contribute to its revenue and give us that return to which we were entitled. * * * "What would be the effect of railways? What had been the effect of building railways in Ontario and the Western States? The green ridges of the Indiana line fetched $13.98; on the Burlington and Missouri, land sold for $11.70; on the Illinois Central, $11.40; the Chicago Rock Island and Pacific $7.53. The prices in the Western States varied from $4.15 to $13.98, the average price being $7.04 on the whole extent of land held by railway companies and the Government."

Some hon. MEMBERS. Hear, hear.

Mr. WHITE. Hon. gentlemen opposite say "hear, hear," in relation to those large prices; but at the very time the hon. gentleman made this speech there was an Act on the Statute-book and an advertisement in the newspapers asking tenders under the proposal to give 50,000,000 of acres of land for the main line, and, under the Bill of the hon. member for Bothwell (Mr. Mills), thirteen or fourteen millions more. Was there any question that because the lands in the United States had realized so much money, therefore we ought not to give so much land.

Mr. PATERSON (Brant). In what year was that?

Mr. WHITE. In 1878. Another objection made to this contract is as to the rates that may be charged by this company. Well, Sir, I have asked a good many gentlemen—I have asked some railway men who ought to know something about this subject, whether they could give us any form of words which would enable us to regulate the rates differently from the way they are regulated in this contract, and I have failed to find any one who could. In fact, the new Syndicate have actually adopted substantially the same form relating to rates. If we had made a statutory statement that there should be only a certain rate charged per ton per mile, hon. gentlemen would say at once that that must be applied to the short mileage in the very nature of things; and in that case, applied to the long mileage, it would be an intolerable rate. There are three ways in this contract of limiting the rates: First, by a tariff fixed by the Government before any tolls could be collected at all; next, by a clause in a Statute, limiting the charges by a certain rate of profit realized on the money invested; last, and most effective of all, by the knowledge these people must have that they cannot make this railway a success if they oppress the people with intolerable rates. Sir, they have to fill up that country. They are not building a railway through a country where large interests have been established; they are building a railway through a country which is, to-day, practically uninhabited. They are building a railway for the purpose of bringing people in there, which they will have to do in competition with American companies which have lands to settle on the other side of the line. They will have to do that in the face of the statement of hon. gentlemen opposite, that they are oppressing the people of that country, which will be their strongest obstacle. But to say that these people will deliberately establish such rates as will put them out of competition altogether with the American companies that have lands to sell, and as will make it impossible for settlers to get in there, is to my mind to assume that they are not sane men. These men can only develop that country by making it in the interest of the people to go and live there, and they will only make it in the interest of the people to go and live there by such an arrangement of rates as will bear fair comparison with those of the railway system of the other side. Under these circumstances I venture to say that there is nothing to be feared in relation to this matter. The interest of the Company is in every respect the best guarantee that their rates will not be exhorbitant. Now, we have a new contract before us. I expressed my opinion about that the other night, and I have nothing to withdraw from what I said then. I believe, from letters I have received since from all parts of the country, that that statement struck the popular heart. It is not often that this is the case, but I believe the people of this country realized that this offer is a political dodge. I am not going to do more with reference to that than allude to the statement which is made that the makers of that offer have put up $1,400,000. I have heard the story that two members of the Syndicate, both important members of it, undoubted men of wealth, stated on Monday last that they had been incited to this course, because of the few remarks I ventured to offer to the House, and that after I ventured to denounce the thing as a political dodge, they undertook to show in that way that it was not so. That, I believe, was the statement of Mr. Gibson and Mr. Maclaren; I do not hesitate to mention their names. That same night, the hon. member for Centre Huron undertook to say, incorrectly and though not untruthfully in the sense that he believed it to be untrue, yet untruthfully in fact, that I had been put up by the Government for the purpose of making that statement. If it were true that the Government took that view of the question—and I am glad to know that they have taken it since—there was no possibility of this contract having any chance in Parliament; and the moment that became apparent, these gentlemen rushed to the telegraph office, and telegraphed to the manager of the Bank of British North America to put up their deposit, and they both say that would not have been done but for that speech. But Sir, we have an amendment presented to us, and I am bound to say that a more extraordinary amendment never was submitted to this House or any other Parliament. If the amendment were true in fact, as to some of its propositions, it would not be so bad. But, how any hon. member of this House can deliberately record his name under some of the statements made in this amendment, I am at a loss to understand. In the first place, the amendment is a history as well as an amendment. It contains twenty-six paragraphs to prove that this contract has not been made under the Act of 1874. Well, I am not aware that it has been made under the Act of 1874. If it were, it would become law by lying on the Table of the House for a month; but, we are discussing it for the very purpose of making it law.

Sir ALBERT J. SMITH. The hon. the Minister of Railways said it was made under the Act of 1874.

Mr. WHITE. He said he had the right to make it under the Act of 1874. But, if it was made under that Act it would be law now, and there would be no need of our discussing it. In, the first place here is one statement:

"By the contract the cash expenditure of the Government, as principal money of which the contractors received the benefit, is to be in cash and works to be handed over to the contractors, at least $53,000,000, apart from the cost of surveys which do not form part thereof."

Now, the hon. gentleman knows that the $1,600,000 for surveys do form a part.

Mr. BLAKE. These are for engineering expenses, not for surveys.

Mr. WHITE. Will the hon. gentleman pretend to say that he has deliberately put into the amendment submitted

to Parliament a misleading statement of that kind? If anything could justify the remarks I made a while ago on that statement it is this: I ask whether any man reading that statement will not assume that it means the engineering expenses connected with the road.

Mr. BLAKE. No.

Mr. WHITE. It does not mean the cost of surveys for lands undoubtedly. What it means is that $1,600,000, the expense of engineering surveys, are not included in that amount.

Mr. BLAKE. No.

Mr. WHITE. Then we have the statement about the land grant. There are a number of such statements in it which are misleading, if not absolutely untrue. But I find, Mr. Speaker, that it approaches six o'clock, and I must forego further criticism of the amendment. The statement I have just pointed out every hon. member will say is, at least, misleading. It is intended to mean one thing, but, as I stated a moment ago, with regard to the legal opinions delivered in political interest by the hon. gentleman on the floor of Parliament, it is constructed in such a way as to enable them to get out of it when necessary. What is the position, then, in which we stand? We have this contract before us, which gives us the opportunity of carrying on the construction of this railway. The people have looked forward to its construction for years. Hon. gentlemen opposite varied their position in regard to this question almost every Session, at any rate since they went out of office, according as the exigencies of the political position required. But the people understand it all. They know well that this is the last struggle of hon. gentlemen opposite to get back to the Treasury benches. They understand that, for the last three years, having denounced the Government in relation to the National Policy—and in the newspapers only, however—and in relation to the administration of public affairs, they have now come to the conclusion that unless they can get some new lever, their chances of success are gone, and they have adopted this as their last resource. They will be deceived in this as they have been in everything else. What has been the effect of the late appeal to the people? What has been the result of the public meetings? The hon. member for West Middlesex (Mr. Ross), procured, when political exigencies required it, before the Government of 1873 went out, the presentation of infinitely more petitions in favor of a Maine liquor law than have been presented against this contract as the issue of the public appeals of hon. gentlemen opposite. And the very next year not a single petition was presented in favor of a Maine liquor law because political exigences no longer required it. Almost every independent organ of public opinion in this country—I use the word independent as distinguished from party organs—has pronounced in favor of this contract submitted by the Government, and those papers have struck the chord of popular sentiment on this subject. I know from letters I have personally received that the feeling in Canada is that it would be an enormous relief to get rid of the whole thing as a Government work, and that the new Syndicate, as it is called, is not acting in good faith, with a view to construct the railway, but has been simply got up to embarrass or upset the Government. Realizing my responsibility as a member of Parliament, I have no hesitation in saying that I shall vote against this amendment. It is a matter of comparatively little consequence whether the right hon. member for Victoria or the hon. member for West Durham is at the head of the Government or administering the ordinary affairs of the country; but the two parties represent distinct and separate policies on the two great questions of the day. On this side we represent the policy of a national railway and a National Policy. On that side they represent the policy of a railway through American territory, which is to be subservient and tributary for all time to American railways, and would render our communications between the two portions of the Dominion subject to be cut off at any moment by the mere act of a foreign legislature; and they represent the policy of a one-sided free trade which would submit the interests of this country to a slaughtering process by foreign manufacturers. That is the distinction between the two parties. I have no hesitation in saying that I believe that the people will realize in the future, as they have realized in the immediate past, as well at the elections of 1874, that the true interests of the country will be found in sustaining the hon. gentlemen who have brought prosperity to this Dominion, who have set the machinery of its industries in motion, and who have accomplished the work that baffled public men in the past, the result of which will be to give us a highway from one end of the Dominion to the other, and build up a great British nationality on this North American continent.

It being Six o'clock, the Speaker left the Chair.

AFTER RECESS.

Mr. CASEY. If, at this late period of the debate, I choose to begin my remarks by following, to some extent only, the tracks of the hon. member for Cardwell (Mr. White), who has just spoken, it is not with the wish to give any undue prominence to that gentleman's speech, or to indicate that I consider it an authoritative exposition of the policy of the Government, but simply because he has given a very fair *resumé* of nearly all that has been said by the leaders on his side of the House; and he has done so, no doubt, with the instinct of a clever journalist, picking out those particular points which he supposes to be most popular with the country. I did not hear all of that speech, but about the first point I caught was the statement that when the hon. member for West Durham was quoting from the speech of the Minister of Railways, of last Session, in regard to an offer which he said was made, or which he knew he could get for the building and maintenance of the road west of Red River, that the hon. gentleman had not quoted enough of it, that he should have quoted the figures—$10,000 a mile and 26,000,000 acres. The hon. gentleman went on to state that it was clear that the present contract was infinitely better than the one which the Minister of Railways was then sufficiently sanguine to hope for—that it was better than the most sanguine expectations of the most sanguine Minister; for he wished to lead the House to believe that it would have cost more to build the road on those terms than on the terms now before the House. Let us test this statement in the light of correct calculations; $10,000 a mile for 1,350 miles, would be $13,500,000, and 26,000,000 acres, at $1 an acre, which I take for the purpose of comparison, and as being the price hon. gentlemen opposite now wish to put upon these lands, would raise that sum to $39,500,000, to be given in cash and land for building the road between Red River and the Rocky Mountains, and operating all the road west of Red River. Suppose they had gone on to complete the whole of the road, now proposed, on the estimates given last year by the Minister of Railways, it would have cost $9,000,000 to build the Yale and Kamloops Branch, and $3,500,000 that from Yale to Port Moody, and $19,500,000 to build the eastern section, thus making a total of $72,500,000. Under the terms now before the House we are to give $25,000,000, and 25,000,000 acres, which, at $1 an acre, makes a total of $50,000,000 in cash and land; we have also to give the completed sections of the road, estimated, last year, to cost $36,500,000, making a total of $86,500,000. This is $14,000,000 more than the road would have cost if the Ministerial anticipations of last year had been realized, and if Government had been able to build

the road from Winnipeg westward on the terms they then expected. So this first point that I caught of the speech of the member for Cardwell utterly falls to the ground. Instead of this contract being infinitely better than that which the sanguine Minister hoped last year to obtain, it is worse to the extent of $14,000,000, which, in a country like this, will not be considered a small amount. The hon. gentleman went on to tell us that the Company would have to furnish, on the estimate of the hon. member for West Durham, $25,000,000 of their own capital for the construction of the road. I did not so understand it, either from the hon. gentleman's speech or from the contract. I think it is generally admitted that the grants of land and money are expected, both by the Government and the Company, to pay the whole cost of the construction of the road. It is admitted that they will ultimately receive three or four prices for the prairie section, and we cannot doubt that they will push it faster than the difficult sections. Then the hon. member for Cardwell came to a point extremely important, if true—that we now get a certainty as to what the road will cost—that we get rid of all suspicion, of corruption or jobbery, or accusations of this kind against the Ministry, which shall have control of this great work; that we get rid of all uncertainty, not only as to the cash price, but also as to the manner in which the road will be managed. That is most important if true. It would be a benefit almost sufficient itself to decide the country in favor of the contract; for, in reference to this affair, the strength of the Government lies in their weakness. Having regard to the past transactions in reference to this railway, and judging from the revelations made under the Commissioners of the present Government, who have been sitting for some time, the impression has gone abroad in the country, and I believe among both parties, that the present Ministers are likely to be expensive managers of Pacific Railway construction. Whether they are charged with anything worse than extravagance might depend to some extent, perhaps, on the party leanings of the individuals forming an opinion. But there appears to be a general opinion that the road in Ministerial hands will be very expensive. I have no doubt that the speech of the member for West Durham last Session, showing the extravagance already committed by the Government's undertaking unnecessary and extremely costly portions of that work, when we could have afforded to do without them, had considerable effect in creating this opinion throughout the country. Acting on this opinion, that it would be unsafe and unwise to leave this work in the hands of the present Ministry, they have undertaken to induce the country to accept the contract under the pretence—for it is nothing but pretence—that we shall thereby get finality as to the cost of the work. Do we get any such finality? I think the most hurried glance at the contract will show we do not. We get no finality, in the first place, as to what we are paying for the road. We know we are paying nominally $25,000,000 in cash for it, but we do not know even at what time we shall have to pay the different instalments. The contract provides that at any time when the contractors have built twenty miles they are to get a cash subsidy; again, when they choose to lay down a large quantity of steel rails and other materials of construction, the Government is to advance to the contractors 75 per cent of their cost. We thus do not know when tremendous drafts may be made on the Treasury for this purpose. We may remember *à propos* of this, a statement made by the Minister of Railways to a private contractor, who wished an advance on such materials, that he could not be the banker for the contractors. Now this scheme provides that the Government are to be the bankers for this huge corporate contractor, who is to build the Canadian Pacific Railway, and bankers on the most uncertain terms. We need not know unless when the Company chooses to inform us, when they might make heavy sight drafts upon their bankers. Again, there is a proviso under that wonderful little sub-section D of the 9th clause, as to the issue of bonds, on which the Government are to guarantee interest for an uncertain time, at an unsettled rate. Under that clause I do not know what drafts may not be made on our resources, which we shall have to pay in addition to the $25,000,000. It appears certain, at all events, that we are not only to pay $25,000,000, but interest as if it were all due now. That is the only possible construction I can put on that clause which will enable us to arrive at any "actuarial estimate," such as the clause demands. So it seems we are actually uncertain as to what we are to pay in cash, though on the face of the contract it appears that the amount is $25,000,000. But when we come to the land grant, the uncertainty simply becomes huge. Any person who has heard the varying estimates put upon the value of the land in the course of this debate, must be certain that whether the land is valuable or not, members of this House, differ as to what figure should be put upon it by the acre. It has been valued all the way from $1 to $8 per acre. But we find that under the optional clause, the Company is absolutely empowered to take not only farming lands, but they may choose mineral lands—lands containing gold and silver, if such there be—and to take them outside the fertile belt if they cannot find them inside.

Mr. BOWELL. The contract does not say so.

Mr. CASEY. I shall read it and see what it does say:

"But should any of such sections consist in a material degree of land not fairly fit for settlement, the Company shall not be obliged to receive them as part of such grant, and the deficiency thereby caused and any further deficiency which may arise from the insufficient quantity of the land along the said portion of the railway, to complete the said 25,000,000 acres, or from the prevalence of lakes and water stretches in the sections granted (which lakes and water stretches shall not be computed in the acreage of such sections), shall be made up from other portions to be selected by the company in the tract known as the fertile belt, that is to say the land lying between parallels forty-nine and fifty-seven degrees of north latitude or elsewhere, at the option of the company, by the grant therein of similar alternate sections extending back twenty-four miles deep on each side of any branch line or lines of railway to be located by the company, and to be shown on a map or plan thereof deposited with the Minister of Railways; or of any common front line or lines agreed upon between the Government and the Company, the conditions hereinbefore stated as to lands not fairly fit for settlement to be applicable to such additional grants. And the Company may, with the consent of the Government, select in the North-West Territories any tract or tracts of land not taken up as a means of supplying such deficiency. But such grants shall be made only from lands remaining vested in the Government."

The only limitation which is made is, that in the last resort some front line or lines are to be agreed upon between the Government and the Company, and I think it will be admitted that this clause leaves the selecting power just about as wide as it is possible to make it. Suppose that some of these gold and silver mines, upon which they might cast covetous eyes, should lie outside of the fertile belt, all they would have to do would be to locate a line—not to build it—to these mineral lands, file a map with the Minister of Railways, and choose alternate blocks on each side of the located line, so that it is perfectly possible for them to get an absolute hold upon the most valuable resources of the country. Again, we have undertaken to extinguish the Indian title to all lands which the Company might select, and here again there is a huge uncertainty, for we have no idea of what that may cost. We have undertaken to give them free the land for their road-bed and the right of way, and we have no idea of what that concession may cost us, for the Company may choose to locate their lines and secure the right of way through the valuable mineral lands to which I have referred. And, we must not forget that in giving away these lands we are just as truly paying out value as if we were giving the Company cash out of the Dominion Treasury. In computing the cost of the road, we should not consider these lands at their present value, but, they should rather be

considered at the price they would bring, when the road was completed, less what the Government would have to pay for building the line. I shall not enter into any calculations of the value of the land, additional to these which have been given, as my present object is simply to show that the cost of the road is vague and uncertain. But this is not the worst of it. The Government still undertakes the responsibility of constructing some of the most difficult parts of the road; and it is uncertain what they will cost. Again, the contract leaves frequent occasion for dispute between the Government and the Company as to the working of certain clauses, as for instance with regard to what is an "efficient operation" of the road. No tribunal is provided by which such a question may be settled—whether the number of trains which the Company may choose to run may be considered an efficient operation. Then there is the uncertainty so often pointed out with regard to the standard of construction. The hon. gentleman who is furnishing me with my text said on that subject that the question was settled by the letter which certain members of the Syndicate had sent in. He says that letter is merely an explanation of the words "when first constructed" and he points out that the Union Pacific was much improved after its first construction, and that the words bind the Company to build such a road as the Union Pacific was when finally completed. It is perfectly plain that the Syndicate did not think so, because if they had they would have put in the words "when finally completed" or "as it is now," and it is perfectly plain they intended to draw a distinction between the two standards. As to this letter, with all due deference to the legal opinion of the member for Cardwell (Mr. White), I think the hon. member for West Durham is as good an authority as he is, and he has declared his opinion that the letter is not binding and does not constitute a part of the contract. It is reasonable enough to suppose that the letter is not part of the bargain, seeing that the contract had been laid on the Table of the House as a bargain which cannot be altered. If it is to be held as part of the contract both parties should formally assent to it and it should be embodied in the contract itself. It is absurd to suppose that a letter emanating from two or three members of that Syndicate should bind the Company as a whole to any amendment they choose to make in the charter. I need not go on to point out how many occasions for doubt and uncertainty there are in this contract. In clause 9 there is a provision for an arrangement between the Government and the Company as to certain terms; and in sub-section D of that clause there is a further matter of arrangement inserted, and the same is true of many other clauses. It offers constant opportunities for subsequent arrangement between the Government and the Syndicate. I ask what chance is there of any fair bargain being made between the Government and the Syndicate? The Government have taken care to make the Syndicate so powerful that it would be utterly impossible for them to treat with it on an independent footing. The Government would be placed more in the position of a weak dependency treating with another country, than in the position of a Government treating with an ordinary railway company. Then the hon. member for Cardwell went on to cite the *Globe* as an indicator of public opinion in regard to the building of the road at the time that some imaginary terms were announced from New York, those terms being that the Company was simply to build the road and then hand it over to the Government, with all the responsibility of running and maintaining it. He pointed out that the *Globe* objected to the responsibility of its maintenance being thrown on the Government when it appeared that the Company were actually being paid a larger price than the road would cost in order to induce them to maintain it. He considered that it was inconsistent for us, after that, to argue that there was any impropriety in handing the road over to the Company. Well, Sir, I think the objections urged by the *Globe*, at that time, are perfectly in point still. There is no inconsistency between those objections and the objections made by us to paying the Company several prices for building the road and then handing it over to them in perpetuity. What was supposed at that time by the editor of the *Globe*, as by everybody else, was that the bargain would provide for building the road and operating it for ten years, for that was the hint given by the Premier in his first public utterance on his return to this country. It was thought not unreasonable to give to the Company something more than the cost of building the road to pay them for maintaining it during the first ten years, on account of the probable scarcity of traffic. But nobody imagined that the Company would be first paid for building the road, secondly paid for running it as long as it might be unprofitable, and, then, when it became profitable by reason of an increased population in that country, and became a paying road, that it should be handed over to the Company in fee simple forever. Then, Sir, after saying that he thought we had paid too much for the road, that we had got rid of a great liability, he said we were going to get returns in part for the money we had spent upon it, in the shape of Customs revenue from the settlers. He said the railway would bring in 1,000,000 settlers in a short time—I think he said ten years— each worth $3 a head as tax-payers, which, he said would be enough to liquidate our total liabilities in connection with the railway. A little while before he had been saying that it would cost to operate the road for the first ten years $6,000,000 a year over the revenue. This calculation he based upon some estimates of the hon. member for Lambton, which were probably correct at the time they were made. But supposing it did cost that much, if the Government had kept the road in their own hands they would only be at a loss of $3,000,000 a year, according to the hon. member's own calculations, for they would be getting in $3,000,000 a year from Customs revenue as against $6,000,000 a year to be paid for the working of the road, so that the reason for parting with the road on account of having to pay $6,000,000 a year for working expenses, is just half as strong as the hon. gentlemen wishes to make it; we would only lose half as much as he wished to make it appear we would lose. Then he comes to this much vexed question of building a branch to the Sault, and he quotes from the *Globe* again—for those hon. gentlemen are always sheltering themselves behind some quotation from the *Globe*—to show that it objected to the building of the Canadian Pacific Railway by Sir Hugh Allan in 1872 by way of the Sault. As near as I could understand the quotation, the objection of the *Globe* was on the ground that Sir Hugh Allan was entrusted with building the Canadian Pacific Railway on Canadian territory, and that therefore he should not be allowed to build it by way of the Sault. I think that objection was sound. Sir Hugh Allan had at that time obtained a contract for building the Pacific Railway on a line north of Lake Superior, and the inference was that he intended to abandon that line entirely and build only to the Sault. I think, under those circumstances, when he was obtaining a certain price for building the road on a certain route, it would be absurd to absolve him from the condition of the contract. But my hon. friend charged the party as well as the *Globe* with inconsistency because we now advocate the Sault Branch which the *Globe* at that time opposed; but shortly afterward he admitted that at the same time the *Globe* was attacking the Sault Branch, he and his newspaper were defending Sir Hugh Allan against the attacks of the *Globe*. If there was inconsistency on one side there was certainly inconsistency on the other. The hon. gentleman's inconsistency still continues, for I am informed that since the beginning of this month he has been urging the advisability of building a branch to the Sault, as a means of obtaining acesss to our own territory. He said what he advocated

then was that this road could be built only by private enterprise, not by a company receiving a Government subsidy. I ask what difference it can make in the utility of that road whether it is built by a private company or as a Government enterprise? No matter whether it be built by a private company or by Government, it will give the people of the eastern Provinces access to our North-West, by a short all-rail route seven years sooner than if the road were built by the north of Lake Superior. I think the hon. member will have to admit that it will. I think he can scarcely claim to be acting in the interests of either his nominal constituents in Cardwell, or his real constituents in Montreal, when he urges us to reject any scheme which would secure the early building of that branch. But he goes on to give us a rehash of the usual bravado about having a line independent of the United States, their hosile intention, and all that sort of thing—about emigrants being entrapped by land speculators when passing through Michigan. You would imagine to hear the original of that rehash, and the rehash itself—that no gentleman on that side of the House ever thought of building the Sault route immediately and postponing indefinitely the route north of Lake Superior. It is worth while to read once again to this House the official opinion on that point of the Minister of Railways as given last year. The hon. gentleman admitted on that occasion that he had been previously hostile to this scheme, but that his opinions had since been totally changed. After speaking of the section of the line north of Lake Superior, he says:

"It is now evident that the attention of the whole of this country is turned to the question of obtaining the shortest line of communication to our great North-West by Sault Ste. Marie. Hon. gentlemen opposite may remind us that, at one time, I entertained serious objections to going to Sault Ste. Marie, but the case is different to-day. * * * When I opposed the construction of the line to the Sault, it was at a time when we had no line under construction from Thunder Bay to Red River; but the moment the Government was committed to the building of that line, it was our duty to look for means by which we could make it productive What are those means? I have satisfied myself that the road, with its easy grade and cheap rate at which it will be able to bring down the products of the North-West, cannot possibly have a competitor. What would be the result of the extension of this road from Nipissing to the Sault Ste. Marie? The distance from Montreal to Winnipeg *via* Chicago is 1,741 miles. But, suppose a road were built to St. Paul along the south shore of Lake Superior, the distance by that route would be 1,563 miles. By Duluth, the shortest line to be obtained by way of the United States, would be 1,514 miles. From Montreal to Nipissing, and thence to Thunder Bay and on to Winnipeg, the distance would be 1,358 miles, while by the Sault Ste. Marie and water communication from Goulais Bay to Thunder Bay it would be only 1,288 miles."

He there puts the whole question in very concise and neat language; but his position there is certainly very strange after his official declaration this year that he is very much afraid of this route to the Sault. In explaining the language he formerly used, he, this year, said:

"The position I take is, that if the line was to be built by the Sault Ste. Marie—and I was ready and prepared to support the construction of that line—if it was the only means, for the next twenty years, of having communication with the North-West, when we believed we had it in our power to secure the construction of a through line of railway, I opposed it because I wanted a national line. When the time came, that, under the management of hon. gentlemen opposite, the conditions of this country became such that we could not hope to grapple with the work for a long time to come, we thought that if we were to be deprived of any railway communication with the North-West, if there was no other means for the next twenty years of filling up that fertile plain with a large and industrious population, we were willing to attempt the Sault Ste Marie line. But now we have the means in our grasp of constructing a national line on terms such as the most sanguine man in this country did not believe possible a few months ago, and it would be treason to our country not to carry out that national line which is required, even if the Sault Ste. Marie line were built to-morrow."

That was his explanation this year of his reasons for favoring the building of the Sault Ste. Marie line last year; but I say this explanation is contradicted by his statement of last year. It certainly seems to my mind almost scandalous, that hon. Ministers and their supporters who took such strong ground last year in favor of the construction of the line to the Sault, should now assert that there is something disloyal in the proposal. If they convict us of disloyalty to Canada and of favoring the interests of the United States in this matter, they certainly convict themselves of the same. Again, when advocating the high price to be paid for this road, my hon. friend from Cardwell said that the Syndicate might perhaps build the road as cheaply as we said they would build it, namely, at the cost of what the hon. member for Lambton described last year as a mere tramway; but that they would have to spend a large portion of their earnings to put it in good running order, and that therefore it was advisable for us now to pay them for a first class road—for first building it as a tramway and then finishing it as a first class road out of the earning of the tramway. If we want a tramway, it is well to pay the price of a tramway; but if we want a first-class road, we are willing to pay the price of a first-class road; but if we pay the price of a first-class road and only get a tramway, I think such a transaction is only to be described in language which would be unparliamentary. The additions made to the standard of the road would not be made out of the pockets of the capitalists who are supposed to be building the road, but will be made out of the earnings of the road, out of the contributions of the people through whose neighborhood it will run. The capitalists would have a road built for them at public expense, additions made to it out of its net earnings, and besides a large surplus of bonuses both in land and cash. Then we come to the much vexed question of exemptions. The hon. gentleman ventured his legal opinions, as I think the hon. Premier ventured the other night, that the exemptions of the road and stations, etc., only applied to the main line and not to the branches. The hon. Premier will no doubt be gratified at having his opinion on these exemptions sustained by the hon. member for Cardwell. Let us read what the contract and charter, taken together, for they are one bargain and must be read together, appear to say on this question. Section 16 of the contract, the exemption clause, is as follows:—

"The Canadian Pacific Railway, and all stations and station grounds, workshops, buildings, yards and other property, rolling stock and appurtenances required and used for the construction and working thereof, and the capital stock of the Company shall be forever free from taxation by the Dominion, or by any Province hereafter to be established or by any municipal corporation therein, and the lands of the Company, in the North-West Territories, until they are either sold or occupied, shall also be free from such taxation for twenty years after the grant thereof from the Crown."

Section 15 of the charter defines what shall be understood by the term "Canadian Pacific Railway":

"The Company may lay out, construct, acquire, equip, maintain and work a continuous line of railway, of the gauge of four feet eight and one-half inches; which railway shall extend from the terminus of the Canada Central Railway near Lake Nipissing, known as Callendar Station, to Port Moody in the Province of British Columbia; and also, a branch line of railway from some point on the main line of railway to Fort William on Thunder Bay; and also the existing branch line of railway from Selkirk in the Province of Manitoba to Pembina in the said Province; and also other branches to be located by the Company from time to time as provided by the said contract; the said branches to be of the gauge aforesaid; and the said line of railway, and the said branch lines of railway, shall be commenced and completed as provided by the said contract; and together with such other branch lines as shall be hereafter constructed by the said Company, and any extension of the said main line of railway that shall hereafter be constructed or acquired by the Company, shall constitute the line of railway hereinafter called THE CANADIAN PACIFIC RAILWAY."

So that not only the branches the Company may build, but any continuation of the line they may hereafter construct or acquire, shall be held to form part of the Canadian Pacific Railway; and section 16 of the contract declares that the Canadian Pacific Railway shall be exempt from taxation forever, except, of course, in Provinces where we have no right to exempt them from taxation. Every line of railway this Company may hereafter build or acquire is a part of the system of railways; so that the whole of that "gridiron" of railways by which the hon.

member said the North-West was to be "permeated" will be free of taxation. I do not exactly understand how the North-West can be permeated with a gridiron, but I have no doubt that will be the case since the hon. member for Cardwell says so. Then he went on to deal with the exemption from Customs duties of steel rails and other supplies. He said there was no objection to the admission of steel rails, because there was no possibility of making steel rails in Canada. It is a very strong admission to make to begin with, that the great National Policy has not yet made it possible to make steel rails in Canada, when such a tremendous market for steel rails will be opened up by the construction of this road. The hon. gentleman has got Protection on the brain. He cannot see the slightest harm in letting anything into this country free, unless the free admission is going to hurt any manufacturer. Does he not see that the free admission is equivalent to a gift of cash on the part of the Government, that it must be considered as a part of the cash subsidy? He said, further, that any injury to the manufacturer that might arise from the free admission of bolts and spikes, would be made up by a rebate granted to the manufacturer on the raw material. This is another of the peculiar arguments which shows how the whole bent of a man's mind may be warped by the adoption of protectionist ideas. We are not speaking now of the injuries to individual manufacturers, but of the cost to the country; and he urges that while we are incurring loss of revenue through free admission of bolts, spikes, nuts, etc, we are to incur another loss of revenue to reimburse some individuals who might be aggrieved by the free admission of these articles. Then, with regard to the question of the exemption of lands, he says that is merely a subsidy to be given by the people of the country through which the railway will run, to the Company. Suppose we regard it in that light, what right have we to compel these new settlers to give a subsidy to the railway? Are we not supposed to be building that railway at the expense of the whole country for the benefit of those settlers? Why should we compel them to pay such a very considerable tax as will be imposed in the shape of subsidy to this railway? Of course, it is very hard to get at figures of what the total cost to settlers there will be; but I am informed by a Conservative friend of mine, who owns a great deal of land in Manitoba, that he is paying this year in taxes about 7½ cents per acre on every acre he holds. At the same rate, these new settlers would be taxed $7½ a year per 100 acres or about $24 for an average holding for the benefit of this railway which we are told was to be built by the country at large for the benefit of struggling settlers. It is absolutely monstrous for us to impose further subsidy than that which they will pay in the shape of Customs duties like the rest of us. But that is not the worst form that the exemption clause takes. It is not merely the amount it takes out of the settlers hands that is going to injure the interests of the country, but the creation of large proprietors of lands, and large holdings. It will keep settlements sparse and compel the emigrant not only to improve his own land, but the blocks of railway land alongside of him. But my hon. and very legal-minded friend, the member for Cardwell, who has been so very prodigal of his legal opinions this afternoon, insists further, that it is very little matter to the settler whether he has to pay taxes on the railway land or not. He said that if the railway company had to pay taxes on their land they would form part of the working expenses of the road, and that the settlers would have to pay the same amount in freight as if there were an actual tax on their land. He is thinking, evidently, of the provision in the charter that the Company are to be allowed to exact 10 per cent. profit on the cost of constructing that road, over and above all working expenses, and the other clause that includes taxes among the working expenses of the road. I believe this is the only road known on which taxes are classed as part of the working expenses; so that this is not a normal state of things, but one specially created in favor of this road; and, further, this clause would have no effect at all, unless a reduction of tolls was being made under the terms of those two clauses. So that, until the receipts of the railway shall reach a figure, giving net profits over 10 per cent. on the total cost of constructing the road, the provision the hon. gentleman alludes to would have no effect—and an amount equivalent to the taxes would not be taken out of those who ship products over the railway. In either case, the railway company, whether exempted from taxes or not, will charge as much as they can get. They would be able to charge no more if they had to pay taxes, than they can charge though they are now exempt. Then he told us that there was no danger from the monopoly of traffic given this road; because, in the first place, Manitoba might charter a line running south from Winnipeg, and thereby tap the Pacific Railway at that point. Well, I think there would be very little chance, for a line running south from Winnipeg, when it could find on the other side of the line connections with no roads but those owned by the Syndicate. The only chance, an independent road would have to tap the Canadian Pacific Railway would be by striking it a considerable distance west and running south or to the eastward to reach some road not controlled by this Company. But I must point out here the beautiful inconsistency between the member for Cardwell and his leader on this subject; for his leader argued that there is no possibility of the Canadian Pacific Railway being tapped by American roads. He said it would never do, and that the Government would take great care to prevent such an arrangement; that it was the intention of the Government to prevent any such tapping of the Canadian Pacific Railway, or such competition as the hon. gentleman thinks possible under the present arrangement. Then he went on to say that railway men had told him that there was no other way of regulating rates than that adopted in the present charter, namely, fixing a percentage at which they should stop, and that the Governor in Council must give his consent before any tolls could be charged, and that the railway could not be a success if the rates were too high. I quite agree with the hon gentleman that there is no other way of controlling the rates, by the charter, than by fixing a percentage. There is a very good way of controlling rates, without any provision as to tolls or charges, namely free competition. It is quite certain that in that country where railroad building would be so easy, you could prevent such over charges by this or any other company by allowing other roads to be constructed through the North-West. When the member for Cardwell says that a company could not make a road a success by over charging, he is talking perfect nonsense. He told us himself that the St. Paul and Manitoba Company had made their road a success, and that they had been charging too high rates. One of his statements thus conflicts with the other. Not only are their rates over charges, but they continue this policy and thus pay sixteen or eighteen per cent dividends on their shares; and they will continue to do so, not only over their American road, but over the whole gridiron, in the Canadian North-West, as the member for Cardwell described it, that will be broiling that country before long. I feel compelled to say a word or two in regard to his speech this afternoon, and I am sorry he is not present to hear it. He evidently thinks it a very good plan to single out high game when he wishes to make an effect, and this accounts for his attacking the leader of the Opposition. He thus hopes to gain a certain amount of prominence. The hon. gentleman stated that the member for West Durham was in the habit of prostituting his legal lore for the benefit of his party—of giving opinions in the House for political reasons, which he did not believe to be

true, and stating them in such language that he could afterwards shirk responsibility, by making it appear that he meant something else than the impression he had left on the House. The hon. gentleman tells us he got a certain impression from the remarks of the leader of the Opposition in regard to the power of the Courts in carrying out this contract; that he got the impression that the member for West Durham had said the Courts had no power to enforce it, and that now when the member for West Durham points out, that that was not what he said, and that it could not be taken to mean that—that he simply said the Court of Chancery could not order a specific performance of this contract, the member for Cardwell accuses him of trying to put a different meaning on his words. Neither the leader of the Opposition nor any one else can be held responsible for the impression created by his words in such a mind as that of the member for Cardwell. It is not to be expected that he should have very clear opinions on legal points. He forms his own opinion of what was said, and instantly stereotypes it in his mind as an infallibly correct impression, and the moment this interpretation is corrected by his opponents, he accuses them of quibbling and trying to put a false impression on their language. He accused the hon. member for West Durham, of having dragged his reputation in the mire for political purposes. It is not very safe to begin these little recriminations. It is not very safe for hon. gentlemen on that side to talk of reputations being dragged in the mire, about pledges being given for political purposes, about assurances being made on a Minister's word of honor for political purposes. It is doubly unsafe for the member for Cardwell to indulge in these recriminations, for in his dual capacity of journalist and member of this House he is doubly vulnerable. It is not so long ago that that hon. gentleman gave it as his opinion that a party newspaper was frequently compelled by political exigencies not only to disguise and quibble about its opinions, but even to disguise and fritter away the truth, and even to make deliberate misrepresentations if that were required to accomplish political ends. That hon. gentleman has made it a point since he entered the House, to be personal and aggressive in his attacks upon members on this side. During the first Session he sat here, he attacked men many years his senior, and that, too, with a bitterness evidently born of something more than a party spirit. He still continues that course, and no doubt by it he hopes to obtain that sort of notoriety for which he craves; but he will find that such a course will not elevate him in the opinion of those in the House or in the community who are not utterly hardened by party feeling. I intend to notice one or two points raised by even a greater light than the member for Cardwell, I mean the Minister of Railways himself. In beginning the discussion on this question, he sets out with a very laudable aspiration. He said that the railway should not be carried on as a political work, nor made the battle ground of political parties, but that it should be built like any other railway, by capitalists who should make a fair profit out of the enterprise. Now Sir, that is exactly what hon. members on this side would be very glad to do. They are now asking that it shall not be carried on as a political work, and that the decision of who shall build the road shall not be arrived at as a party question. This is an occasion on which, as has been said, party lines should be slackened. I know it is hard for a member of this House, who is a supporter of a particular Government, to give a vote against that Government, and especially when the Government have put down their foot and said that this particular question is one on which they should stand or fall. It is hard for a man to do violence to the traditions of his life to such an extent as to go directly in the face of the leaders of his party, to go directly against those whom he venerates and reveres. We should not have urged any such course upon hon. gentlemen opposite but for the declaration of the Prime Minister the other night. What we should have urged upon them—what has been urged and urged successfully in the country, is not that they should desert the party with which they have so long been connected, but to make their leaders feel that they were not the autocrats of the party, but that they were merely their leaders, in the sense of being at the head of the party, and that they should do what the rank and file of the party believed to be right. I am certain that when this contract was first broached the great bulk of the Conservative party were almost unanimous in the opinion that it should not be put through the House. I am certain that they were as absolutely taken by surprise by its conditions as we were; that they had no reason to expect any such terms from the leader of the Government, since they are directly opposed to his course last Session. Members of the Conservative party in the country, and members of that party in this House, in private conversation, have not been slack in expressing their surprise that their leader should have brought down such terms. And I say that the responsibility of saving the country from the consequences of this contract rests upon them; that if they had had the courage to say to their leader "we cannot support you in this matter if you push it to a vote," he would have been obliged for the safety of his party and with perfect fairness to the contractors to accede to their wishes. To the contractors he could have said that he found it impossible to carry this contract through Parliament in its present form, and that they would either have to submit to a modification of these terms or let the matter absolutely drop. If the Conservative party had chosen to act in that way they would have earned for themselves the undying gratitude of their countrymen. But they did not choose to do so, they were whipped in, and they came under that party discipline to which they always yield such ready obedience. Party discipline is a very fine thing, but it is intended for a certain purpose—to preserve the party intact—to make it a good fighting machine, and to carry party discipline beyond that point is to make the greatest imaginable blunder. I contend that the coercion of the independent members of the House on this question, was one of the greatest blunders which these hon. gentlemen could make, because they were laying the foundation for defeat at the next election, and for exclusion from office for a long time thereafter.

Mr. ROCHESTER. We are not asking your opinion.

Mr. CASEY. I know very well that the hon. member for Carleton has no independent opinion of his own, and when I address independent members I make no allusion to him. I said that this exercise of party discipline would lead to the defeat of the party. It will do more than that. It is a crying injustice to those men in that party, younger than the leader of the House, who have some worthy ambition at some future time to be leaders in Canadian politics, or to be members of the Government themselves. For the leader and his first lieutenant to insist upon carrying through, at all hazards, a contract which they themselves have made, for which they alone are responsible, against the convictions of so many of their supporters, is an injustice to every man of that party. Such men as the hon. member for Frontenac (Mr. Kirkpatrick) and many others I could name, who are prominent in the party, who have a future before them, certainly should have resisted, at all hazards, the policy which will inevitably crush the party. Of course, every hon. member on that side of the House looks up, as it is natural they should do, with reverence and respect to a great successful party leader, but even that feeling can be carried too far, and it has been carried too far in the present instance. Those two members of the party, the First Minister and hon. Minister of Rail-

ways, were responsible for the conduct of the negotiations in this matter, and the whole affair was simply a proposal of policy on the part of the Government. A great deal has been said about its being a contract. We have been assured that the new Canadian Syndicate as I must call it in opposition to the St. Paul Syndicate, knew there was no chance that their offer could be considered because the contract was already made. I claim there was no contract whatever entered into; that the paper laid on the Table of the House, which is called a "contract or agreement," is nothing in the world but an agreement between the two Ministers who drew it up and the other contracting parties as affording a basis on which they could ask power from Parliament to give a contract to them. The Minister of Railways tried to induce the House to believe that this contract was let under the terms of the Act of 1874, but that contention was completely knocked to pieces by the hon. member for West Durham (Mr. Blake) and I will not attempt to go over the ground. At all events, it could not be a contract under that Act. Nor could it be a contract under the Public Works Act, because the Government cannot let a contract under that Act unless tenders were advertised for. It is thus a simple agreement of certain terms on which the Government proposed to let a contract to those individuals, and on the basis of which they proposed to ask power from the House to let a contract. I think the hon. member for Cardwell (Mr. White) said it was let under the Act of 1874, and therefore it became law if laid on the Table of the House. It could not become law, even in that case, without the assent of the House, and how much less can it be binding when the Government had no direct authority whatever to make it. I do not deny the Government can make any agreement they choose; but so can any private member. The Government can, with great authority, make an agreement with certain contractors to give out a contract on certain terms, and ask the House, as it is now doing, to pass a Bill giving them authority to let a contract on those terms. They can make any sort of terms they choose, but to assume that such an agreement in any way binds the faith of the country to adhere to those terms is to assume an absurdity,—it is to assume an absurdity that was never dreamed of until the other offer had come in, and it was absolutely necessary to trump up some excuse for refusing to consider it. I must read what the Minister of Railways said when he endeavored to make the House believe that this document was really a contract. He told us that the Act of 1874 did not require that public tenders should be obtained, but that tenders might be obtained by private solicitation or in any way they chose, so long as tenders were obtained, and that on this occasion tenders were got in. The Minister of Railways said:

"The hon. gentleman may find it convenient to forget all this; his hon. leader may find it convenient to forget all this; but with that law standing on the Statute-book of the country he will not make the people of this country believe this Government had not authority to make the contract."

Referring to the hon. member for Lambton (Mr. Mackenzie) the Minister of Railways said:

"The hon. gentleman knows that again and again, under the authority of this Act, both the former and the present Government accepted private tenders. There is nothing in this Act about public tenders, and if there was, I want to know whether an advertisement published in the papers of England and Canada for six months did not give authority for the granting of a contract to any one who was willing to construct the railway? The hon. leader of the Opposition goes back four years; but I will not permit him to go back four years to find his opinion on this question."

Nor can we allow the Minister of Railways to go back four years for his advertisements. But supposing it were granted that private tenders would be a proper foundation for such a contract, did the Government receive any tenders at all on which the contract was based; was the contract let on any tender public or private? I think I can prove from statements of the leader of the Government that such was not the case, that the contract was not made on the basis of either one or twenty public or private tenders, but is simply a statement of terms agreed upon in private caucus between that hon. gentleman and those with whom he was dealing. I will read the hon. gentleman's own explanation of the matter. He said:

"Before we went to England there was a provisional offer made to the Government which was distinctly understood to be provisional."

That was the offer referred to in his Bath speech. Was that a tender?—a private offer which was to be considered withdrawn if it was not suitable in every respect? The hon. gentleman further said:

"We subsequently received a second offer, and the Government came to the conclusion, especially as we had an indirect intimation, verbally, that an offer would probably be made from New York and San Francisco, that we could not possibly settle up the matter here. We decided to inform all the parties that we would attend to the reception of any applications, tenders, or proffers, in London. Thereupon the first party who made this provisional offer withdrew it and would not hold to it. The second party did not do so—this was an offer from England—and the party subsequently dropped their application. The communications that were made in England were principally, if not altogether, verbal. Gentlemen came over again and again from Paris and sat with us in the discussion of these matters. The first offer was withdrawn. The second one it would be unfair to disclose; as the hon. gentlemen opposite will see, there were persons in it, bankers and others of considerable commercial standing, who were connected with that offer. They found they were not strong enough to press it. Their offer was made, of course, with the desire of coming in if they could, and be engaged in the construction of the road, and it would hardly be fair to them to use their names and to state that these persons failed in being strong enough to undertake the work. It would affect their position. But I would say this, that the present offer is the most favorable offer, both as to money and land, that the Government or delegates received. Arrangements were made; we sat *de die in diem* as a little committee, meeting different gentlemen again and again. They were all desirous of making an arrangement, money being plenty and enterprise ripe on the continent of Europe, especially in France and England. They were all anxious to connect themselves with such a great enterprise. Some were appalled by the largeness of the scheme; some were frightened by the eventual responsibility, and one after another withdrew from attempts to be concerned with the railway. As to the present parties we meet them every day, and the results are laid before this House. I cannot possibly bring down those papers; I think it would be an injury to the parties who have attempted to aid us by making offers."

So up to the time the Minister left England nothing had been done in the way of asking public or private tenders except occasional meetings in private between the leader of the Government and different gentlemen of Paris and London, and discussing what they might, could or would do. That was the explanation given by the First Minister on December 13. On December 15, on a motion of the hon. member for West Durham (Mr. Blake), the leader of the Government gave explanations as to how the contract came to be framed. He said:

"We had entered into negotiations with one firm after another, but one after another our efforts failed; and it was only with great difficulty that we made any arrangement at all. The hon. gentleman quotes from a speech of mine at Montreal. Well, I cannot vouch for the literal accuracy of the report, * * * but it is substantially correct. * * We settled all the main terms in England, so far as we could settle them between man and man; but the understanding was, of course, that they must be subject, in the first place, to the approval of the Governor General in Council. The details had to be written out *de die in diem*, and gentlemen came from England and New York for the purpose of settling all those terms. It would answer no good purpose, and it would answer a very bad purpose to bring down the discussions, the day and day negotiations, the statements on the one side and on the other side while these arrangements were pending; and it is contrary to all rule and precedents that anything but the final result of the negotiations should be brought down. We, Sir, settled the main points of this arrangement in England—the amount to be paid as Canada's contribution, in the way of railway construction, money and land; but of course, they were all subject to the settlement of the terms under which, as a railway company, they could safely accept an Act of incorporation. I am happy to say, and the House knows now, that we have arrived at these results. We have laid before the House these results, and we decline to lay before the House any other papers."

This contract is the result of the negotiations. It has been contended that the statement made by the First Minister at Bath, was equivalent to an advertisement for tenders; for it was therein stated that the Government were considering the

propriety of accepting propositions. It was rather an advertisement for would-be tenderers to keep away, when it was stated there were two proposals before the Government, and that they were considering them. But we find from this incident that that was not an advertisement at all. It was not intended to be such. The hon. gentleman went away to London, and told these parties to come on and finish the matter there. We are told these parties all backed out, and that their negotiations in England merely amounted to settling with certain parties there, after a great deal of caucusing, the terms in land and money, and that all the details were worked out here after they came back:

"We settled on the main terms in England, as far as we could settle there between man and man The details had to be worked out, and gentlemen came from England and New York for the purpose of settling upon the terms."

Now, he says this agreement has all the binding force of a contract. I say it is simply an agreement roughed out in England after a great deal of caucusing between the hon. leader of the Government and the Minister of Railways on the one hand, and the contracting party on the other; it is simply an agreement of the terms on which the Company were willing to make the contract. It has not even the form of a contract about it. It has much more the appearance of being what the hon. gentleman said the offer of the new Syndicate was—a plot concocted to the left of the Speaker's chair. It appears, on his own statement, that the old Syndicate was a plot concocted to the right of the Speaker's chair between the Government and a few gentlemen who wished to get a job without at all notifying the world of what they were doing. I think I am justified of applying to it the language which he applies to the new offer. I think, in view of his own statement, we may much more properly call it a conspiracy. What constitutes a conspiracy? It is a banding together of a few men to concoct something which shall be to their own advantage, and, perhaps, to the disadvantage of others. Here was a number of men meeting in secret to concoct something to their own advantage, and which will be to the disadvantage of the country. At all events, the parties of this agreement conspired together in the most secret manner possible to make it. Having concocted that measure, the whole affair is made public, and when meetings throughout the country are asked to condemn it, a stereotyped resolution is offered, saying that it is the best bargain that could be made, and therefore we must accept it. Within five weeks after these terms are made public, an infinitely better bargain has been offered to the House and the country. If the former bargain was the best the hon. leader of the Government could make, after several months caucusing, it speaks very little for his business capacity. This new bargain has been offered without any caucusing between the leader of the Government and those who made it. Anything more likely to result in direct damage to the interest of the country, and in direct financial loss to the country than the bargain presented to us by the Government, I cannot possibly imagine. Now, the proper subject of debate on this occasion is the amendment offered by the hon. leader of the Opposition. That amendment is what the hon. member for Cardwell called it, a most remarkable amendment. It states the whole case in connection with both the old and the new contracts in a manner so convincing to every person who reads it, that it has not only shaken the confidence of hon. members on the other side of the House, but it will shake the confidence of hundreds and thousands of their supporters throughout the country. The more it is studied by the people the more unanimous will be the verdict that the amendment was justified, and that the Government were distinctly sacrificing the interests of the country to their own personal prestige in refusing even to consider the new offer. We all know what a considerable defection there was from the ranks of the leader of the Government at the time of the last Pacific scandal. We all know that a great many of those who then left him have since come back. We all know he has had a wonderful chance to rehabilitate himself, such as has seldom been given to any who sinned as he did. When he laid this contract before the House he injured his political interest in the country far more than the National Policy has ever helped it. But when he goes farther and refuses to consider an infinitely better contract, I cannot help believing that he has not only undone all that he gained by the National Policy, but has put himself in an infinitely worse position before the people than he occupied after the disclosures of the Sir Hugh Allan transactions. Though there is no opportunity of making that known by a general election, I believe that opinion will gather strength in the country, and that the result, at the next election, will be crushing to the hon. gentleman opposite. The hon. member for Cardwell told me that if we really believed the adoption of this contract was going to hurt the Government, we would let it pass, and try and beat them afterwards. That is not our policy or our duty. It is our duty to oppose this measure to the utmost extent allowed by parliamentary usage. But it would appear that the Government do not expect that our opposition will result in the loss of many votes in the House. That may be very true, and I cannot say that I am extremely sorry for it. If a sufficient number deserted the Government, to prevent the adoption of this measure, I of course believe it would be a great gain to the country. But we are, at all events, perfectly certain that in the most influential parts of Ontario, both in the east and in the west, every man who votes for this contract, when there is such an infinitely better alternative before the House, is doomed. In a party sense, we can rejoice at our defeats; for the more overwhelming are our defeats now, the more overwhelming will be our victory in the next general election.

Mr. MUTTART. I will promise you, Mr. Speaker, at this stage of the debate not to attempt a long speech. But I feel it my duty not to give a silent vote on this great question; and in a few words I wish to give a reason for the hope that is in me. Last Session and the Session previous we had the same old cry of ruination and taxation. The subject then was the National Policy. As the National Policy is turning out so successfully, the Opposition have dropped this subject and now we are to have ruin and taxation from building the Pacific Railway. We are getting used to this sort of thing, and we are not the least alarmed at the threatened ruin which the Opposition now predict, as a result of the construction of the Pacific Railway by the Syndicate. A great deal has been said within the last few days as to the great "uprising"—if I may be allowed to borrow an expression from the hon. member for Shelburne—that is taking place throughout the country against ratifying the agreement with the Canadian Pacific Syndicate. At the early part of the Session a great flourish of trumpets was made by the Opposition press over a statement said to be communicated by the Island leader of the Opposition in this House—the hon. member for Prince—to the effect that the people of Prince Edward Island were exasperated over the terms about to be entered into by the Government with the Syndicate. Now, whether the hon. member for Prince gave such information or not, I am not prepared to say; but this I do say that the hon. member on that occasion had left home before the terms of the Syndicate agreement and contract were known on the Island. So much for this reported exasperation. Within the last day or two I have received numerous letters from my constituents, all, without a single exception, approving of the contract under consideration. It will not be out of place, I presume, to give this House a few extracts from these letters all of which are written by intelligent

bona fide electors of considerable influence in the community in which they reside. One of these electors says:

"Senator Haythorne has returned to the Island with thousands of anti-Syndicate petitions and manifestos in a travelling bag. He is a wonderful man this Senator Haythorne for changing constitutions. We all remember when he and Laird shouldered Prince Edward Island in the dead hour of the night and started for Ottawa, but this his latest feat surpasses that by all odds.

"I suppose ere this petitions from the Island against the Pacific Railway have reached Ottawa. Some of these petitions bear the names of dead as well as living Grits. All the persuasive powers of English, Gaelic and dog Latin were used in certain localities without producing the slightest effect."

Another correspondent says:

"In the Government's Pacific Railway policy I believe you will be carrying out the wishes of your constituents, by giving the Government your undivided support I am greatly mistaken if the people of this Dominion are again going back to the days of dark depression which pervaded the land during the *regime* of Mackenzie, Cartwright & Co."

Another correspondent says:

"Our Grit friends on the Island are laboring hard to create a feeling against the Government on account of the Pacific Railway ba gain. I suppose they found their conspiracies took so well before, they think this a fitting opportunity of playing the same cards over again, but it does not seem to work. They will find that many even of their former blind followers have received sight within the last six years &c."

Another writer says:

"Grits are sending round petitions against the Pacific Railway and they are being signed by their friends. The meetings that have been held have most signally failed to affect public opinion in the slightest degree. Intelligent, reading and thinking men are of opinion that the Syndicate contract is the best thing for the country yet submitted for building the Pacific Railway."

Another correspondent says:

"The Grits are endeavoring to make all possible capital out of the Pacific Railway scheme. Petitions are being industriously carried about for signature, in the vain hope of defeating the measure. These petitions, will no doubt, when presented to Parliament, present a long array of names; but they will not by any means represent the sentiments of the great bulk of electors in this section of the country. All the level headed people, not politically prejudiced, that I have heard speaking on this subject, say that they don't care a cent if the whole North-West were appropriated to the building of this road, as long as the older Provinces are saved from the burthen of doing so. I strongly believe if the proposed measure passes through Parliament, it will affect the political attitude of your constituency towards the Government, more favorably than otherwise."

Another correspondent writes:

"Our local Grits feel very sore b cause they cannot raise enough gullible matter to stir up the people. They tried their very best but it would not work worth a cent. Petitions were in circulation here, but I do not think that any respectable Grit even was seen out with them. On one petition which I saw there were names of mere children—boys hardly in their teens. People are laughing at the idea of such men as *D.* and *C.* and *K.* hawking round petitions calling on the *House of Commons* and the Senate to stop the Pacific Railway."

It will be seen by these few extracts that the people of Prince Edward Island are far from being "exasperated" at the terms of the Syndicate contract, and that the "uprising" of which we have heard so much exists only in the imaginations of the Opposition. I have simply given you these extracts, Mr. Speaker, as a sample of what a large majority of the free and independent electors of Prince Edward Island think of the situation. I believe they may be safely taken as a truer index to the state of public feeling in that Province than the big twice-signed petition just read to this House. I may say that I have looked over that petition, which is like all other petitions. It is by no means a genuine one, as it bears dozens of names evidently being written by the same hand. There are whole pages in the same handwriting, and I can point to names in that petition which have been signed twice. For my part I have listened attentively to the debate on this important subject, from day to day, and am free to confess that if I had any doubts at first as to the proper course to take, they would have all been removed by the discussion which has taken place in this Parliament and throughout the country during the recess. I am convinced

that the bargain which has been made by the Government with the Pacific Railway Syndicate, and now about to be ratified by Parliament, is the very best ever offered for the consideration of this House, and I have not the least doubt but the large body of electors throughout the Dominion will fully endorse the action taken on this question by the Government and their supporters in this Parliament. There are some points in which both great parties in this country are apparently agreed. Both parties admit that the road must be built. The hon. member for Quebec, who was the Minister of the Interior under the Mackenzie Administration, stated the other evening that he had yet to learn that any member of the Reform party had attempted to repudiate the building of the Canadian Pacific Railway. I was glad to hear this candid admission from so distinguished a member of the Opposition, for in certain sections which I might name the people are being told, in order to induce them to sign the petitions which are now being circulated by the Opposition, that the present Government and their supporters in Parliament are the only party in Canada in favor of building this great railway, when the truth is that the Reform party is the only party committed to the construction of this great and expensive undertaking as a Government work. The Province from which I come, had no act or part in settling the terms on which British Columbia entered the Union. When Prince Edward Island entered Confederation, the building of the Pacific Railway within a limited time was fully agreed upon in terms as binding as terms could possibly be made, no matter which political party might control the affairs of State. And when the Island threw in her lot with the other members of the Confederacy, she knew that the Pacific Railway had to be built. Both political parties in Prince Edward Island knew this, and both accepted Confederation with all its advantages and disadvantages, its responsibilities and obligations. Agreed as both great parties in this country appears to be, that this great public highway—the Canadian Pacific—must be constructed, and that there is no getting out of it, we must only accept the cheapest and best plan possible under the circumstances. For the sake of comparison let us look at the present proposition in the light of the Allan charter and the Mackenzie Act of 1874. I am aware that this comparison has been made already, but it will be no harm to allude to it again and again till the subject is so plain that those who run may read. Under the Allan charter we were to give 50,000,000 acres of land and $30,000,000 subsidy. Counting the land worth $2 an acre, the amount would stand as follows:—

50,000,000 acres of land at $2 per acre	$100,000,000
Cash subsidy	30,000,000
Total	130,000,000

Under the Mackenzie Act of 1874, Parliament agreed to give 55,940,000 acres of land along with a cash subsidy of $10,000 per mile, and interest at four per cent. for 25 years on whatever amount might be expended above that amount. Here is, therefore, how the Mackenzie offer stands according to the Act of 1874, which hon. gentlemen opposite endorsed and supported by their vote in Parliament:

55,440,000 acres of land at $2 per acre	$111,880,000
Cash $10,000 per mile for 2,977 miles of railway	29,770,000
Government guarantee on $7,500 per mile at four per cent for 25 years	20,977,599
Total	162,627,599.

The proposal now before Parliament is as follows:—

Existing roads with contracts completed	$28,000,000
Cash Subsidy	25,000,000
25,000,000 acres of land at $2.00 per acre	50,000,000
Total	103,000,000.

Thus it will be plainly seen that the present terms are $36,000,000 better than the Allan contract, and $59,627,500 better than the terms offered by the late Administration in the Act of 1874. With respect to branch lines, the present Company or Syndicate, if they build branch lines, will have to build them without any subsidy; while the Act of 1874, passed by the then leader of the Government and his supporters, provided for subsidizing branch lines by land bonuses of 6,400 acres per mile. The estimated quantities of land for the purpose was 12,000,000 acres, which at $2.00 per acre would amount to $24,000,000 additional. One of the great objections raised by the Opposition against the proposed arrangement, now under the consideration of this House, is with reference to the ownership of the road after it has been constructed. They appear to be very much troubled about the road being handed over to the Syndicate absolutely for ever, or, as a speaker at a meeting recently held in Prince Edward Island, stated: "for ever and ever, Amen." As an instance of what it costs the Government to run a railway, let us look how the account stands with reference to the Intercolonial Railway, for the years 1874, 1875, 1876, 1877 and 1878. In Mr. Brydges' report of the 18th August, 1874, he informed the Government that the gross expense for the year on the New Brunswick and Nova Scotia Railways amounted to $1,301,055.08. The hon. the Finance Minister of 1874—the present hon. member for South Huron—stated in his Budget Speech, page 29, that the deficit in connection with the Intercolonial Railway, for the year 1873-4, was $1,250,000. By reference to the Public Accounts for 1875 the expenses and revenue were as follows:—Expenses, $1,485,015.12; Revenue, $861,593.42; leaving a balance of $623,422.69. The total cost of the Intercolonial Railway, as stated in the Public Accounts, page 44, for this year, is put down at $20,593,914; Interest on this amount, at 5 per cent., $1,029,650; which added to the difference between expenditure and revenue makes a deficit of $1,653,071.

The deficit for 1874 was		$1,250,000
" " " 1875	"	1,653,071
" " " 1876	"	1,478,229
" " " 1877	"	1,736,240
" " " 1878	"	1,582,079
Total		$7,699,619

Or an average deficit of $1,559,923. It will, therefore, be seen that one of the very best features in the present agreement, especially in the interest of the older Provinces, is that the road when completed shall be equipped and operated by the Syndicate and not by the Government. The bare expenses of running the Pacific Railway after it has been constructed, has been estimated by Mr. Sandford Fleming at $8,000,000 annually. In view of these facts, we ought certainly to congratulate ourselves upon the assurance that the road is not only to be built, but to be owned and operated by a private company. I believe that I am honestly acting in the interests of my constituents in supporting the proposition now before this House. I accept the bargain with the Syndicate as a whole—the details of the agreement do not directly affect the interests of the people of Prince Edward Island. There is one point, however, to which our opponents in that Province are endeavoring to give special prominence, and that is in reference to the question of land monopoly. This is a tender spot with Prince Edward Islanders, and they are being strongly appealed to on this head. From the fact that the people of that Province were subjected to a grinding system of landlordism for over a century, and from which they have been freed by means brought about under Confederation that never might have been successful if they had to depend upon Downing Street instead of Ottawa rule—it will be readily understood that this cry of monopoly is intended to rouse the prejudices of the people of that Province. Let us refer to the exact wording of the contract on this head, in order to ascertain whether there is any grounds for fearing a land monopoly or not. On page 6, section 11, of the Syndicate contract and agreement, we read as follows:—

"The grant of land hereby agreed to be made to the Company, shall be so made in alternate sections of 640 acres each, extending back 24 miles deep, on each side of the railway, from Winnipeg to Jasper House, in so far as such lands shall be vested in the Government, the Company receiving the sections bearing uneven numbers But should any of such sections consist in a material degree of land not fairly fit for settlement, the Company shall not be obliged to receive them as part of such grant, and the deficiency thereby caused and any further deficiency which may arise from the insufficient quantity of land along the said portion of railway, to complete the said 25,000,000 acres, or from the prevalence of lakes and water stretches in the sections granted (which lakes and water stretches shall not be computed in the acreage of such sections), shall be made up from other portions to be selected by the Company in the tract known as the fertile belt, that is to say the land lying between parallels 49 and 57 degrees of north latitude or elsewhere at the option of the Company by the grant therein of similar alternate sections extending back 24 miles deep on each side of any branch line or lines of railway to be located by the Company, and to be shown on a map or plan thereof deposited with the Minister of Railways; or of any common frontline or lines agreed upon between Government and the Company, the conditions hereinbefore stated as to lands not fairly fit for settlement to be applicable to such additional grants. And the Company may with the consent of the Government, select at the North-West Territories any tract or tracts of land not taken up as a means of supplying or partially supplying such deficiency. But such grants shall be made only from lands remaining vested in the Government."

Some of our opponents, in referring to this section, say that the Government may give all the land along the road, but that while it would be for the Company's interest not to select the Government's alternate blocks, preferring to leave these sections with the Government, for the simple reason that their settlement with emigrants will largely increase the value of the Company's sections, I cannot see how any language can be made plainer than the wording of this section. The Company are to hold every alternate block of land along the line of railway; and if a sufficient quantity cannot be found fairly fit for settlement within the fertile belt, then the Company are to take land elsewhere, in alternate blocks. Lawyers may raise quibbles as to the meaning of this section, but this is the plain English of it as far as I can understand it. In the face of this I cannot see how a land monopoly can exist, as after the Company get their 25,000,000 acres in alternate blocks, the Government will still hold seven-eighths of the land of the North-West. The hon. member for Richmond (Mr. Flynn), in figuring up the cost of building the Canadian Pacific Railway, endeavored to make it appear that the Maritime Provinces alone would have to pay millions and millions of dollars as their share towards the building of the road. By what course of reasoning the hon. gentleman arrived at his conclusions I am at a loss to understand. I can easily understand how it would have increased the burdens of taxpayers of the Lower Provinces if the late Government had remained in power and continued to build it as a Government work. The late Government spent over $18,000,000 in building two pieces of this road—leaving a gap between of 185 miles—required to be built in order to make the work of any use at all. It was all right in the eyes of the Opposition for the late Administration to spend millions in this great work, but now that an opportunity offers to transfer the responsibility and expense from the shoulders of the Government to that of a private company, a great hue and cry is raised—not in the interests of the taxpayers, but simply to advance the interests of party. Let us see how the hon. member for Richmond's opinion agrees with that of the Toronto *Globe* of not so very long ago.

"Our rulers will be traitors to their country and to British connection if they lose a single season in making it practicable and convenient for settlers to go to Fort Garry through our own territory, and in putting things in a fair way for the Canadian Pacific Railway. It is a question of not merely of convenience, but of national existence. It must be pushed through, at whatever expense. We believe it can be pushed through not only without being a burden pecuniarily to Canada, but with an absolute profit in every point of view. Without such a line a great British North America would turn out an unsubstantial dream;

with it, and with ordinary prudence and wisdom on the part of her statesmen, it will become a great, a glorious, and inevitable reality."

The land of the great North-West is comparatively valueless without a railway. With a railway the lands will prove more than sufficient to meet all the outlay that will be incurred, for after the Syndicate receives 25,000,000 acres there will be still left in the hands of the Government about 175,000,000 acres. This at even one dollar an acre will amount to $175,000,000, an amount sufficient to recoup the Government for every dollar expended in building the road, besides leaving a handsome surplus to the credit of the country. As I am therefore fully convinced that the building of the Pacific Railway will not increase the burdens of the people of Prince Edward Island one cent, I intend to support the proposition now before the House; and in doing so, I believe I am acting in accordance with the wishes of those electors at least whose votes gave me the honor of a seat in this Parliament.

Mr. DUGAS. Mr. Speaker, as I did not wish to cast a silent vote upon the question now submitted for our consideration, I will take the liberty of expressing my views with regard to this contract which should be discussed calmly and dispassionately; for, Sir, we are not here to labor in the interests of one political party or the other, but, on the contrary, actuated by a patriotic feeling and a desire to promote the public welfare, we should unite and work together, especially when, as in the present case, the material interests of the country are at stake. We all know that upon the ratification of this contract depends the future prosperity of the country; we all know that upon the execution of this undertaking depends likewise the rapid development of agricultural pursuits in the vast and fertile plains of the North-West, upon which our expectations for the future are grounded. Our wise statesmen, after having studied the position of the country, have become convinced that, however important other industries may be, agriculture is to-day and will be for a long time to come, Canada's principal industry, and consequently, all that is prejudicial to the numerous agricultural class is likewise prejudicial to the other classes that depend upon the agricultural class, and all that affects the latter affects the national welfare. That is why, Sir, these sagacious statesmen—after having inaugurated a National Policy that has produced good results in the country, as even some Opposition organs have admitted, and in order to hasten the progress of colonization in the vast territories of the North-West—deemed it their duty to push forward, as quickly as possible, the execution of this work, in order to allow millions of persons, who are waiting for a favorable opportunity, to settle as soon as possible on these lands, to clear and cultivate them for the support of their families, thereby contributing to the general revenues of the country. Moreover, Sir, these wise statesmen, mindful of the promises made in their treaty with British Columbia, to accomplish of which the country's word of honor was pledged, have seen fit to submit this contract for our approval, asking us to ratify it, which no man having at heart the interests of the country can refuse to do. But, Sir, I regret to see that members of the Opposition have not looked upon this question from a public standpoint, but, on the contrary, have merely labored in the interests of their party; and I also regret that these gentlemen have allowed themselves to make such unjust and malicious insinuations against the Government merely in order to raise popular prejudice. The policy of the Government upon this question is the same as that laid down in 1872 by the late Conservative Administration; it is also the same as the one adopted in 1874 by the former leader of the Liberal party (Mr. Mackenzie), among whose most zealous followers at the time were certain members on the other side, who have spoken against the contract. We are all agreed, Sir, upon the necessity of building this great railway; we are all satisfied that the greatest results will accrue to the country, from the realization of this undertaking; but what seems to alarm hon. gentlemen opposite, are the conditions of the contract which, I will not say appear onerous to them, but which they would fain make appear burdensome, in order to deceive public opinion and create political capital. The expedients to which they have resorted are sufficient to convince us that these gentlemen are not sincere; the reasons they bring against the contract should be scorned and rejected by this House and the country; they have endeavored to deceive the public by their speeches made before this House and outside of this House, but they have not succeeded; they have only been able to obtain against the passing of this contract the signatures of seven or eight thousand electors out of the 700,000 electors of the Dominion of Canada. Deceived in their expectations, they have resorted to another, and I hope, Sir, a last device; that of getting up a new Syndicate composed exclusively of Canadian capitalists, a Syndicate which, in my opinion, does not really exist, which only exists in a figurative sense, and which is, so to say, only the phantom of a Syndicate. Well, Sir, their aim in this again is merely to do mischief, and to prevent the carrying out of the negotiations entered into between the Government and the first Syndicate. It must not be forgotten, Sir, that the first wish of these gentlemen, at the opening of the Session, was to have a dissolution of Parliament, and an appeal to the people on this question. But, Sir, the party to which we belong and to which the people have entrusted the right of rendering a verdict upon all measures submitted to this House, is, in my opinion, the only competent tribunal, and the only one authorized to render a verdict upon this important question; and I will even say that no tribunal is less competent to judge this question than the whole population of the country. However intelligent and well informed the people may be, after the sagacious remarks made by our Prime Minister upon this subject, after the remarks made by that skilful statesman, who has for so many years conducted the ship of state with so much wisdom and ability, and who, in 1878, when this ship, in the hands of the Liberal party, was on the point of sinking saved, it from an inevitable shipwreck, it would be contrary to the British constitution to submit a question of such importance for the approval and discussion of the entire people. But, Sir, how is it that in 1874, those hon. gentlemen, who so heartily endorsed the scheme of the hon. member for Lambton (Mr. Mackenzie), did not then see fit to submit to the popular verdict this scheme which, in the opinion of the House and of the entire people, contained conditions infinitely more onerous than those contained in the contract now before us? Sir, it is easy to answer that question: it is because these gentlemen, caring for the public interests and knowing that the completion of this great work would redound to the credit of the Conservative party, have constantly endeavored to prevent the passing of this contract. If, on the other hand, it is asked why the Conservative party in 1874 did not see fit to request the late leader of the Opposition to submit his scheme for public approval, the answer is equally easy: it is because the Conservative party, ever mindful of the public interests, and actuated by patriotic motives, has never, on any occasion, opposed the passing of a measure that was calculated to promote the interests of the country. Whence we must conclude, Sir, that the motto of the Liberal party is: "The interest of the party before everything," whilst that of the Conservative party is: "The interest of the country above all." Sir, although those gentlemen declared themselves favorable to the scheme submitted to the House in 1874 by their leader, since that time they have unceasingly made a great outcry before this House and before the country, against the building of the Pacific Railway, which, according to them, would lead the

country into ruin and bankruptcy; and to-day that the Government has found the means of building this great railroad without cost to the country, to-day that the Government has found the means of ridding us of a great responsibility that was imposed upon us by the construction and working of this road, they again cry out against the scheme, preventing thereby the development and prosperity of the country. Sir, I have not the intention of going into the details of the measure; I do not intend proving to this House that the conditions of the present contract are infinitely less onerous than the conditions of the two contracts previously submitted to our consideration. That is not my intention, for I am well aware that the question has been discussed thoroughly and at length by several hon. members, and it would be useless to repeat what has been said on this subject. The following verses of the celebrated poet Boileau could well be applied to the present occasion:

"Qu'un style trop uni et toujours uniforme
En vain brille à nos yeux, il faut qu'il nous endorme."

I think, Sir, that before long the Government will be sleeping on their laurels. Before concluding, may I be allowed to make one remark. Whilst regretting to see the position taken by the Liberal party upon this question; whilst regretting to see these hon. gentlemen actuated by partizan motives only, and striving against their own convictions, I nevertheless must rejoice to see this great question of the Pacific Railway, which in 1873 gave rise to that imaginary scandle which scandalized the Liberal party, that highly scrupulous party will be the means of immortalizing, in the annals of the political history of the country, the name of our leader and his colleagues who have so powerfully aided him in the realization of this scheme which, I am satisfied, will be crowned with complete success. In conclusion, I have a last remark to make, it is this: I hope, and am convinced, that the Government will not allow in this contract a clause that might affect the interests of one Province or of another; that they will not allow anything in this contract that may affect the interests of any railway company or another; but, on the contrary, they will see to it that the interests of each Province is protected, and that the interests of every railway company now existing are respected. With this hope and this conviction I declare myself favorable to the contract now submitted to our consideration.

Mr. SPROULE. The importance of this subject is the only excuse which I have for troubling the House at this late stage of the debate. The question is one of the utmost importance to the country from whatever point of view it is considered. If we consider the fact that the road will be a great commercial thoroughfare through a country that it is over 4,000 miles long, that it will carry the trade of an area of country that consists of over 250 millions of acres of land, we cannot fail to regard the subject as of surpassing interest to the people of this country. Viewed simply as a financial question it is also important. We have now a national debt of $147,000,000, and when we consider that the amount which will be expended in the undertaking before it is finished will equal if not exceed that amount, we must regard the question as one of great importance. In viewing this subject the question which naturally suggests itself to our minds is whether we are paying too much for the road under this contract or not—whether we will get an ample return for the expenditure. As a rule it is only by the comparison of work by work that we are able to determine whether a certain piece of work is too expensive. Now we have a road on this continent which, I think, by its similarity to this, by its passing through a section of country very similar to that through which this passes, by the fact that its condition at a certain period of its history has been selected as a standard for the building of this road, and by the fact that it was built by the same class of capitalists, affords us a very fair means of comparison. The Union Pacific is only 1,029 miles long—not one-half as long as the Canadian Pacific Railway—and according to a return which was made to the Secretary of the Interior, that road cost $112,259,360, or an average of $113,110 a mile. The Central Pacific, which is also a road very much similar to ours, cost $114,388 per mile; and as we can ascertain very closely what the Canadian Pacific Railway will cost under the present scheme, we can very easily make a comparison with these two roads. We have another mode of arriving at a comparison. I find from a return given in Trout's "Railways of Canada," that the average cost of railways in the Dominion per mile is $56,532. The average in the United States is a little more, $60,425. I think when we make these comparisons we can easily see that we are getting a very good bargain for the country. If we take the lands at $2 per acre, which seems to be by general admission a fair valuation, we have $50,000,000 in lands; we have $25,000,000 in cash; we have $28,000,000 for the completed road, making in all $103,000,000. Now when we find that the Union Pacific, which is only 1,029 miles long, cost $112,000,000, and our road which is 2,700 miles long, costs only $103,000,000, I think it will be admitted we are getting good value for our money. The average cost of railways in the Dominion is $56,532 per mile; that of the Canadian Pacific Railway is only about $28,888, so that viewed in that light too, the result is the same. These are calculations which can be easily made; we know the amount of cash; we know the quantity of land and its value; we know what it cost to build those portions to be completed, so that we can consider, with reasonable certainty that we are not going to lose the large amount of money which the hon. members of the Opposition have predicted. Some hon. gentlemen claim that the views of the people have never been expressed upon this method of building the railway. It has been argued that the country has never endorsed this method of building the road. Speaking from my own part of the country that for the last two or three elections, especially after it was announced that the policy of building a through line had been abandoned, and that it had been decided to utilize the water stretches, this question was discussed before the electors. We might ask hon. members of this House who contend that the electors have never had a chance of pronouncing upon this question, what was the occasion of the great reversal of opinion that characterized the election of 1878. There is no doubt that the National Policy had a great deal to do with it, but I can assure the hon. gentlemen that in my section of the country the result was influenced by the expenditure that was being carried on by the late Government in reference to building the Canadian Pacific Railway. People did not believe that it was in the interest of the country that the railway should be built piecemeal, as the Government was then building it. I may ask those hon. gentlemen why, if that question was so forcibly laid upon the electors, did this policy of the water stretches cease to be attractive? We hear nothing of them to-day, although there was scarcely a supporter of the old Government throughout the country in 1874 who was not prepared to defend that method of building the Canadian Pacific Railway. Moreover, the people became disgusted in reading the developments of waste and extravagance in the Foster contract, the Kaministiquia job, the Fort Francis Locks, when $100,000, $40,000 and $50,000 were divided amongst contractors. The people finally concluded that the water stretches were only a sham. In every instance, when I have been able to take the sense of the people, I have invariably found that it was their desire to have the railway built by a company, and not by the Government. The history of the construction of all public works shows

that they cost more when constructed by the Government than when constructed by private companies. Again the question will suggest itself, what do we gain by giving this contract to a private company? Several calculations have been made with reference to the cost of the Pacific Railway. I find that the average cost of the railway already built in the Dominion by the Government is $56,572 per mile. But we are getting the Canadian Pacific Railway built for $28,880, therefore we must save a great deal of money. If this road was built by the Government at the average price I have mentioned, it would cost $152,506,400. Taking from that the Government grant of land and money, $78,000,000, we find the difference is $74,536,400 which is saved to the country by letting the contract to a private company. In this estimate I value the land at $1 an acre. Here, I may say, that I think the valuation that has been put on that land by hon. gentleman is entirely erroneous. They quote from returns made with reference to railroads in the United States who have sold the lands after the railway is built, and after the land has been increased in value by the building of the road. Now the Ontario Government has found that the price of land is about $1.50 an acre, and that in a Province where there are railroads everywhere. Consequently land in the far west where there are no railways within hundreds or thousands of miles, cannot be worth as much as in Ontario. We cannot value the land after the railway is built, because land always advances in value. In my section of country the building of a railway has doubled the value of land, and it will be so in the North-West, consequently I say that $1 an acre is a fair value to put on the land of the North-West at the present time. The amount of money the Government will pay, together with the land at $1 an acre, and the $20,000,000 we will pay for finishing that part of the road to be given to the Company, will in all amount to $78,000,000. Taking this sum from the $152,000,000 that this railway will cost, if it costs as much as the Union Pacific Railway, which is to be the standard, you will find that there is a balance, as I said before, of $74,536,400. I say we absolutely gain that sum by giving this contract to a Syndicate. We gain this sum because I claim the Syndicate can never build the road for $78,000,000. The history of the building of railroads in the Dominion of Canada and the United States has told us in the most unmistakable language that it is impossible to build the road for that amount of money, and as a natural consequence they have to raise the money. Now, where will they get this money? They must bring it from Europe and other countries. Therefore, by giving this work to a private company, we not only occupy the North-West country with railroads, but we get the benefit of at least $74,536,000 which they will have to bring here and spend in the country. There is another substantial benefit which will accrue to the country by giving this work to a company, and that is with respect to immigration. In looking over the history of railroads, especially in the Western States, where railway companies have received large grants of land, and where these companies have found it to be to their advantage to get their lands settled as rapidly as possible, we find that they have adopted various schemes of immigration, and spent large amounts of money to get people to settle upon their lands and enhance their value, and to give them a return in the produce carried over their roads. It is estimated that these companies have spent about 75 cents an acre for these purposes. On the same calculation, the amount which this Company will spend, in order to get 25,000,000 acres settled will be $18,750,000, and they will virtually aid the Government to that extent in promoting immigration in the interest of the country. Last year we spent about $183,000 in immigration and yet we only brought a few people to this country, and when we add to that the sum I have named, hon. gentlemen will see what a substantial benefit will accrue to the country by giving this contract to the Syndicate; without saying anything of the money brought into the country by the immigrants, and the amount they will contribute to the revenue of the country in the shape of Customs duties. It may be asked what are we saving by giving this road to a company? We are not only saving the difference between what this road will cost the country and the average cost of building railroads in the Dominion of Canada—in other words, the difference between $28,888 a mile, the cost of the Canadian Pacific Railway, and $112,113 a mile, the cost of the Union Pacific Railway—but we are saving the amount of money to be turned over by the Company to the immigration system of this country. We have had some little experience of running railroads in Canada, and we may ask if it cost us in one year $716,083 to run the Intercolonial Railway, a road 800 miles long, passing through three settled provinces where there is large trade, what must be the cost of running a road 2,700 miles long, and running for nearly its whole length through a country that is unsettled? Upon the basis of the cost of the Intercolonial, making no allowance for the difference of the countries through which the two railways run, the Pacific Railway would cost us $2,416,767 a year. If we remember that for the next ten years this road must be a non-paying road, and take half the cost of running the road, estimated by the hon. member for West Middlesex (Mr Ross), or $3,000,000 a year, we find that for the ten years before that road will become self supporting, it will cost to run it $30,000,000. If we add to that sum the $18,750,000 given to this country for the encouragement of immigration, it will amount to $48,000,000, nearly equal to the amount of land and money together given by the Government for the building of the road. Many hon. members ask if the Company will be likely to build and run the road provided this bargain is ratified. According to the calculation of the hon. member for North Norfolk (Mr. Charlton), the Company will derive profit of at least $75,000,000 by building the road, and if that is the case I think we shall have little difficulty of persuading the people of this country that the Syndicate will build the road and run it after it is built. The next question asked is, will the Company be likely to build the easier section of the road and then take the profits that accrue from that and leave the rest in the hands of the Government. Some hon. gentlemen opposite have, in the same speech, tried to prove that the Company would make millions out of the road, and then, in the same speech, that they would only build the easier section and leave the rest in the hands of the Government. If I would offer advice to hon. gentlemen opposite, I would advise them to hold one more caucus and agree on some system of argument that would at least have the merit of consistency, and not have one section trying to prove with all the force, energy and eloquence they possess that the country will be ruined by giving this Syndicate the building of the road, and and another with equal force, energy and eloquence arguing that they will build only one part and then abandon the rest of the work. I believe the conclusion the people will arrive at will be that their arguments are as equally fallacious and inconsistent on this subject as they have been on other great questions. Again the question arises: Are we giving too much land to the Company for building the road? Figures have been cited to show the amount is disproportionate to the grants given to United States railroads. I fail to see where hon. gentlemen opposite got their figures. On referring to the United States returns, I find that the Union Pacific and Central Pacific got 35,000,000 acres of land. The length of the one road is 1,029 miles, and that of the other 1,122 miles, a total of 2,149 miles, which is not equal to the length of the Canadian Pacific Railway, and runs through a

more populated country. Yet those roads get 35,000,000 acres, while ours only got 25,000,000. The Northern Pacific, which was not as hard to construct or as long as ours, got 47,000,000 acres of land grant; the Atlantic and Pacific received 42,000,000 acres; and we find that up to 1878 the United States granted, for the building of railways and canals, 224,056,718 acres of land. It is claimed that now a days too much land is given to railway companies. If we look at the unparalleled progress which has characterized the States that have lately come into the Union, these States which only a short time ago were a wilderness, the great advancement in material wealth which they exhibit is the best evidence we can have of the wisdom of the policy proposed, though we give proportionately a much smaller amount than was given by the United States. I believe in 1825, the first railway was built in the United States, and at present there are 96,000 miles of railway there. Do they regret that they have given over 224,000,000 acres of land for the building of railways? The history of that country is the best argument to the contrary. Now we have another proposed Syndicate before this House which has been sprung on us at a very late period, and which appears to have been sprung on us with the object of making some political capital for the next elections. There is evidently no sincerity in the new offer. If we look at the names, we find that most of those gentlemen have made money in this country, and the fact of men having made money is the best evidence that they are not ready to risk it without considerable enquiry beforehand. Is it to be supposed that men who are thousands of miles apart will agree to come together and amalgamate in a Syndicate to enter into an enterprise that must cost a large outlay? Knowing so little as these men must know about the undertaking, I would like to ask these hon. gentlemen who throw out this Syndicate as a hurt to the country, if one man of the proposed Syndicate has passed over the line of the proposed railway, or gone to the trouble of making any calculation as to its cost or as to what return it will give? There is no evidence at all to satisfy an intelligent public that they have given the question the consideration it would naturally demand considering the large investment of the money it would involve. The fact that they have proposed to put up so much money, but only after they were sure that their proposition could not be entertained, is the best evidence of their want of sincerity. No company would pretend to put their money in a concern without scrutinising it from every side so that they would see they would get a return for their money. No company would throw up their money hap-hazard and say: we are going to build the railway although we do not know what it will cost, or anything about it. The hon. member for Gloucester has spoken in eulogistic terms of the *personnel* of this proposed Syndicate; and says they are men whom to know is but to respect—men incapable of doing wrong. If I were in need of a character I would like to have that hon. gentleman as a friend. I think he would be very likely to give me a good one. Considering that we know some of the new Syndicate, and that their action in the past has been so questionable, and that very strong comments respecting one member at least have been made by one of the judges, we may assume that they are not men of integrity. When a judge remarked that he could as easily believe that a man dipped in a lake could be taken out dry, as that a certain member was not guilty of personal corruption, we must admit that the integrity of some of them is not what it is represented. If we judge those members who we do not know, by those whom we do, we must conclude that they are not the kind of men we should like to see building this road. Again, when we remember that the majority have been defeated in constituencies, it is presumable that they are only acting in concert to get up some scheme that they can use when they try again to get elected in the country. I believe the people see through their scheme. As some of the organs of the hon. gentlemen opposite have talked much of the great crowds of people brought together to discuss the Government policy, and of their resolutions of censure, correct reports, however, have shown that some of the Opposition meetings have been thoroughly partizan and one-sided in discussion and action. In my constituency during the holidays I found the opinion prevalent among Conservatives, Independents, and able Reformers alike that it was in the interest of the country that the road should be handed over and built by a company. In that section two meetings were held, and it was represented that a requisition was handed in to the Mayor of Meaford, asking him to call a public meeting to discuss this question. I saw one of those requisitions; it contained the names of six of the most inveterate Grits to be found in the East Riding of Grey. I could not help suspecting the integrity of men who had spoken of a large requisition and the decision arrived at as an influential expression of public opinion; for they had only, at the first meeting, I am informed, about 50 people present, the speaking was all one-sided, and the resolutions previously prepared. On another occasion a meeting was held where the people had had more time. What was the result? The resolutions in favor of the Government policy were carried by over two to one. I believe that if the country registered its verdict the vote would be two to one in favor of the Government scheme. For this reason, and holding these views, I believe it my duty to vote against the amendment. I think that the advantage that would accrue to the country from the scheme of the first Syndicate, would be much greater than if the railway were built as a Government work. Where, again, would the new Syndicate obtain the capital to build the road? We know they would require $75,000,000 over and above the Government grant, even provided they were able to sell their lands immediately. Could they go to Europe and raise money? No doubt their names are high sounding in the Dominion, and that they could raise a little money here; but I believe that in Europe their attempt to float the bonds or their own, would prove a sad spectacle to the country, that they would fail. I am convinced that the connection of the first Syndicate with Germany, France, England, and the United States, is another strong reason why they should get this contract. For years this country has felt a great want in reference to immigration from Germany, which we have never been able to attract, valuable as it would be to us. I am sure that if the scheme is carried out, a system of emigration would be organized that will secure masses of the best emigrants from Germany and France. Not only would the Syndicate be able to raise all the money wanted, but to apply in the working of our road their railway experience gained in the United States. They will use their influence to give this country the benefit of the railroads they own in the States. The argument of hon. gentlemen opposite, that they would make the Canadian Pacific Railway subservient to their road in the Western States, reminds me much of Lord Dundreary's idea of the tail wagging the dog. If men with only 3,000,000 acres will sink their interest in 25,000,000 for the advantage of the 3,000,000, and if men with 2,700 miles of road will sacrifice their interest in it for one of 100 miles long, they will act very unreasonably; indeed, all things considered we should be justified in voting down the amendment and carrying as speedily as possible the Government scheme. The member for West Middlesex said that if we supported it, on going back to our constituents we should meet with disappointment; but I am sure we should come back, after giving such an account of our stewardship, as strong as we are to-day. Every argument

and epithet has been used to make the friends of the Government believe that its policy is going to ruin the country. We heard the same predictions as to the National Policy, and believe we shall have the same experience in regard to the present policy. Efforts have been made to delude the people, and induce them to believe that they are being robbed for nothing; but they can see through such statements. The member for North Norfolk (Mr. Charlton) said that this was the most gigantic railway swindle of the nineteenth century, which makes me think of an anecdote of a celebrated mayor in the Southern States. It happened to be the custom of that county, if one was telling extravagant stories or attributing extraordinary virtues to some prominent man, to say that he was the greatest man in the county except the mayor. The custom became so prevalent, of thus honoring the mayor, that when it was neglected the offender was fined. A stranger came to that part of the country who did not understand the custom, and while illustrating the importance of a certain individual he said he was the greatest man in Tennessee. A gentleman present suggested, that he should except the mayor. The stranger replied that he made no exception. The consequence was that he was brought before a magistrate and fined $5, that official reminding him, at the same time, of the custom of making comparisons. The stranger replied: "All I have got to say is that you are the greatest fool in Tennessee—except the mayor." When the hon. gentleman said that the contract was the greatest railway swindle in the nineteenth century, I think he should have added—except the swindle of the new Syndicate.

Mr. TROW. I shall not discuss at any length a subject which has been debated with such great ability by hon. gentlemen on both sides of the House. I have listened with great attention to the speeches of hon. gentlemen opposite, but I have failed to find a single argument advanced upon the merits of the Government scheme or Stephen's contract. The burden of their song has been that the member for West Durham and the hon. member for Lambton had, in previous years, provided certain plans for the construction of the railway—that they had passed the Act of 1874, and that they were as anxious to build the road as the present Administration were. It seems to me that the real question before the House, is whether it is desirable in the interests of the country to accept the present offer, or whether we can obtain a more favorable one. Hon. gentlemen seem to evade the second offer altogether. For my part I am not favorable to either proposition; I think the railway could be constructed by the Government—much more cheaply—for a less sum of money than it could be done by either of the two companies. We have access into the North-West now by the Pembina Branch, and I, for one, think we should have no hesitation in availing ourselves of United States Railways, to reach our own territories, if we find it to our advantage to do so. The Americans have no such hesitation in crossing our country; in fact, they are in possession of the Canada Southern Railway, and a large proportion of American trade passes through our midst. If the construction of a through line by Sault Ste. Marie would have a tendency to divert American trade into this country, I think it would be an advantage to us to have such connection. Such a road would naturally attract the trade of northern Wisconsin, northern Michigan, a large portion of Dakota and the whole of Minnesota, which is now thickly inhabited and is rapidly increasing in wealth and population; and this trade would be of the greatest advantage to this country. The carrying trade of England has been a great source of wealth to that country; it has reached to such an extent that England now carries about 70 per cent. of the whole trade of the United States, to the great advantage of England. The question before us is one of great importance, and I do not think the time that has been spent in discussing it heretofore has been lost, and if the debates were to last a few days or a few weeks longer it would be an advantage to the people by letting them know the enormous expense we are about to incur for the construction of the railway. It is true we are bound under arrangements with British Columbia to construct this line, but the question is one of time and increase of taxation. If our financial position would allow it, I would say, proceed with the work at once. But it is our object to construct the railway on the cheapest possible terms, and I know that the people outside—the electors of my own county, at all events—can see very clearly the difference between $25,000,000 and $22,000,000; or, between 25,000,000 acres of land and 22,000,000 acres. This discussion has done good in other ways. We find that the supporters of the Administration are not all united on this subject. I have noticed that there is some little dissension in the Ministerial camp. The member for East Grey (Mr. Sproule) advised the Opposition to hold another caucus, in order to get united with regard to this subject; but I would suggest the same thing for his own friends for they seem to require some unanimity. I know that at the second caucus they held this contract was considered by many very objectionable—a bitter pill for the hon. gentlemen to swallow—that they were told there was no alternative. It is alleged that the leader of the Government persuaded them that they had either to go to their constituents or swallow the contract. Under these circumstances these hon. gentlemen were not prepared to go to the country. It is true that the member for Frontenac (Mr. Kirkpatrick) threw out a challenge to the hon. member for Centre Huron (Sir Richard J. Cartwright) for one particular riding, but we throw out a broader challenge: let the Conservative members throw all the constituences open.

Mr. BOWELL. Does the hon. gentleman say that he knows the leader of the Government said that.

Mr. TROW. No; I say there was a rumor to that effect.

Mr. BOWELL. It is an imagination of your brain, I fancy.

Mr. TROW. We have heard it rumored that several hon. gentlemen would like to have alterations made in the contract, and some of them have said so in their speeches. My friend from South Norfolk (Mr. Wallace) advocates a different mode of construction in his paper—a very creditable journal, and one which I believe has a large circulation in his part of the country. I will read an extract from what he says:

"As we are opposed to the road being controlled by a company, and have heard no reasons assigned to induce us to alter our opinion, we cannot give our approval to the contract. When it is ratified, as we suppose it will be, we can only hope that our fears of evil to the country from placing the road under the control of a company, will prove groundless. It is from no fractious spirit, from no desire for notoriety, from selfish or unworthy motive that we have acted in the past, and shall, in the future, act in reference to this question. If our course meets the approval of friends, we are pleased. If it does not, we regret it, but would not change it if we could, for we have done and will do, what we believe right in the matter. If we sacrificed our convictions to please our friends, we would despise ourselves, and would be deserving of the contempt of all honorable men."

Now, this is the writing and expresses the sentiments of the hon. member for South Norfolk, and I should judge from the tone of this article that he is not in accord with the Government, and is inclined to vote against it. We find the hon. member for Halton (Mr. McDougall), a thorough statesman whose opinion must be valued, saying that he is not prepared to accept this contract without considerable amendments. We find the hon. member for Dundas (Mr. Ross) has gone over it carefully, and he only takes exception to one word, but that word is a very important one, and has great significance, it is the word forever. He pointed out to the Government that the term should be limited, and that five or ten years would be a sufficient time to exempt the road from taxation. We find throughout the country that there is no

unanimity of feeling in the Conservative party. The tone of the Conservative press is adverse to the scheme. We see articles daily in the Reading Room here opposing the ratifying of the contract before the House. Petitions are pouring in daily, signed by thousands. I was sorry to hear the hon. member for Kings, Prince Edward Island (Mr. Muttart) say that these petitions were unreliable. He says some were signed by dead men and others were repeaters. If that is the case, I regret that such petitions have been presented. But that is a mere matter of veracity between hon. gentlemen. I am satisfied the Senators that went down there and aided in getting up this petition would not do a dishonorable act; and as for the hon. member for Prince (Mr. Yeo), if he took any interest in the matter, we are all satisfied that he would not admit any signature to be placed on the petition that was not genuine. I do not wonder that the hon. gentleman feels uneasy when he finds that nearly one-fifth of the electorate of the Island have signed that petition. There are not over 25,000 electors on the Island, and the petition produced here was signed by nearly 5,000 names. The hon. gentleman read several letters, purporting to have been written him from the Island, alleging that the petitions are not reliable. I would like to see the original documents, and I would like to know what authority he had to produce them. The hon. member for Kings further said that as far as the Island is concerned the electorate was indifferent whether the Government gave away the whole North-West or not—at last he qualified his assertion by stating that they did not care if it would not increase taxation. I would advise my hon. friend to instruct his electors a little on that subject. If he informs them that it will cost about $15 a head of the population, he will find that they will form a different opinion entirely, and that they will not be prepared to give up the North West. Judging from the statement of the Minister of Finance last evening, I should say that the Islanders are a happy people. He considered that the Islanders, above all others of the Dominion, had no right to complain, because they had received since Confederation about $1,000,000 more than they had contributed to the revenue of this country. Now, I should say that after receiving that amount as a gift they ought to be happy indeed if they contribute nothing toward the expenditure. The hon. member for Kings made another unguarded statement—that the Mackenzie Administration had expended $18,000,000 in building both ends of the road and leaving a large gap in the middle, that is from Prince Arthur's Landing to Selkirk. Now, I presume he will credit the statement of the Minister of Railways, who says that the whole 406 miles from Fort William to Selkirk will cost without equipment only $14,000,000; the present Administration have constructed 183 miles of the gap in the centre, so that there is a great discrepancy between the figures of the hon. member for King's and those of the Minister of Railways, and I accept the authority of the Minister of Raiways in preference to that of the hon. member for King's. We find that the hon. member for East Grey (Mr. Sproule) also makes some extraordinary statements. He concluded his remarks by saying that it would be absurd to think that the members of the Syndicate would divert emigration and trade from the Canadian road to the St. Paul and Manitoba road, and that the line of railway in Minnesota belonging to the Syndicate was only 100 miles in length, and that it would be absurd to imagine that they would lose the carriage of hundreds of miles for the purpose of conveying freight about 100 miles on the line in Minnesota. That hon. gentleman is not surely acquainted with the geography of that country, or he would know that this same Syndicate are in possession of nearly 600 miles of railway instead of 100. The hon. member for East Grey stated that the proposition of the new Syndicate must have been made up by interested gentlemen on the floor of this House—that they have no knowledge of the geography of the country, or of the expense of the work, or of the engineering difficulties to be encountered, and consequently it was a hap-hazard offer made for a political purpose and not genuine. Now, I would like to know if these capitalists who have deposited $1,500,000 in the banks, while the others have deposited nothing, and who are composed of the best commercial men in the country, have not as much knowledge of the country and the road as the others. They have access to the reports of the engineers, as well as the others, and no doubt they know as much about the cost of railway construction. I am a little surprised that the personal character of any of these gentlemen should be called in question by hon. gentlemen on the floor of this House. I am personally acquainted with several of these gentlemen, and I think they will bear comparison with the first Syndicate, that is, if we take the statement of the First Minister in reference to one member, at any rate, of the Stephen's Syndicate. That hon. gentleman had no hesitation, on the floor of this House, of calling him everything but a gentleman. I do not think it is proper to say that these gentlemen are defeated Grits, consequently unworthy. I can see some hon. gentlemen before me who have been defeated, and I do not think it is in any way disparaging to a man's character or reputation if the electors of a certain riding do not choose to elect him. I think Mr. Gladstone and Lord Beaconsfield have been defeated. The right hon. leader of the Government was defeated in Kingston; the hon. member for Cardwell, who brought up the matter to-day, has, I think, been defeated three or four times, and I do not think our respect for him should be less on that account. The hon. member for Grey made a very amusing effort to disparage the meetings held in his section. At one meeting, he stated, there happened to be six Grits. He did not tell us how many Tories there were, but he acknowledged that the six Grits carried the meeting. I do not see that the Conservative party were debarred from holding meetings. They had the same number of holidays that we had. I would like to know how many of them held meetings in their own ridings. Not one that I know of, they were afraid to face the electors on this question. Why, I endeavored to the utmost of my ability to induce the hon. member for North Perth to hold a meeting in Stratford, where he resides, but he would not do so. I held meetings at four different places in my riding. One of these meetings the hon. member for North Perth attended. There were present several hundred electors, of whom I am satisfied from 50 to 200 were Conservatives, and only one in the audience voted against the resolution condemning the Government scheme. That one was the hon. member for North Perth. The ex-member for North Perth in the Local Legislature, Mr. Guest, a very respectable gentleman and an ultra-Conservative, sat beside my hon. friend from North Perth, who fully expected that he would stand up with him, but when my hon. friend stood up Mr. Guest kept his seat; and at the close of the meeting he went on the platform and expressed his astonishment that the Government would attempt to ratify a bargain so monstrous, against the interests of the country.

Mr. HESSON. Did Mr. Guest sign your petition?

Mr TROW. I have not looked over the petition, but I guarantee that the names on it are all genuine. We find that not merely is the Conservative press of the country opposed to the ratifying of this contract, but that the Boards of Trade and leading citizens of Toronto, Montreal and other towns, are opposed to it.

Mr. GAULT. The Montreal Board of Trade distinctly voted in favor of carrying out the contract.

Mr. TROW. We find in the Conservative press of Montreal, daily, articles condemning the contract.

Mr. GAULT. I would like to read you a letter I have in my hand from the Board of Trade.

Mr. RYAN. Name the Conservative press that has condemned the contract.

Mr. TROW. I can sympathize with the hon. members. I know that they are uneasy, there is scarcely an hon. gentleman on that side that goes willingly to the front, and that there is only one alternative that keeps them in place. If there is a body of men who should know the wants and wishes of the great North-West, it is the Legislative Council of Manitoba. That body, composed of Conservatives, strong supporters of the present Administration, with the exception of Mr. Hay, passed a unanimous vote condemning the contract, and calling on the Government to make quite a number of alterations in it. Were the desks of hon. gentlemen opposite examined, I have no doubt they would be found to contain extensive correspondence from leading men in their own constituencies, urging upon those hon. gentlemen not to ratify the contract. I have no doubt the hon. member for North Perth (Mr. Hesson) has got scores of letters from citizens of Stratford and neighborhood, urging him strongly to oppose the contract.

Mr. HESSON. Not one. Let hon. gentlemen opposite examine their desks.

Mr. TROW. These hon. gentlemen are determined to sacrifice their own convictions, because there is only one alternative, go to the polls, or swallow the dose. This question is of vital importance. It has to be treated seriously and I hope hon. gentlemen opposite will consider it seriously before it reaches its final stage. The policy of the Government in a great country like that should be distribution and not centralization. There has been to much centralization already. The settlers complain every hour against speculators.

Mr. RYAN. I would ask the hon. gentleman if he has not speculated in lands in that country, and quite right too?

Mr. TROW. I purchased 320 acres from the Government, and that is to be divided between two of my sons. If that is too much I will sell it to you. I question whether there is an hon. member of this House or a private individual in this country, who has had the opportunities I have had in the North-West to purchase lands, and who has bought as little as I have. I have been there on three different occasions and could have purchased lots, half-breed claims, 240 acres, for $40 or $50. I could have bought tens of thousands of acres at this rate, but I was determined that I for one would not speculate, because my desire was to keep down speculation to the best of my ability. The trouble in the North-West, more particularly Manitoba, is that there are so many reserves. The Hudson's Bay Company, that prize monopoly, obtained a charter over the whole country. Many leading statesmen, I think the hon. member for Halton among them, alleged they should not have their claim to the fee simple of the soil acknowledged, that it was animaginary right. Our Government, however, considered it advisable to purchase that claim for $1,460,000, giving them 50,000 acres of land, of which they could select the location. Instead of taking it in blocks, they selected 132 sites in that country. In Winnipeg, where they should have taken ten acres, they took 500 acres, which was worth to-day $1,500,000. The agreement made with the Company was one which should never have been entertained. They also received 1,280 acres in each township of six miles square. The half-breeds have 1,500,000 acres reserved in different parts of the little Province of Manitoba, that only contains 9,000,000 acres; some half million acres have been reserved for the Mennonites, and a large proportion of the balance is almost all in the hands of speculators. We find the settlers have removed to the North-West, and have settled along the various trails for 200 miles to the west. We find them at Prairie Portage, at Beautiful Plains, at Birdtail at the Little Saskatchewan, at Shoal Lake, and 400 miles beyond, between the two Saskatchewans. They had to remove to so remote a district, to these unsettled portions of the country in consequence of the lands being in the hands of speculators, which would remain unsettled because they ask $10 to $12 an acre for lands that should be given to the honest settlers for $1 an acre. As I said before, distribution should be the order of the day and not centralization, which the Government are proposing under this scheme. If the locking up of one or two million acres in Manitoba has been so unsatisfactory to the settlers in that little Province, what will they think of the Government now about locking up a territory three times the size of Manitoba? The objects and interests of the Company will be, of course, to allow the settlers to improve the country and enhance the value of their lands, if we can induce them to go in there. If the arrangement was to be every alternate block of 20 miles settlers could form school sections, improve the roads, and devise some systematic way of getting along in the settlements. But here you have long strips, 24 miles in length, and there is no probability of settlers progressing, improving, enriching and developing the country. Under such a division the great North-West apparently is doomed. After relieving the people from the clutches and bondage of the Hudson's Bay Company some twelve years ago, the Government are now going to bind the people over to an infinitely worse corporation, and which will be unquestionably more oppressive. The country is now partially developed, and lands are improving in value. True the Government made a false estimate, and the hon. gentlemen on their side taunt the Opposition with their estimate of their value and the cost of this railway. The Opposition have placed no value on the lands. If we say $2, $3 or $5 per acre, it is the value placed on the lands by the Government twelve months ago. If the Government are wrong, we are not to blame; they fixed the value when they marked out the different belts. British Columbia came into the Union, in my opinion, on a ruinous bargain. The Government of that day, including members of the present Ministry, were not familiar with that country; very few had explored it, and little was known about it. The agents of British Columbia who came to arrange the terms of the Union must have misrepresented it. It was stated that the lands were good, that millions of acres along the railway route could be settled. Those terms, entered into by the Government, when *in extremis*, were diametrically opposed to the interests of this great country. We acquired a territory not adapted, from all the information we have received from our engineers and explorers—or very little of it—adapted for agricultural purposes or colonization. It is questioned, even should the road be constructed through that sea of mountains, as British Columbia has been called, that it would not for many years pay the expense of greasing the wheels of locomotives. I think it would be advisable for the Government to consult the electors on this great undertaking.

Mr. RYKERT. That will be done.

Mr. TROW. The hon. member for East Grey (Mr. Sproule) says this subject was discussed at the last general elections, but I never heard a word of it; in my county it was the N. P., or, as some call it, the National Humbug that was discussed then very thoroughly. True, the present Government carried the day all over the Dominion; but we hope confidently for better times. The people are somewhat enlightened now. At all events, in the rural districts the farmers are satisfied that they have been defrauded—that the Government policy has not been merely a hostile policy to their interests, but diametrically adverse to their interests. We were not elected to undertake a work of such magnitude as this. The people's representatives in Parliament have had very little to say in the matter. The scheme seems to have been finally arranged by the Executive, we having only the

right to discuss its merits and demerits. Ministers have settled the matter, and we are only here to carry out the terms of their agreement. The railway will cost the Government at least $60,000,000; the branch from Thunder Bay to Selkirk is estimated to cost $18,000,000; from Kamploops to Yale $10,000,000; from Yale to Port Moody, $3,500,000; survey, $3,500,000; these with the $25,000,000 given to the Syndicate makes $60,000,000, besides 25,000,000 acres. The bargain having been ratified before we met, we might as well have proceeded to the other business of the Session, as spend our time discussing this question from day to day, previously arranged and settled by the Government. True, we make some headway daily. My friend from Monck (Mr. McCallum) laughs; I think he is partially converted to our views. He made some acknowledgments and had decided objections to the contract the other day, but the party whip has been round him and he is brought to his proper position. The leader of the Government stated that it was beneath the dignity of Parliament to consult the people, that they had no right to be consulted. There is a time coming when they, the people, our masters, will have something to say in this matter. He further stated that it was a matter of indifference whether the House met in November or February, that the work would go on—that the Syndicate were on the road to Europe to arrange their emigration scheme and prepare for the construction of the work. The member for East Grey had to condemn the mode of constructing the line from Thunder Bay to Selkirk, which he considered useless as there was a gap in the centre, the road there being incomplete. Any one who is acquainted with the geography of that country knows that there is no possibility of letting the central section without finishing one or other of the ends, or both ends, and I say, therefore, that the policy of the Mackenzie Administration, in postponing the construction of the central section until after the ends were built, and especially the eastern end, by which material could be carried up by an excellent system of water communication, was a wise and proper policy. At the earliest possible moment the member for Lambton made arrangements for the construction of the Pembina Branch which gives access to that country by an all-rail route. Some people might not think it patriotic to advise communication through United States territory, but I have no hesitation in saying that it would have been a good thing for this country if the Northern Pacific bonds had been purchased by the Government a few years ago, when they could have been purchased for seven or ten cents on the dollar, and thus given us control of that line from Duluth to Glynden, and to have purchased the charter from the German bondholders of the line to Pembina into our own territory, and thus probably have realized on that short line from St. Paul to St. Vincent a profit of probably $15,000,000 or $20,000,000. Hon. gentlemen overlook the difficulties which the Mackenzie Administration had to contend with when they came into power. The member for Lambton had a legacy of indebtedness left him by his predecessor. He had to finish the Intercolonial Railway, to assume the Prince Edward Island Railway, to provide for the Mounted Police, as well as large expenses under various treaties with the Indians. A succession of bad crops, year after year, had a tendency to retard importations, and, in these respects, millions had to be taken into account which hon. gentlemen do not consider. The Government say they had a surplus now, but I say it is an easy matter for a Finance Minister, or for a corporate body in cities, towns, or municipalities, to get a surplus. All they have to do is to tax the people—to add one cent, or the fraction of a cent, to the rate. I deny the statement made by the supporters of the Government that the plan proposed by the Mackenzie Administration for the construction of the railway was more expensive than the present contract. Some allege that the 20,000 acres and the $10,000 per mile is to be calculated for the whole line, but the Government took power from Parliament to advertise for tenders. They never calculated to spend that amount of money on the whole line. Its construction was to be thrown open to the competition of the world. Some of the prairie sections west of Winnipeg can be finished for less than $9,000 per mile, and it would be absurd to say that the terms I have mentioned applied to the whole line of the road. And further, hon. gentlemen must consider that the land appropriated was to be taken all along the road from one end to the other, and that two-thirds of it would be taken up east and west of the prairie section in a rocky and inhospitable country, where they would be of little value. But this Syndicate has a roving commission over the prairies; they need not take an acre of land east of Selkirk, or west of Edmonton, the eastern slope of the Rocky Mountains. It is said that they will not make many selections in the Territories 200 miles west of Winnipeg, because the country there is partially settled. It is true that very few deeds or pre-emption rights have been given to the people of the North-West, and this fact may be a cause of trouble to the settlers who are located there now. It is to be hoped the Government will not interfere with these settlers, even those who are squatters. I know that under the arrangement with regard to settlement which has prevailed in that country for the last year, there is not a single settler located there during that period but fears that he will be turned out if the contract is ratified. I have received several letters making enquiries on that point. The portion of country settled extends about 200 miles from Winnipeg, or near to Fort Ellice. The Syndicate will then have some 700 miles of territory to choose from, and I presume any hon. gentleman can make the calculation of the breadth of land which will be included. I find that it will take a strip of land 112 miles wide to make up the 25,000,000 that is given to the Syndicate, and the alternate blocks which are retained by the Government.

Mr. ROCHESTER. How much would it take for 54,000,000?

Mr. TROW. I do not know whether the hon. gentleman can calculate, but I promise him that I can. I have travelled over a large portion of that 700 miles myself, and I know that there are water stretches and lakes, and arid lands, sandy and stony land, and it cannot be supposed for a moment that the Syndicate will take anything but first-class land. The result will be that they will have control of an immense region where they will not choose any land in payment; because where the lands are not adapted for colonization, the settler cannot be expected to occupy them, and the result is that the Syndicate will have absolute control of a territory three times 25,000,000 of acres. There is something very remarkable about the disparity of cost in connection with the construction of this road. It is well known that the prairie section is not very expensive to construct, and yet they receive a larger bonus on the prairie section than either for the eastern or western sections where there are engineering difficulties of great extent to encounter. We have the estimate of the contractors, that of the first 100 miles of the prairie section 70 or 80 miles are already constructed. We find from their statements that for the next 100 miles, at least, the cost will not be over $9,000 per mile; why, then, does the Government give $10,000 a mile and 12,500 acres of land per mile on this part of the road? For the first 200 miles the Syndicate will make a clear profit of $200,000 and 2,500,000 acres of land worth at least $2 per acre. On the next 400 miles there are engineering difficulties. With the exception of one bridge over the Saskatchewan, the land is very level and the cost of construction cannot be much. We find that the choice land that will be taken by the Syndicate

all along the road, will be interrupted by some very large lakes, and the result is that on account of these breakages they will control, in my estimation and in the distance I have travelled, more than 50,000,000 acres that never can be settled by the Government, but will be under the absolute control of the Syndicate. I have read a statement in the report of Professor Macoun of 1877, when that gentleman was employed by the Government to examine that section towards the Qu'Appelle district, and we find in his report that the extension of the great American Desert runs up to near the line of the telegraph, and there are in that region at least 5,000,000 acres not adapted for settlement. We find in that report that from the Elbow of the South Saskatchewan, to near the slope of the Rocky Mountains, is a large track of land where there is no rain-fall, treeless, and the result is that there will be no possibility of colonization. There are probably on that section about 7,000,000 acres that will not be accepted by the Syndicate. Where will they go to find the 25,000,000 acres? They have large limits to select from; they have from the 49th to the 57th degree of latitude; a track 400 to 500 miles in width, by 700 in breadth. The hon. member for Dundas has objected to the word "forever"; I have myself decided objection to another little word—"elsewhere." When the Syndicate are not satisfied with this great territory they can go elsewhere. What does that mean? I would interpret that it means the Peace River district. We find that the Government are to satisfy all Indian claims. There are no claims south of the North Saskatchewan unsettled, and there is no object in satisfying Indian claims if this Syndicate has no right to run north of the Saskatchewan to the Peace River section. It is evident to my mind that the Government and the Syndicate intended that they should select lands in Peace River, which is supposed to be very fertile, and which would be a portion of the 25,000,000 acres. It is not supposed for a moment that they are compelled to construct branch railways, but they can register a map with the Minister of Railways and make their selection to and fro from the boundaries up to the line proper and monopolize the best portion of that great country. There is also a possibility of this Syndicate monopolizing the coal region of that country. It is known that there are extensive coal deposits near Edmonton, and there is nothing to prevent them from embracing within their limits the whole of that region. I will now draw a comparison of that country that will be under the control of the Syndicate with some other countries. We find that they will have control of a country seven times as large as Saxony, with a population of 2,556,244; six times as large as Wurtemburg, with a population of 1,818,559; nearly double as Bavaria, with a population of 4,861,400; nearly double old Prussia, with a population of 3,137,460; over three times the size of Belgium, which had a population of 3,360,018 in 1871; nearly one-third larger than Ireland, with a population of 5,411,416; twice as large as Nova Scotia; one and one-half times as large as New Brunswick; five times as large as Massachusetts; four times the size of New Hampshire; nearly four times the size of Vermont, and one and one-third times the size of Maine. The company will absolutely control a territory twice the size of Prussia with a population of 24,693,063; one and one-half as large as France, with a population of 36,102,921, twice the size of Great Britain and Ireland, with a population of 31,857,338; five times the size of New York State, with a population of 4,382,559; four times the size of the State of Michigan, and five times the State of Pennsylvania. When we consider the immense territory that will be under the control of this Syndicate, it is time we should take the matter into serious consideration and discuss it dispassionately with the object of coming to a right conclusion with regard to this important matter. The hon.

Mr. TROW.

member for Lincoln (Mr. Rykert) made a statement with regard to the assessment of the Province of Ontario which it would not be well for the Syndicate to allow to go abroad, when they will be under the necessity of going to Europe to borrow money. The hon. gentleman must certainly have erred when he said the land in the great Province of Ontario was assessed at only $5 an acre.

Mr. RYKERT. I stated that in nine counties in Ontario, including Carleton, Lanark, Russell and Simcoe, the assessment was only $5.10 an acre, and it has not increased in the last sixteen years over seventeen cents an acre.

Mr. TROW. I think the hon. gentleman must have reference to non-residents' lands, and non-productive lands in these counties.

Mr. RYKERT. I speak of the whole lands.

Mr. TROW. The only county I can speak of is the County of Perth, where I have resided for thirty years. I do not know that the soil of that county is superior to that of most other counties in Ontario, and I am sure that more than half the land in that county has been assessed for many years for $50 an acre. There is scarcely a muncipality in the country that is assessed at less than $30 an acre, and the assessment of the whole country will average at least $40 an acre. One hon. member complained that the extent of the road-bed of this railway was not very well defined. I think also that it would be advisable to limit it to 100 or 200 feet, and to limit the quantity of land the Company shall hold for station grounds, dockyards, &c., as we do not know how much land they may select for these purposes. I see no reason why they should have these lands free from taxation for ever—why we should interfere with the rights of municipalities in the North-West. Even now this question is under discussion in the Legislature of Manitoba, while they are contemplating an enlargement of the limits of that Province, so that there is some danger of it affecting that Province. Several hon. gentlemen have said that the railway companies in the United States do not pay taxes. As the hon. member for North Norfolk showed, enormous sums are paid by railway companies, especially in the Western States, either directly or indirectly. The Union Pacific Railway, 1,597 miles in length, paid, from 1869 to 1879, on their lands, $835,023, and on their road-bed $279,158, or a total of $1,114,181. The Central Pacific Railway, 1,213 miles in length, paid, in 1879, $378,986; the Illinois Central, 1,100 miles in length, $395,000, and other roads in the same proportion. We should expect that some return would be received from the lands of that great country which would pay a portion, at all events, of the expenditure in the construction of this line of railway. Manitoba has cost this country very large sums already, and, under existing circumstances, there is very little prospect of receiving any return for that expenditure. This Government has paid, up to 1879:

For the Mounted Police	$1,935,022 75
Immigration purposes	1,542,743 63
Public Works	1,378,308 16
Dominion Lands survey	1,186,036 18
Indian treaties	1,534,735 69
Hudson Bay Company	1,460,000 00
Dawson route	20,496 00
Expedition force	756,829 60
Subsidy	698,366 17
Boundary survey	379,046 13
Relief to settlers	83,403 80

The hon. member for Monck may laugh, but the Administration of which he is now such a strong supporter, occasionally expended $330,000 of that money on the Dawson route.

Mr. McCALLUM. How much did you give Carpenter?

Mr. TROW. $70,000 in one year. The sum total is about $14,000,000 which that country has cost the

Dominion. True, we have received a trifle from Customs and Excise, but is only a trifle compared to the expenditure. We have received from Customs in Manitoba, $1,381,368.57; from Excise, $148,962; sale of lands, $139,459.97, considerably less than $2,000,000, so that the country is indebted to the Dominion $12,000,000 over and above the expenditure on the Canadian Pacific Railway. There is something very unsatisfactory and unaccountable in the manner in which the Government are compelled under this contract to construct their portion of the road. The previous Administration intended to construct a first-class road. The report of Mr. Fleming was to that effect, and the Government adhered strictly to that policy. The present Syndicate compel the Government to make their portion a first-class road—the grades are to be light, curves short and few in number, and everything is to be first-class, while the Syndicate are at liberty to make their portion of the line in a flimsy manner, similar to that of the Union Pacific when first constructed. I cannot conceive why one portion of the road should be first-class and the other portion of indifferent quality. This will lead to inconvenience in the transmission of produce, as an engine will probably be able to draw double the number of cars on the Government work to that on the Syndicate portion, so that it strikes me forcibly the Syndicate have the best of the bargain in that respect. In our present financial condition, it is a ruinous policy on the part of the Government to undertake works that will not be profitable. The eastern section, from the reports of engineers and surveyors, is the most inhospitable, barren, rocky country that there is in the whole Dominion. In not one report can be found any authority to bear out the statement of the hon. member for Algoma (Mr. Dawson) that there are good lands along the line of the road in that section. It is questionable whether any portion of that section would ever be settled, and it will be perfectly out of place to expend twenty millions of dollars there when we can get access to the country through a better route by the Sault Ste. Marie and by way of Duluth, for two or three million dollars, which, I understand, will suffice to build the line from Callander Station to Sault Ste. Marie. The American capitalists are prepared to construct the road, the lands are surveyed, and locations laid for the connection of the Northern Pacific and other American lines to that point. By constructing the road through by the Sault, you would have at all events, connection with Manitoba and the North-West in two or three years. You would have connection by lake navigation from the Sault to Thunder Bay, and with the line of railway from Thunder Bay to Winnipeg or Selkirk, which will be completed in seventeen or eighteen months; you would have immediate connection from the interior with your own country. The reports of practical Captains that have navigated those waters for many years, given here before a Parliamentary Committee, state that the lakes are open for the carriage of freight for eight months in the year. If the Minister of Railways were in his place, I should ask him whether the Syndicate has the right to construct bridges over the navigable waters of the North-West, to impede navigation. I see no restriction in the charter in this case, although there would be in the case of all other charters. I remember the difficulty raised in connection with the Coteau Bridge. In the North-West the Syndicate can impede the navigation of rivers by bridges across navigable streams.

Mr. RYKERT. What does the Act of 1879 say?

Mr. TROW. So far as the Syndicate is concerned, it is null and void in many instances. It applies to all other charters, but not to this. I might also ask the Minister of Railways, in reference to the development of cities and towns in the North-West, whether the Syndicate will be allowed to reserve large blocks of land in their vicinity. A town may spring up as if by magic, and in such case should the Syndicate have power to retain contiguous lands till the honest or industrious citizens improve the value of their lands, probably 1,000 per cent? We are not aware whether they are allowed to lease their property in the same way as the Canada Company did in Western Ontario. They had the right to lease their property for seven, ten or fifteen years; and thousands of dollars were thus taken from the poor and honest settlers after improving the lands and enhancing the value of their property; those leases matured, the prices were increased on the settler, and many had to leave. Will the Syndicate have a similar right? I think, moreover, that the amount of money given to the Syndicate is out of all proportion to the value of the work performed. In justice to our constituents we should accept, at all events, the lowest tender, providing we accept of any. Work should either be done by the Government or let by tender; a local council will not think of constructing a bridge worth $500 without calling for tenders; and here millions are to be appropriated without consulting the people or allowing their representatives to have much to say in the matter. Compare this case with the line recently chartered by the Ontario Government from Gravenhurst to Lake Nipissing: a very rocky, uninviting country, probably something like that north of Lake Superior. That Government are appropriating $8,000 a mile for that road, for which capitalists are prepared to build it. It will be the same grade and guage as the Canadian Pacific, and applying the same cost to the Canada Pacific line for the 2,705 miles, it would reach $21,648,000, or $31,252000 less than the Government are prepared to pay the Syndicate, to say nothing of the 25,000,000 acres. The member for East Grey (Mr. Sproule) considers that the Syndicate will certainly settle up their own lands by bringing out large mass of emigrants, and will save the Emigration Department, I think he said $18,000,000. The Government have been rather parsimonious in their votes for immigration purposes. I do not know any investment that would make a more ample return than in a proper system of immigration. If the contract be ratified, and the Syndicate bring out to the North-West the surplus population of the Old World, it must benefit the whole Dominion. But the Syndicate have two or three million acres in the United States on the route of the Pembina Branch, and it is not to be supposed they will neglect the chance of first settling those lands which are taxed before settling, those in the Dominion that are free from taxation for 25 years at least, probably for 30 years, before the railway is completed. I had intended to notice some of the clauses of the contract, but the hour is late, and I have no intention of wearying the House. I shall not attempt to do so. The Opposition have no desire to protract this discussion, but I think it is due to the hon. gentlemen opposite, who are so blind to the interest of our country and determined to support the contract, to show their constituents some justification for the course they are pursuing. We have heard no argument from them so far, but simply statements that the member for West Durham or the member for Lambton had offered more liberal terms; years gone by, when the circumstances of the case was entirely different, when the North-West was shut out from colonization. Mr. Speaker, I may embrace another opportunity of entering more fully into the more objectionable terms of the contract.

Mr. ROCHESTER. Mr. Speaker, I had made up my mind that I would not trouble the House with any remarks of mine on this important question, but a great change has taken place since the very full and, to my mind, satisfactory explanation given to this House by the hon. Minister of Railways, with reference to the contract with the Syndicate. Judging from the reports that we have had from the Chief Engineer, and others that have visited the North-West, I am well pleased, and think the Government

has made a good bargain for the Dominion of Canada. Now, this great Pacific Railroad has been the general topic of discussion, both in and out of this House, for the last seven or eight or ten years, and I am safe in saying that the almost universal opinion is that this great work should be done by a company, and not by the Government, because the fact is that any private individual or company can get work done much cheaper than any Government. The Government is a most inefficient executive of public works, being confined to fixed routine, and beyond which they cannot travel. Long before railways were built in the United States, Congress, by a small majority, authorized the construction of a Turnpike Road through Kentucky and Tennessee, called the Mysville Road. The public condemnation of the scheme, which was undertaken as a Government work, was so great that the scheme had to be abandoned, and then it became the settled policy of that Government to leave everything to individual enterprise that could possibly be accomplished in that way. Hence the liberal land and money subsidies which have been granted in aid of railways. These grants have been largely instrumental in causing the construction of 78,960 miles of railway in that country, costing up to the 1st of June, 1879, $4,589,948,793. Reserving for the gross earnings in the year ending January 1st, 1879, $490,103,351, of which amount three quarters was for freight and one quarter for passenger service, the average cost of construction per mile of the 78,960 miles, a large part of which runs through prairie country, is $51,543, which hon. gentlemen opposite will please make a note of, for these most extravagant calculations, calculations worthy of the hon. members for North Norfolk and South Ontario, who see everything in regard to our railway plans through Grit double-magnifying glasses, put the cost of our Pacific Railway at $40,000 a mile. You know, Sir, that it is a very common expression that what is public is everybody's business, is nobody's business; but this is not the case with the private individual or with a company. They will place men at the head of the works that they know from past experience will push the work through, and if they are good, practical business men, they will see themselves that the work is done. It is very often the case in large works, that something turns up in the prosecution of the work which is not shown on the working plan and not found in the specifications. Now, in a case of this kind, they will place men in charge who are capable of making any change that is requisite, and the work will go steadily on. Now, what would be the course pursued if the Government were doing the work? Why, there would be the "walking boss," and at the place whose duty it would be to report to his "boss," and so on until it reached a gentleman sitting in a very easy chair, well cushioned. In due course he would report to the Chief Engineer, who, perhaps, would be in Ottawa at the time, or perhaps in England, but the work could not be proceeded with until the man who, perhaps, was thousands of miles distant from the place, sent his orders to go on and make the change. Now, in all probability those works might have been stopped for days or weeks, and perhaps for months, in the best part of the working season. Those are some of the reasons why the Government cannot get work done as cheap as a private individual or company; this is patent to every practical business man in the country. This was the reason why the opinion was so often expressed by members on both sides of this House, as well as the general opinion outside, that this great work should be done by a company. The hon. the First Minister, in 1874, advertized for tenders for this great work, and this offer remained open until the present Government went to England in July, 1880; and no offer was ever made to take the work up to that time. What a mighty revolution has come over the minds of our friends on the opposite side of this House since July, 1880. From 1874 up to July, 1880, not a single offer was made by those patriots on the other side, who are so fearfully distressed at the utter ruin that this contract will entail on this country. The amount voted by this Parliament in 1872 for this work was $30,000,000 cash and 54,700,000 acres of land. This, at the former valuation of the leader of the Opposition, would be $54,700,000, making in land and cash $84,700,000; this was the first vote. The next action was taken by the late Government in 1874. Parliament passed a vote which placed at the disposal of the late Government the sum of $48,947,500 in cash and 55,940,000 acres of land. This, at $1 per acre, would make with the cash, $104,887,500. The next is the present contract. In round numbers, the valuation of the land is the same as on the former, and we find that this great work can be completed for the sum of $78,000,000. Deduct this amount from $106,387,500 vote of the late Government, and we have a saving to the country of $28,387,500. This cost would be about $28,000 per mile. Only a few weeks ago, or at most two months, the hon. gentlemen opposite would have been willing to have sacrificed this twenty-eight millions of money, and would have thought that Canada had made a good bargain in losing this amount. The present Government, after a great deal of labor and anxiety, have made a bargain for a much less amount than was ever anticipated, and now the Government asks Parliament to ratify this agreement; but the hon. gentlemen opposite, true to their instinct, well know if the present Government carry out this work to completion that it will sound their death-knell. After all this work has been done and the Government come down to this House and asks it to ratify the best bargain that could be made for building the road and opening up of that North-West country, and of uniting the Atlantic with the Pacific Ocean, securing a through line on our own territory, this being a grand national work should not be made a political affair; if the present Government carry out this work to completion, it will be equal to giving them a lease of power for the next 15 or 20 years. Under all these circumstances is it any wonder hon. gentlemen opposite have formed themselves into missionary deputations and scoured the country from one end to the other, circulating petitions, begging and pleading for the people to send petitions to Parliament, asking it not to ratify the present agreement? Sir, if they could they would like to make us believe that a wonderful revolution had taken place in the minds of the people in a very short time. I do not believe there is any such revolution; it is only the last ray of glimmering hope. And is it any wonder that they, with their friends, grow desperate. They are driven to desperation; they cannot endure the thought of having to stay so long in the cold shades of Opposition. But that is the place that the country has assigned them, and they will have to content themselves with their present position. Where have those gentlemen been for the last seven or eight years? Have they all been away from this country, that they did not know that this contract had been going a begging for that period? No one wanted it; no, not even those patriotic friends of the hon. gentlemen opposite ever once spoke of it. But, Sir, what a change has come o'er the spirit of their dreams. So soon as they know that a bargain is made with a company to complete the whole line from Callander Station at Nipissing to Port Moody on the Pacific, then, Sir, we find that there are any number who would like to be in it, at least so they pretend. The whole thing, in my opinion, is a put-up job by the Opposition and some of their particular friends, and that they have so far succeeded in hoodwinking some gentlemen whose names are on that paper—who I know would not lend themselves to anything but a *bonâ fide* transaction if they knew it; but, Sir, I must say that I believe they must have been deceived by misrepresentations. Driven to desperation, hon. gentlemen are prepared to resort to any-

thing—that is, if they could only succeed in getting up another Pacific Scandal cry, in the hope that they might be able to overthrow the present Government as they did before. I would say to those hon. gentlemen, that a burnt child dreads the fire. The people of this country were fooled by them at that time, but it is of too recent a date for the people to have forgotten what they had to pass through during the five years that these hon. gentlemen misruled and misgoverned this country. Yes, Mr. Speaker, the people of Canada will remember the five years that those gentlemen held the reins of power. It will remain vivid in the minds and in the recollections of every man in Canada while he lives. At the same time I do not wish to blame them for all the depression in business that this country passed through during that five years. I do blame them for not trying to do something to alleviate the suffering and distress that there was during that five years. When they were asked to try and do something, what was their reply? The Government could do nothing. This was literally true, for they were not able to do anything—utterly incompetent—to fill the positions they held; and Mr. Speaker, I will say here that I think it is quite impossible for any one man to fill the chairs in all the different Departments of the Government, no matter how clever he may be. One of the first acts of the late Finance Minister was to put an additional duty on barley. When the present Government came into power one of their first acts was to pass a law to protect the manufacturer and farmer of this country; and now we have the producer and consumer going hand in hand together, and the country was never in a more prosperous condition than at the present time——

Some hon. MEMBERS. Order.

Mr. SPEAKER. Perhaps the hon. member will confine himself to the question before the House.

Mr. ROCHESTER. I will come to that, Mr. Speaker. I think I have a right, when other hon. gentlemen wandered over all creation; and if touching upon the misrule of the late Administration happens to pinch a little close, I still think I ought to be permitted to go on. I do not think I ought to be cut short when other hon. gentlemen have wandered all over creation, and not one of them has been restricted in any way. I think I have a right to show what the country was during the reign of the late Administration, and what it is now, the difference between the men who hold the reins of Government to-day, and the men who misgoverned this country for five years, and left it in misery. If hon. gentlemen opposite think it pinches a little too hard, they must just try and bear it.

Mr. SPEAKER. I will admit that I have been a little remiss. I may have allowed the discussion in some cases to wander a little too far from the question; but as there is a commencement to everything, I may as well commence now. I am sorry for the hon. member, but I hope he will be kind enough to avoid such digressions in the future.

Mr. ROCHESTER. Do I understand, Mr. Speaker, that I may go on? Well, I will go on a little further, and show the difference between the state of the country five years ago, and its condition now. Now, Sir, the farmers to-day can sell their rye for ninety or ninety-five cents per bushel.

Some hon. MEMBERS. Order.

Mr. SPEAKER. The hon. member will have to desist.

Mr. ROCHESTER. Well, Mr. Speaker, I will give it up if you say so. I would like very much to have finished, but my remarks seem to have pinched hon. gentlemen opposite rather hard. All I can say to them now is that they will hear it all before the Session is over. Now, with regard to the Syndicate. This bargain is the best that could possibly be made; but the offer that was laid before this House a few days ago is, I have no hesitation in saying, a put-up job. I make an exception in the case of some of the gentlemen with whom I am acquainted and whose names are attached to that offer, for I do not believe they would put their names to anything but a *bona fide* transaction if they knew it. In conclusion, let me say that it is a great blessing that this country is in such a prosperous condition, and that in place of a deficit we will have a surplus. Hon. gentlemen have been trying to frighten the people that there would have to be increased taxation, and that the amount of Ontario's share for the building of the Pacific Railroad would be from 40 to 60 millions. Why, the building of this road and the amount of emigration into that country would so increase the revenue of this country, and the sale of the public lands, that the Exchequer of the Dominion would very soon be recouped for any outlay in that quarter four or five times over.

Mr. FLEMING moved the adjournment of the debate.

Motion agreed to; and (at 1:50 o'clock, a.m.,) the House adjourned.

HOUSE OF COMMONS.

FRIDAY, 21st January, 1881.

The SPEAKER took the Chair at Three o'clock.

PRAYERS.

BILL INTRODUCED.

The following Bill was introduced and read the first time:—

Bill (No. 35) to incorporate the Silver Plume Mining Company.—(Mr. Ouimet.)

MANITOBA SCHOOL LAND.

Mr. FARROW enquired, Is it the intention of the Government to put the school lands in Manitoba into market; if so, when and at what price?

Sir JOHN A. MACDONALD. The school lands in Manitoba will be put on the market from time to time as it shall be considered most advantageous for the school fund. The trustees will endeavor to get the largest price possible in order to form an educational fund for the whole Province.

SALT BAGS.

Mr. FARROW enquired, Are the bags containing English salt brought into this country admitted duty free, and is the same article of which our bags are made containing Canadian salt charged a duty?

Mr. BOWELL. The salt imported from the United Kingdom being free, the packages in which it is brought into this country are free under the fourth section of the Tariff Act. Bags containing dutiable salt are charged according to the weight of such salt for duty. All materials for bags coming into the country are dutiable, but if the bags containing salt are exported, a drawback is made equal to the amount of duty paid.

QUESTION OF PRIVILEGE

Mr. COURSOL. Mr. Speaker, before the Orders of the Day are called, I hope I may be allowed to call the attention of the Minister of Customs to an advertisement which has been published in nearly all the leading papers of the Province of Quebec. I refer to the advertisement of the Canadian Co-operative Company Association, capital $150,000. Among the names of the Board of Provisional Directors which has been appointed, I find the name of Mr. W. B Simpson, Collector of Customs, Montreal. As Mr. Simpson proposes to be a director of that company, which is going into all kinds

of trading operations, I wish to ask the Minister of Customs whether an officer in that position will not find his official duties conflicting with the interests he may have in that company.

Mr. BOWELL. My attention was called to the advertisement in the Montreal *Gazette* some days ago, and immediately upon reading it, I directed the Commissioner to send Mr. Simpson a copy of it and ask for an explanation, his attention being at the same time called to the fact that no collector was permitted to enter into any business connected with the importation of goods. I have not yet received his explanation. As soon as I do so I shall be very glad to bring it down. I may state, for the information of the House, that under the regulations of the department no collector is permitted to enter into any such business.

CANADIAN PACIFIC RAILWAY.

House again resumed the adjourned debate on the proposed motion of Sir Charles Tupper for the second reading of the Resolutions reported from the Committee of the Whole on the 14th January instant, granting certain moneys and lands for the construction of the Canadian Pacific Railway, and the motion of Mr. Blake in amendment thereto.

Mr. FLEMING. I heartily endorse the statement which has been repeated over and over again by hon. gentlemen on both sides of the House, that the subject under consideration is one of the most important that has ever been submitted to Parliament. It is important, inasmuch as it relates to a very large subject, to a large amount of money, which will have to come out of the pockets of the taxpayers of this Dominion, and to a large quantity of land, the heritage of the people of this country. But, although it is important in these respects to the present generation, I apprehend the greatest importance, connected with the subject before us, rests in the fact that it will affect, very materially the future inhabitants of this country. In dealing with this question and discussing it fairly, it will be well to consider what are the opinions held in common by both sides of the House. Now, I think it may be fairly admitted, even by hon. gentlemen opposite, if they will give us credit for that much, that we desire the construction of an all rail route between the Eastern Provinces and British Columbia. The only difference is really a question of time and a question of mode. I do not know that even there is any great difference between us on the question of time. The chief difference rests on the question of mode,—the proper mode of procedure. Hon gentlemen in beginning their remarks, usually introduce a few historical facts, beginning with the admission of British Columbia, and going onwards. I think it well to take a retrospective glance at a chapter or two even previous to that. What was it that led to the admission of British Columbia into the Union? We find, in looking over the discussions that took place at that time, that the circumstances were remarkably similar to those connected with the present subject before the House. On the present occasion we have not been favored with much information on the subject under discussion; we have not been supplied with information respecting any other offer made for the construction of this railway. It was the same at the time of the admission of British Columbia. The information supplied was very meagre indeed; and there is also a remarkable resemblance in the manner in which it was submitted to the House at that time, with the mode in which this contract has been submitted to the present Parliament. The right hon. leader of the Government submitted a contract and practically said: "There is no help for it. You must take it just as it is." Well, if we look at the debates, in 1871, we find that the Government of that day as represented by Sir George Cartier in the absence of the right hon. gentleman opposite, stated on

March 28th, 1871, in moving the House into Committee to consider a series of resolutions respecting the admission of British Columbia:

"The Government did not intend to restrict in any way a discussion on any of the items, but he would say that the terms entered into between this Dominion and British Columbia were of the nature of a treaty, and an amendment to any item would defeat the whole project. The Government would not accept any terms but those now submitted to the House."

There is also a remarkable resemblance in the unusual haste with which the present measure is being pressed, notice having been given for proceeding day after day with the subject until a conclusion was reached. There was also very great haste displayed at the time of the admission of British Columbia. The resolutions were introduced on March 28th, and were passed on April 1st; there having been only three days to consider them. It is somewhat remarkable, too, that trifling excuses were given for haste in both cases. The right hon. leader of the Government now says there is great urgency because the contractors were under an obligation to get out ties. Sir George Cartier at that time was also in very great haste, for a representative of British Columbia was about to go to Europe. The Opposition on that occasion protested against the haste displayed, and moved resolution after resolution with the object of staying proceedings, but all in vain, for the Government were bound to carry it through regardless of consequences. The hon. member for Lambton (Mr. Mackenzie), the leader of the Opposition, moved an amendment to those resolutions, stating that, in the opinion of the House Canada should not be obliged to do more than to proceed with the necessary surveys, and after the route is determined to prosecute the work at as early a period as the state of the finances will justify. But it was voted down. Hon. members giving an independent support to the Government at that day warned it against the proceedings adopted. We find that the loyalty cry was raised. We find that, on that occasion, the present hon. Minister of Finance said:

"Situated as this colony of British Columbia was, if the Parliament of Canada refused to ratify the policy of the Government, the people of that colony might turn their eyes in another direction."

That was the menace held out. Hon. gentlemen, who took an independent stand at the time, warned the Government of their course. Sir Alexander Galt warned the Government of the danger of the course they were about to pursue. He said:

"The Government had assured the House that the building of the railway would not involve any additional taxation, but that statement was hardly compatible with the fact that these arrangements were in the nature of a treaty, and that they compelled this country to complete the line within ten years. * * * How could this Government deliberately propose to put us under obligations to build this road in ten years, when the parties themselves did not ask for it."

The hon. member for West Durham also made an appeal to the Parliament of that day. He said:

"While the House have yet time, and while the amendment of the hon. member for Lambton was before it, he ventured to call on every man to consider this matter, not as a supporter or an opponent of the Government, but to consider whether it was representing or betraying the interests of his constituents when dealing with this question. * * *

agitation, heart burning and bitter feeling which this hasty legislation has occasioned? Leaving the past, we come now to discuss the present. Let us consider what we are arguing about. We are not now discussing whether this should be a Government work or not. There may be various opinions about that, but those who oppose the contract do not oppose it because the work is to be done by a company, but because the conditions contained in it are injurious to the best interests of the country. Looking at this question from a business standpoint, the first question that arises is: were the individuals representing the country in the best position possible to make a bargain? A great deal depends on the way in which a man approaches another to make a bargain. Did the Government give due notice to the capitalists of the world that such a work as this would be let? I am very much surprised that no advertisements for tenders were published, especially as it appears, from the speech of the hon. Minister of Railways, last year, that it was his intention to advertise for tenders. The hon. Minister has changed his mind, he said, in London the other day:

"We did not put out an advertisement to show that we could not get any one to construct the Canadian Pacific Railway. They said to me the other day: "Why didn't you publish an advertisement?" I said "You published one for six months before and never got a response from any one."

Yet we were told since this House met that a great change in circumstances had occurred since the late Government issued these advertisements. The hon. the Minister of Railways said:

"I will frankly state to the House that one of the causes which led to the great change in the public sentiment in relation to the value of land in the North-West, and of railway enterprise in the North-West, was the marked and wonderful success that was published to the world as having resulted from the Syndicate who had purchased the St. Paul Minneapolis and Manitoba Railway, and became proprietor of that line."

That was a good reason why he should, at such a favorable time, have advertised for tenders. The right hon. Premier said this Session that when he was over in England, capitalists were appalled at the magnitude of this undertaking. Why, then, was it not divided into sections? If this were the private affair of individuals, they might, if they chose, have contracted privately for the construction of this work, but the Government are the trustees of the people, and it was their bounden duty to do the best they could in the interests of the people. In Ontario there is not a township council, if it had a hill to cut down or a bridge to build, that would not advertise for tenders. The people would call a meeting to consider its conduct, if it did not do its duty in this respect. Much time had been taken up in contrasting this contract with the Allan contract, and with the terms under the Act of 1874. But I maintain these have nothing to do with the question before us. If a farmer has a load of wheat to sell, he does not search out the prices five or six years ago, but looks to the latest paper, and decides by it whether to sell or not. If we wanted the very best offer for this work, we should have found out who would undertake it on the easiest conditions for the country. There is a changed condition of circumstances, of which we ought to take advantage. Another reason why the Government were not in a good position to make a good bargain was, that they had no confidence in themselves. They have been throwing the blame of their poor bargain on the Opposition. But is it not the captain who is held responsible for the sailing of the ship? The Government will be held responsible by the people, as they had complete control of the matter. I think it was the President of the Council who said at a Montreal meeting, the Government were very modest, and only valued the lands at a dollar an acre. I think it is not good to be so modest as not to ask what a thing is worth. Another reason why the bargain is so indifferent was, that the Government were in difficulties when they made it, judging by the statement of the Minister of Public Works, he said we had to consider the exigencies of the case. Now, I cannot see where the exigencies come in; there was no sign of them last Session when everything looked flourishing. The leader of the Government made a speech at Bath last summer, in which he gave the first indication that something was in the wind with regard to the letting or construction of this Canadian Pacific Railway. He told his audience, and called on the Finance Minister to corroborate his statement, that certain persons who knew that there were fortunes to be made out of this work, were asking that it should be handed over to them, and the Government had their offer under consideration. Well, some people are unkind enough to think that the Government simply acted with a view to enable certain parties to make money out of this railway. I do not believe that. I have more confidence in the right hon. gentleman than to think that, but I do not believe that the contract now before the House was the offer made him in June last. I have more faith and confidence in him than to imagine that. I judge of him from his statements made in 1878. In April, 1878, the member for Lambton introduced a Bill in reference to leasing the working of the Pembina Branch of the Canadian Pacific Railway. There was some conversation across the floor on that occasion. Sir John A. Macdonald asked Mr. Mackenzie some questions, and this is his answer:

Mr. MACKENZIE. I stated two weeks ago in the House that we were in communication with Mr. Stephens, of Montreal, as the representative of the St. Paul and Northern Pacific Railway Company.

Sir JOHN A. MACDONALD. Will the lease contain any clause in case of other American railways connecting with our railway, and running up to the frontier?

Mr. MACKENZIE. It will contain simply a provision that there must be accommodation for the exchange of traffic, and trains loaded at Winnipeg or Selkirk with goods will have to go solely by the line with which traffic arrangements are made.

Sir JOHN A. MACDONALD said he hoped that precautions would be taken. The hon. gentleman must be aware, from the press, that a good deal of uneasiness was felt on this subject in the North-West lest the Company alluded to in which Mr. Stephens and other gentlemen had an interest, would have a monopoly of our road.

Mr. MACKENZIE. No doubt.

Sir JOHN A. MACDONALD. For ten years; and lest, if any other line should lead up from the United States to the frontier, it would be prevented from going to Winnipeg over this line, by this lease, thus granting a monopoly to one line. He did not know much about the subject, but he knew that this feeling and a sensitiveness regarding this subject, existed—lest a monopoly controlling the whole of the traffic between the United States and Winnipeg should be created. Ten years was rather a long term. In a young country it equalled 25 years in an older country. He thought that the hon. gentleman ought not, without very grave reasons, lock up the line from Winnipeg to Duluth for ten long years.

I thought, after the statement of the right hon. gentleman, in 1878, that he would not have entertained a proposal like that before the House, with all its privileges and immunities. I fancy I see him casting a look of horror and indignation at any gentleman that would have made such a proposal to him, then, and saying: "No, Sir, we will have nothing of that kind here." It appears that the right hon. gentleman and two of his colleagues went to England. I am somewhat surprised at this, especially after the statement we had from the Minister of Railways not long ago. He said:

"If we have made the contract with the strongest body of capitalists that could be found in the city of London what would you have had? We would have had the first thing an English engineer with extravagant ideas, totally ignorant of the work and construction of railways through such a country, and we would have had, at no distant day, no matter what the resources might be, a perfect failure in their hands."

At all events the hon. gentlemen went to England, and they returned, and the right hon. gentleman made his oft-quoted and rather singular speech at Hochelaga. I think the hon. member for Montreal West (Mr. Gault), if he had been allowed a glimpse of this contract, would have put himself in the position of the three tailors of Tooley street, by saying that "on behalf of the whole Dominion" he thanked his

leader. Whatever may have been the result of the negotiations of these hon. gentlemen, we have no documents to show their nature except the contract, which, wherever or whenever made, is now before us to be judged upon its merits. While I do not say that there was anything suspicious about the refusal of the Government to bring down any other offers they received, I say that such a refusal was not in accordance with the usual practice of Parliament. The late Mr. Oliver, member for North Oxford, according to the journals of 1868, moved for copies of any offers which might have been made to the Government in relation to the building of the Intercolonial Railway. It does not appear that any objection was taken to bring down the different offers which were made. I find in the Sessional Papers of 1868, the names of several prominent gentlemen, such as Sir Hugh Allan and Mr. George Stephens who had made offers for that work. These gentlemen did not appear to have any delicacy in allowing their names to be brought before the public as unsuccessful competitors. I think, therefore, that it is somewhat singular that so much hesitation should be shown in trusting us with the names of those who tendered for this contract. A great many hon. gentlemen have taken many and various objections to the contract to which I shall not at present refer; but, on the other hand, some hon. members have indulged in the most laudatory expressions while speaking of the bargain. No hon. member, to the best of my recollection, spoke of it in more eulogistic terms than the hon. member for Niagara (Mr. Plumb). That hon. gentleman said:

"We are to accept this proposition, which I believe to be a perfectly fair one; which is, Sir, exactly what any man, if he had the power to make a bargain for himself on his own side without anybody else on the opposite side to interfere with him, would have made."

This is a high eulogy, but it does not agree with the speech of the hon. Minister of Public Works, who said that the matter was one of bargain, and that the Government could not expect to have it all their own way, but had to give and take. The hon. member for Glengarry (Mr. McLennan) said we were to consider this subject with all the wisdom, common sense, and the highest patriotism we could apply to it. In the course of his speech he proceeds to give us an example of his wisdom and common sense, by saying that "This contract is precisely similar to the proposal that was made in 1874 in the provision that the lands taken by the railway Company shall be lands of fair average quality for settlement. Now, Sir, I am not aware that this contract specifies that the lands are to be of fair average quality for settlement.

Mr. McLENNAN. Will the hon. gentleman be fair enough to quote what is said in the Act of 1874?

Mr. FLEMING. I am now speaking of what the hon. gentleman himself said—I am quoting his words. The hon. member for Annapolis (Mr. Longley) said that the Syndicate were to have lands of fair average quality. They were not to run about and take a section here and there wherever they pleased. It seemed to him, he said, that those who had made statements to the contrary must have known better. He adds:

"If they did not, they did not take the trouble to read the contract; or, having read the contract, were not able to properly interpret it. The contract says that the Syndicate are to have 640 acres in a block and we are to have 640 acres alongside of them, and so on. They are to have lands in the North-West Territories, but they are only to have fair average quality of lands."

Now, I scarcely think the hon. gentleman would make that statement at this stage of the debate, for he must know better now if he did not then. I hope we shall be able to recoup all the money we have spent in this railway, I should be glad, indeed, if that is the case, but I do not see why, because we have a large tract of land there we ought not to make the best of it just the same as we would in our private affairs. I do not see the necessity of giving away a large block of land there merely because we have a large quantity of it. It is true the railway will increase the value of the land, and if we pay for the railway we ought to benefit by the rise in the value of the land. To make the matter more plain, suppose a farmer has ten acres of waste land that is comparatively worthless, not worth $5 an acre; he engages a man to drain it, and enters into a contract with him to pay $150 for draining these ten acres of land; he finds at the end of that time that this land is worth $20 an acre, and he makes up his mind, after he has paid the man for draining the land, to make him a present of an acre of land—I would ask, what is the value of the present the farmer is making to the laborer? Is it $5 or $20? It is certainly $20. It is the value of the land after he has paid his own money for the improvement. It is the same with the railway. We pay for building the railway through the prairie section; there can be no doubt of that. We give money enough without the land to pay for building the railway through the prairie section, consequently we are entitled to the value of the land after the railway is built. Much has been said as to the cost of building the railway through the prairie section. On this point we find in the Engineer's Report last year the following:—

"The estimates now submitted are based on the new conditions, and the data to which you refer, viz: On contracts recently let for four sections in British Columbia, and the reduction to be made thereon; on the contract for the first 100 mile section west of Red River; and on the assurance made by the engineer who conducted the surveys in the prairie region, that there will be no more costly 100 miles section between Manitoba and the Rocky Mountains than the second 100 miles west of Red River; that hence this section may be taken to be representative of the whole work to the base of the mountains."

Now, then, if we can find out what this second 100 miles will cost, we can find out what 900 miles will cost. The engineer estimates that the work of grading, bridging, track-laying and half ballasting will cost $483,914. We find that the station building on the first 100 miles will cost $31,500. Then add the cost of 9,000 tons of steel rails, at $25 a ton, $225,000; and 360 tons of fish plates at $25 a ton, $9,000; carriage of rails, $195,250, making a total of $899,664. The cash bonus is $1,000,000, so here is an overplus of $100,336. At this rate we can make a pretty fair estimate of the cost of this 900 miles. Now the Syndicate is to get $9,000,000 for building that 900 miles, with 12,500 acres of land per mile in addition. Now, if you value the land at $2 an acre it will make $22,500,000; at $3 an acre $33,750,000; at $5 an acre, $56,250,000. If you take the 900 miles it will cost, at the rate I have given, $8,096,976. The cash bonus is $9,000,000 which gives an overplus of $903,024. Now, then, it is clear that the 900 miles can be built for the cash subsidy alone that we are going to give. The hon. Minister of Railways said you can get a thousand Syndicates to build the prairie section to the Rocky Mountains. The First Minister himself said it was as easy as rolling off a log to run railways across the prairies and work them. Now, the contention of hon. gentlemen on this side of the House is not against building an all rail route to British Columbia; the difference is as to time and mode. Now, take either of the plans, building this road as a Government work or getting it done by a Syndicate, and what will be the state of the country at the end of three years? What would be the position of the country at the end of three years, provided the Government, either themselves, or by means of another Syndicate, build the prairie section? We should have to pay for the 900 miles, its length, $9,000, 00. What should we have in return? We should own the road over the prairie; we should own the Pembina Branch; we should own the Thunder Bay Branch; we should have an estate of 13,124,925 acres, which, at $1 an acre,

would be worth $13,124,925, or, at $2 an acre, would be worth $26,249,850. Now, what will be the position of the country at the end of three years if this contract is ratified? We shall have the prairie section built, for which we give a cash subsidy of $9,000,000; we shall have, according to the rate of progress estimated by the Finance Minister, sixty-five miles a year, 195 miles of the eastern section built, for which we give a cash subsidy of $15,384.80 per mile, or about $3,000,000; altogether we shall have to pay $12,000,000. Besides that, we shall have given away of the public domain, for the prairie section, 11,250,000 acres, and for the eastern section, 1,874,925 acres, or a total of 13,124,925 acres. We shall also have handed over to the Company the Pembina Branch, worth $1,750,000, and the Thunder Bay Branch, worth $16,600,000. What do we receive in return? It is true, we have a road through the prairies, but it does not belong to us; we have constructed a road from Thunder Bay to Selkirk, but it is no longer ours; we have built the Pembina Branch, which has given us a handsome yearly revenue, but the money no longer flows into the Treasury; we have paid for the building of 195 miles of the eastern section, but we have received no benefit from it. It may be that there are several thousand people in the North-West more than there were before, but I contend that we pay too much for these people, and that we could get them into the country at much less cost than the millions we are paying to this Syndicate. Now, if we confined ourselves to the construction of the prairie section we should be in a better position, at the end of three years, to build the rest of the road in the remaining seven years. But supposing that we had to undertake the construction of the whole road now, hon. gentlemen have a choice, even if it is a choice of evils. There are two proposals before them. They may ridicule one of them and say it is bogus; but the fact is apparent to the people of this country that they, having placed a large sum of money to the credit of the Government are in earnest in this matter; and the offer before us, objectionable though it be, is certainly much less objectionable than the contract, and why should it be refused. It will gain nothing for hon. gentlemen to abuse the individuals who made that offer. The individuals who made this first offer, when they become an incorporated company, will lose their individuality, and cannot be treated as individuals. Then why should we attack individuals who come forward and make another offer? We must deal with them only as business men, without regard to their private character. If their offer is a bogus one the fact can soon be discovered; for if you give them the contract and they fail to carry it out, their deposit can be confiscated for the benefit of the country. Hon. gentlemen cannot get out of this matter by excuses of that kind. One of the most serious objections to this contract is the exemption from taxation it confers on the Company. There might be some reason in it if they had invested their own money in the railway; but as it is built by public money why should not some part of the earnings of the Company come back to the public treasury in return for the benefits they receive? The exemption from customs duties has been frequently pointed out as contrary to the policy which has been strenuously advocated by hon. gentlemen opposite. Other serious objections are that the Company can hold their lands for twenty years without any liability to taxation, that they have freedom to select their lands, and that they have a monopoly, not only in the main line, but also in the construction of branch lines. They have a monopoly of the water navigation of the North-West; they may build an inferior road and may charge excessive rates of toll. Hon. gentlemen opposite said it would be to their interest to charge cheap rates. It is very singular it is not their interest to do so now. The very same company, the St. Paul, Minneapolis and Manitoba Railroad, charge excessive rates of toll, having no competition. Is it not reasonable to suppose they will be actuated by the same principle when the road is built, and charge the highest rates possible without killing trade altogether? It may be laid down as an axiom that, except at points touched by rival companies, railway companies are practically monopolies. They discriminate against places where there is no competition, as is the case in all the Provinces to-day. The interests of railway corporations are not identical with those of the public. We find that to be the case on the other side of the line, and it will be so here to a degree, if this contract is ratified, of which we can form no conception. I think it was the hon. member for Algoma (Mr. Dawson) who said:

"The Grand Trunk Railway Company are held by the farmers and traders of Ontario to have made discriminating charges against them, and the farmers of Western Ontario, far from being under their influence, have sought to punish them by contributing to the building of the Credit Valley Railway."

I would like to ask what chance will the farmers in the North-West have to build a Credit Valley Railway to punish the Canadian Pacific Railway Company, when the latter will have a complete monopoly of the North-West for twenty years. I believe it was said by Daniel O'Connell, that corporations have no souls, you cannot reach them. Somewhat over three years ago the corporation of Hastings, in England, complained to the Railway Commission that the station accommodation provided for their borough, by the South Eastern Railway Company, was defective and insufficient. The Railway Commission took the town councillors view of the case, and directed the company to comply with what they considered a just and reasonable demand. The South Eastern Railway Company refused to do so. The matter was thrown into the courts, and a decision was given that the Commission had exceeded the authority conferred on them, in requiring the company to make structural changes. This will give us an idea of what we may expect, should we endeavor to compel the Canadian Pacific Railway Company to adopt any course in the interests of the people to which they objected. I will read to the House a series of questions addressed by the New York Chamber of Commerce, to prominent men in the United States, and the answer given by ex-Judge Black to those questions:

"The New York Chamber of Commerce in August last addressed to prominent men in various parts of the country a circular asking their opinions on some of the chief points involved in the problem of railroad transportation. A series of questions were asked, among which were these: How can the prevailing discriminations against individuals and communities be prevented? Is it safe to allow railroad managers to follow their new theory of charging "all the traffic will bear?" Ought not the companies to be supervised in the public interest, as banks and insurance companies are, and for more pressing reasons? What do you think of companies and managers contributing large sums of money to election expenses or to influence legislation?"

Ex-Judge Black answered as follows:—

"These railroad and transportation companies connect themselves with everything. The promotion of commerce, internal and foreign, the interests of buyer and seller, the rights of producer and consumer, the needs of the poor, and the prosperity of the rich, all cry aloud for some system of management which will compel them to do the duties they owe to the public faithfully, at rates reasonable, fixed, uniform, and equal, without extortion, without wanton changes, without discrimination. The laws necessary for this purpose are not difficult to frame. If you will look at the Constitution of Pennsylvania as amended in 1873, you will find in the seventeenth section a series of provisions which, if carried out and enforced, would be amply sufficient. But the railroad men and their advocates have managed to impress the Legislature with the idea that they are above the Constitution. They assert that every restriction imposed upon them in the interests of justice, equality, and fair dealing is a violation of the contract embodied in their charters. All this is no doubt very false doctrine, but they contrive in some way (I really do not know how) to make the State authorities accept it as true. I maintain that all States have a clear and indefeasible right to protect their people against such wrongs, and to exercise the power as a sacred duty. When that duty is properly performed the internal trade of each State will cease to be enslaved and crippled as it is now. But the commerce between the States will still be open to inequalities and liable to oppression and plunder by transportation companies, unless the National Legislature does something to save it. Congress has power to regulate commerce between the States. Is it not

strictly within the scope of that authority when it makes a law forbidding carriers through the State to injure, impede or destroy the general trade of the country by extravagant and discriminating charges? If that be not a regulation of inter-state commerce what would be? The power being conceded, an effectual mode of righting the wrongs complained of can easily be devised.

'Doubtless you are right in the belief that public opinion will be in favor of your movement. Reflecting men cannot deny its justice. But the influence of these great corporations can hardly be calculated. They have methods of defense and offense which make them almost invincible. You have referred to portions of their history which proved this. Some of the State Governments are literally subjugated by them now. It will require a strong organization and much labor to reduce them. Undisciplined militia in the open field make a poor fight against regulars intrenched. What are corn-stalks against cannon? Such is truth against money."

This statement ought to commend itself to the attention of this House. The experience of the people of the United States ought to be a lesson to us. It seems somewhat singular we should take up the cast-off garments of the people across the line. But the people of the United States see now that there are very great evils connected with that system, and I believe that for the last ten years there has been no land grant by the general government to railways, the people being now adverse to that mode of assistance. Will not the experience of our neighbours be a guide and warning to us? We are laying the foundations of a great country in the North-West, and we should establish them well and durably. Another objection to this contract is the Government's action in regard to the steel rails bought in 1879. Last Session the Minister of Railways stated that Government had purchased 50,000 tons of steel rails at $1,500,000 less than they could have been bought for since. Freights also were then fortunately low. Certainly that was an excellent bargain; but it is rather sad for the country that the benefits of that bargain are passed over to the Company. The advocates of the contract claim that the Syndicate is going to prove a great agency for the promotion of immigration in our North-West—that thus immense numbers will be settled in that region. One hon. gentleman trusted that $18,000,000 would in this way be saved to Canada. It seems singular that we should have another department of public affairs created. We have the genius of the Minister of Agriculture applied to this work as also the talents of Sir A. Galt, and which should be sufficient without a new agency. He said in his speech at Montreal last year:

"The duties he would have to perform may be classed under those heads, finance, immigration and diplomacy. * * * With reference to the subject of immigration it is perhaps the most important that we have or likely to have for many years to consider."

With a Minister of Immigration here, and another in London, we have no need of another agency. The subject of immigration is not mentioned in the contract. I am aware of no stipulation as to the number of emigrants they are to bring in, nor as to their keeping them in this country. Is it right to give them more than the value of the railway and then ask them to do unpaid agency work in regard to immigration. This must have been a private arrangement with the Syndicate, and a similar arrangement could be made with the second Syndicate. Hon. gentlemen opposite have spoken rather slightingly with regard to the suggestion of the leader of the Opposition, with regard to the Sault Ste. Marie road, but they have not been able to offer any objection to it—none that would weigh against their own statements on previous occasions, and certainly it seems a necessity to get this road, to be enabled to compete with the St. Paul and Manitoba Railway in regard to merchandise coming eastwards. I need only quote some of the speeches made by the hon. gentlemen opposite when in power. The Minister of Railways, in a speech made by him in 1878, said:

"The Northern Pacific Railway had their road to Red River and a branch to 55 miles of the border. It would have been better to build that fifty-five miles upon the territory with Canadian money, and make that connection, so that, by the existing road from Duluth, immediate travel and traffic would have been created from and to the North-West, and not construct a road in the wild, impassable and unfertile country between the shores of Lake Superior and the Red River, on the line in which they were now carrying the railway. That policy would have been sound. But it was altogether a different one from building 228 miles, and then leaving an intervening portion, which prevented them from using a single mile of the road they had constructed. The policy which Senator Macpherson had propounded, was one which would commend itself to a great many of the people of this country; that, in the position in which the Government found themselves, the difficulty of obtaining money, it would have been wise to husband their resources, and having built the road from Duluth to Pembina, then to push the road across the prairie, where every mile constructed would be opening the country, and doing that which must be done as the very basis of the Canadian Pacific Railway, namely, filling up the country with settlers and emigrants."

That is exactly the policy which is propounded from this side of the House. I wish to say a word or two with regard to the policy of the Government building this railway. While, as I said before, I would prefer that the road were built by a company, yet if we cannot get fair and reasonable terms from a company, then by all means let it be built by the Government. Railways have been built and operated successfully by the Governments of other countries and I do not see why they should not in this. The objection that if it were so built we would have trouble with the contracts and with contract brokers is one which need not arise under a proper system of management. The member for Lambton told me himself that when persons came to him with improper proposals he gave them such an answer that they did not trouble him again. The great evils which arise from an abuse of patronage would be obviated if civil servants were appointed according to their fitness and not as a matter of political favor. In Belgium, the State is the proprietor of many of the railways, and they are an important source of revenue. In that country 1,010 miles are operated by the State and 1,268 by private companies, and those owned by the State are far more remunerative than the others, as the following figures will show. The gross receipts of the State railways in 1877 were $18,061,900; the expenditure, $11,104 660, leaving as net receipts $6,957,280. The gross receipts from private lines was $7,623,460; the expenditure $4,545,675 leaving as net receipts $3,077,585. In the colony of Victoria 1,078 miles of railway are in the hands of companies, while nearly 1,000 miles are owned by the Government. I think, therefore, that the construction and operation of the Canadian Pacific Railway by the Government might safely be considered as an alternative, if we cannot get a company to do the work on fair and reasonable terms. I think, therefore, that it was a wise thing on the part of the hon member for Lambton to provide, as he did in the Act of 1874, that if he could not get the railway built by a company the Government should have power to build it as a Government work, and if he had not taken that power we would not now have had the benefit of those portions of the road which have been built. A great deal has been said against our utilizing any portion of the American railway system in carrying on traffic, and we have had the cry of loyalty and patriotism repeated with regard to that question. Now, while we on this side side claim to be just as loyal and as patriotic as hon. gentlemen opposite, we feel something like a certain good Christian who said he had no religion to brag of. This is not an occasion when we are required to take the field in defence of our country, but simply a commercial matter; and I, for one, do not see the advisability of spending millions of dollars merely for the sake of having a railway on our own territory, when we can get the same or better accommodation for less money by using the railways of a neighboring country. We meet many Americans travelling on the Great Western Railway, or the Canada Southern, and I do not think that they feel that they demean themselves, or compromise their allegiance to their own country by travelling over Canadian lines. I am opposed to the contract because it puts altogether too much power into the hands of a corporation who will very soon,

if this power be granted, get entirely beyond our control. They are a company who in effect may do as they please. A few months ago a great walking fever spread over the country, and we heard a good deal about "going as you please." I think we might very correctly apply that phrase to the Syndicate, for they are allowed to go as they please and do as they please. They may build an inferior road if they please, they may place the track where they please, and they may shorten the line if they please; and, by the way, I notice there is a difference of 15 miles in the length as stated in the contract from that reputed by the engineer. They may run as often or as seldom as they please. Now, I do not think we should grant all these privileges in return for a railway which runs from ocean to ocean through our own territory, and which, after all, we shall not own, for it will be'ong to the Company. It will not put bread into the mouths of the hungry, or assuage the sorrows of the afflicted, to be told that we have an all-rail route over Canadian territory. I wish to point out, further, that however objectionable the new offer may be, it is far superior to the contract before the House. The offer before the House proposes to accept $3,000,000 and 3,000,000 acres less, and perform the same work. The offer provides for a higher standard of road. The offer provides for a more equal distribution of the land and cash subsidy. No exemption from payment of Custom duties. No monopoly or special privilege with regard to branch lines. No exemption from taxation, municipal or Provincial. By the offer the Government may, if they please, acquire the road. By the offer the rates are to be regulated according to the general Railway Act. The new company provide for the opening of stock books in the principal cities in the various Provinces of the Dominion. I am opposed to the contract because it is not made in the interests of the country. I decline to be a party to the bargain because I have proof before my eyes that a better one can be made. I refuse to sanction a measure which will entail unnecessary burdens on the people. I will not be a party to giving a mortgage to a Syndicate upon all the lands in the North-West that may be brought under cultivation during the next twenty years. I refuse to hand over to a few individuals an enormous territory without sufficient consideration in return. I am opposed to this contract because it lays the foundation of a huge monopoly, which will tax to the utmost the energies of future generations to overthrow. I will not endorse this measure because it grants privileges and immunities to a corporation which are inconsistent with the progressive tendencies of the age. For these reasons, which to my mind are sufficient, I will, when opportunity offers, record my vote against it.

Mr. McLENNAN. In the first stage of this debate, when the House was in Committee, I took occasion to state my views upon the general question, and I do not intend to repeat them now. I find myself called upon to deal with some questions that have come up since that time, and, in the first place, with some statements of the leader of the Opposition, with reference to a portion of my remarks at that time. That gentleman said that I had minimized the important question of the tolls, as it would affect the profits of the settler in the new country. I certainly did not mean to do so, and if there was any appearance of my doing so it resulted from the habit that I practice, of doing one thing at a time. Our business now is to discuss the charter of a railway company. I think the guarantee for the rates of toll are pretty well provided for in the General Railway Act, as I stated at the time. I also stated that there was a further guarantee through competition, and still another one in the natural law of commerce, which, perhaps, the hon. leader of the Opposition may never have learned in a Chancery Court, but it is well known to men of business, and that is the law of compensation. I can better illustrate it by a parallel with the practice of another calling. I dare say hon. gentlemen in this House remember an old legend illustrated in the works of Hogarth, or somebody else, in which two men are pictured who went to law. The one who gained his suit is in tatters; the one who lost it is naked. That is not the practice in commerce. As far as I know anything of the practice of commercial life it is based upon a law of mutual interest and advantage of the parties concerned, and upon no other basis do I know of any development having taken place in the great material interests of the world. I think this law will sufficiently apply to the development of the North-West, and it may be summarized in the well known maxim of small profits and quick returns, of which the opposite principle is illustrated by another adage of killing the goose that lays the golden egg. If there is any danger of high rates upon the railway, it is necessarily, in the beginning of its operations, when the quantity of frieght to be carried is small. To guard against any mistake of that kind, it is provided that the first tariff shall be made with the approval of the Government. If the principle to which I have adverted has application, it will provide for equalization in the future growth of the commerce of that country. The hon. gentleman referred, also, in connection with another mode of redress that I pointed out, to the possible decay that might overtake the port of Montreal, and the ruin that would befall the traffic of the St. Lawrence in such a case. Sir, I expect to see Hudson's Bay navigated, and the great North-West reached by that route. At the same time I have some interest in the port of Montreal and in the carrying trade of the St. Lawrence, and I do not tremble at all for the results. Now, Sir, with regard to this whole question, we on this side have maintained that the Government are acting in their right and their duty in making this contract. The Government of 1874 recorded their intention to have the railway built by private enterprise, and that determination was generally accepted at the time. Perhaps, they cannot have intended that another Government should build it in the same way, but if the question was not open for the last six years, there can be no doubt that it has been open for the last six months. I think it was known to every member of this House that before Parliament rose in the month of May last, parties were enquiring with the view of making just such a contract as the one now before us. The announcement was made publicly during the last six months, and no objection was made to the right of the Government to make such a contract during most of that time. We certainly did read in the organs of the Opposition press opinions that Government could not find anybody willing to undertake such a contract; but it is a new discovery that there is any impropriety in the Government making such a contract. Well, we are told now that the country has not been heard from. Why, the country has been heard from as long as we have heard anything from the country at all with regard to the business of this Parliament. On the first occasion when I went before the country, in 1876, I recollect very well that this railway proved a subject of discussion on every public platform. We are told that we have not called public meetings to approve of this contract. When we disapproved of the trade policy of the Government from 1876 to 1878, the Government did not call meetings to show the people they were right and we were wrong. It is true we have some petitions from the country, but I think they are very few. I know there is a gentleman paying considerable attention to my own county, who was once a colleague of hon. gentlemen opposite, who evidently does not consider that he ended his political career when he became Lieutenant-Governor, but who, I hear, has been making midnight visits to the country to take charge of the municipal elections. That funny old Liberal, Thomas Carlyle, has said that the world is peopled by something

like a thousand million people, mostly fools. If a Tory had said so, I am afraid we should have heard a great deal about the impropriety of it; but I believe the four million people of this country are not mostly fools on the question of the National Policy and the Pacific Railway. They have been pretty well trained in the school of adversity, and after having suffered nearly six years of the misrule of hon. gentlemen opposite, if they found themselves very badly pinched, they would likely cry aloud; but they have not done so. The agitation has failed to produce any response from the country. We have had some petitions; and when we go before the country next summer we shall probably learn how many voters' names are on them and under what influences these names were obtained. In the meantime, I think we may possess our souls in patience. But, if the agitation did not produce a response from the country, it did produce some sort of response from a body of Canadian capitalists, who, we are told, came forward spontaneously to relieve this suffering country from the great incubus of the railway contract. If one-half we hear is true, I think we may come to the conclusion that the action of some of the capitalists whose names are appended to that contract, was not spontaneous; indeed, those whose action was spontaneous, I do not think we have any reason to regard as capitalists, whilst those who are capitalists were not spontaneous. I think that is a very important distinction. I do not think it is fair on our part here to discuss the names of a long list of Canadian capitalists whose names are attached to this wretched paper, as I venture to call it, with the view of discussing their possible resources. If the inventors of this offer had had a little more ingenuity, I wonder they did not offer to build the road for half the money, seeing there was no possibility of the offer being accepted. But what is the work to be undertaken by this company. It is the work of bringing a great mass of people from the old world to this new country; it is the very arduous labor to be performed for a series of years in constructing this railway so as to make the lands and the road profitable. The Government were quite right when endeavoring to find parties who would undertake this work, in making sure that the gentlemen who offered to undertake it knew the extent and nature of the work, and could command the resources necessary to prosecute it. The hon. leader of the Opposition said he did not know of any French bankers with German names. Has the hon. gentleman never heard of the firm of Rothschild, the leading bankers in Paris. On the Bourse at Vienna, probably the largest Bourse in the world, there is an entirely forgetfulness of nationality. Men with names from every country in the world are to be met there, and I think it is safe to say that money knows no nationality. But supposing this new offer is in good faith. What have we? Why, the gist of the whole matter is that we are to go to the United States. We are told by the leader of the Opposition, that we should make a connection at Sault Ste. Marie. He did not tell us what connection. We can make a connection with Thunder Bay, without going to Sault Ste. Marie, from Collingwood or from Midland, by the route of Georgian Bay and through Lake Superior. If we built a railway to the Sault we should simply build it to save a part of that water voyage. What should we connect with at Sault Ste. Marie? There is not a foot of railway making connection with the western States for 410 miles from there, and when we had that road we would only get into the wilds of Michigan. In the latest published American atlas, by the Commissioner of Statistics, the land in Northern Michigan for two degrees south of the 49th parallel is described as an uninhabited country, possessing pine timber and volcanic rock. There is a small settlement at Marquette, where iron and copper mining is carried on, and to which a branch of the Chicago and North-Western Railway runs, but there is not a mile of railway from the Sault Ste. Marie to Duluth. So far from anything being accomplished by getting to the Sault, we should be simply giving ourselves away. When we get to Duluth we should simply make a connection with the Northern Pacific Railway. We should not get into that garden of the North-West about which we hear so much; that is about 150 miles further off at St. Paul, to which place there is no direct railway, nothing but a long angular line following the Northern Pacific and making a direct turn southward to St. Paul, making a distance of about 250 miles. The only case in which that offer would come to be of any use—that is, if hon. gentlemen opposite had it in their hands—we should have the alternative of building or waiting until the Americans built. I have great respect for the Americans. I have had business relations with them, and think that they are very respectable, enterprising and, above all, very acute people. I think if we should build 290 miles of railway to the Sault, they would say: "Well, gentlemen, we are always glad to see you. We are free-traders, and if you come 550 miles further we will allow you to purchase out of our great storehouse of wheat;"—and, so far as my knowledge goes, that is a privilege of trade they have always extended. We have taken advantage if it. We have profited by the great route of the St Lawrence by the purchase and transportation of their wheat by this route. I think it proves that a small people should have a great deal of enterprise. The utter folly of a road to the Sault will be apparent when I state, that it is proposed to us that, in order to reach the garden of the Western States we should build 290 miles to the Sault, 410 to Duluth, and 150 miles to St. Paul, in all 850 miles, in preference to building 650 miles on our own side of Lake Superior, in order to make a connection with the North-West. The hon. gentleman who spoke last, said that we ought to build that line, in order to compete with the St. Paul and Manitoba Railway. That is very much like saying that we should make a road into the lions den, in order to compete with the lion. I will call the attention of the House to another factor of the situation. We have the sound of a great epic in our ears, and we think we hear, in the language of a great critic, the majestic tread and planetary solemnity of the hon. leader of the Opposition. But we are mistaken, it is but a stage play, a king of shreds and patches. He told us the other day that he occupied his present important and imposing position very much against his will. Well, is there any hon. gentleman in this House who "oversteps the modesty of nature" so far as to come here to please himself? Have we not all been urged by every possible consideration to throw ourselves into this breach, at the call—as the hon. gentleman said, and as I have no doubt he meant—of honor and duty? Is there any gentleman in this House so craven as to say that he is here for any other motive? It is true we may not all have made so great sacrifices as the hon. gentleman. We are not so great as he, and the virtue of self-sacrifice is, like the quality of mercy, "mightiest in the mighty." I do not dispute the good faith of the hon. gentleman when he makes that statement. I am merely pointing out that he stands not in that singular and exalted position that one would imagine from his words, and that there are possibilities of some other mistakes revealed in that explanation which he so graciously accorded us. I think that that hon. gentleman desires to be not merely a representative in the councils of his country but a leader, a ruler if he has the power, and I daresay it is a legitimate object of ambition; but in the case before us there are wanting the elements of the heroic, except the stage heroic. The sacrifices of great patriotism, of a martyr patriot, require some great factors. There must be a country suffering under some great evil to be remedied, or some great wrong to be avenged. Such a cause received the sacrifice of the intellect of a Cavour and

the passion of a Garibaldi. Some years ago a man named John Brown went down to Virginia and sacrificed his life for a suffering people. The hon. gentleman will probably think of some cases in the history of a country with which he is more nearly related, where the folly and mistakes of men, who honestly meant to do something for their country, was redeemed by ardent, passionate, burning love for their country. This we take to be the first element in a case of this kind. But the business before us is of a different character. We are here with a new country to be developed and requiring the application of much plain, practical common sense. I believe these are qualifications possessed by my hon. friends on the Treasury benches. I do not believe that they ever posed in the attitude of heroes, to carry on the business of this country, because it was quite unnecessary. But there is another alternative to account for the course of hon. gentlemen opposite This little and lowly band affect to have some affinity with the great Liberal party of England—though I do not know on what ground. We know that some English statesmen, of moderate degree, and some of great degree, have done something for their country in its international relations. We know that so plain and practical a man as Mr. Cobden went to France, a few years ago, and made a treaty of commerce with the French under which Great Britain exchanged her valuable coal and iron at moderate rates of duty for light French wines. We know that he invested some money in American railways, and it was held that he had done some good international service by that step, though, as my hon. friend from Niagara (Mr. Plumb) suggests, this investment came near ruining him. John Bright, by his sympathy and his eloquence, won the hearts of the American people in the crisis of their nation's history. The great Hellenist who is now at the head of affairs in England went to the Ionian Islands and by giving away a little British patronage succeeded in consolidating the Greek nation. I think it is a fair and laudable ambition for any hon. gentlemen to desire to emulate these distinguished men in these respects, and I believe the hon. gentleman tried his hand in that direction; but, to use a vulgar phrase, he did it in rather a lopsided way. We know that he has given his assistance, directly or indirectly, to a party of American land speculators; we saw the hon. gentleman's counterfeit presentment the other day, in a certain pamphlet, and to-day I find upon my desk a yellow covered prospectus of a journal which it is proposed to start in the national interests of young Canada, and by the superscription I infer it comes from the United States. I suppose that if ever that paper comes to be published, and if we should have to accept this new offer to build a road by way of St. Paul, I have no doubt that the handsome face of the hon. gentleman will appear in the new journal as a frontispiece. What does the hon. gentleman now propose as an act of reciprocity? I am desirous of seeing a reciprocity in natural productions with the United States; I believe that such a reciprocity was of great advantage to us when we had it before, and I hope we will live to see it again. I believe, however, that we shall only obtain that reciprocity by firmly maintaining our own rights, and that we shall not be making a step in that direction by giving ourselves away to the Americans, and delivering ourselves into their hands at the rapids of Sault Ste. Marie and the wilds of northern Michigan. In the course of this debate we have had along with a great deal of rather tiresome repetition, a good deal of advice from the other side of the House. Hon. gentlemen opposite are kind enough to take considerable interest in us as a party. We can quite understand their interest in the country, but their interest in our party is almost I think *ex gratia;* but after all it is a kindly feeling—a Christian feeling as the hon. member for Niagara (Mr. Plumb) says—and it ought to be encouraged. I have tried to show that the hon. leader of the Opposition has not shown that he possesses the elements of a great patriot, nor of a great administrator, nor even of a very moderate negotiator, and I think I might venture to suggest to hon. gentlemen opposite something which is not entirely new. They should hold another caucus such as they are said to have held last year. They might not find it very easy to elect a new leader this time, because there are some men who do not forget themselves. Gentlemen who have paid some little attention to the æsthetics of art know that great actors are a class who do not often forget themselves. As I have said, there might be some difficulty in selecting a new leader, but I make them a suggestion simply on the ground that, as we have often been told, advice is cheap, and I suppose that is the reason why we have had so much of it from the other side of the House. I think, perhaps, that the young gentleman from West Elgin (Mr. Casey) might prefer his pretentions to come to a front desk. I do not see why the hon. member for Brant (Mr. Paterson) should not be brought to the front. If we are to be entertained in our lighter hours, that hon. gentleman possesses a breezy good humor which is rather pleasant to encounter across the House. His rhetoric and, I might add, his histrionic powers, are pretty well developed, and he has a pretty good mastery of the English language. So, as I said, if we are to be entertained, I would recommend him for a leader. In such a contingency we should be relieved from another difficulty. It was said by Charles Fox that it would be impossible for any man to be so wise as Lord Thurlow looks; and in our entertainment we should like to have on the front benches a leader who could smile and look pleasant once in a while. But while these arrangements are going on on the other side, I believe that the path of duty on this side is very clear. I believe that the project which has been brought down by the Government is a good one for the construction of the railway and the settlement of the North-West. But when the member for Brant takes his place as leader, I will point out to him that we do not propose to vote here because we are "a pack of yelping curs" following on at the heels of the Government. We do not think so much of the Government. I do not wish to flatter these hon. gentlemen, and in point of fact, they do not always do as we want them to do. We sometimes ask them for a contract or an appointment for a friend which they refuse; we may sometimes ask for even a Lieutenant-Governorship or a portfolio for ourselves, which we do not get. I may say that I have never asked for anything of this kind myself, but if I did I should hate abominably to be refused. I believe, Sir, that it is of vital importance, not alone for a party, but for the country, that the construction of the railway should be proceeded with without further delay. And I believe that the path of duty and honor—if I may be allowed to borrow from the hon. leader of the Opposition, whose language I admire, though I cannot concede much else—will lead this House to vote down this voluminous amendment, this amendment in two volumes—and to vote for the contract, the whole contract, and nothing but the contract..

It being Six o'clock the Speaker left the Chair.

AFTER RECESS.

Mr. KILLAM. Although this subject has been discussed so ably upon both sides of the House, and perhaps hon. members are getting rather weary of the debate, yet I feel it my duty to make some few remarks, believing, as I do—and I think I am quoting the words of a local paper which I read recently, and which is doing service in its proper sphere of usefulness—that the more this contract is examined the more it will not bear examination, and although many things have been said showing the

impropriety of entering into it at the time, and in the way it was done, yet we find every day, every hour, and almost every minute the subject is examined, that something showing the gross impropriety of the conduct of the Government in making this contract, is demonstrated more clearly. I may be excused, Sir, perhaps, if I treat the subject from a local stand point. Of course, we speak about the Canadian Pacific Railway as a great Dominion enterprise. So it is. It is a great Dominion enterprise, so far as its extension to the Rocky Mountains is concerned, but from what I have heard on this subject, hon. members seemed to think that, so far as British Columbia is concerned, it was principally a local matter. We have heard hon. members conveying the idea here during the debate that if the Carnarvon terms had been assented to British Columbia would have been comparatively satisfied. It seems to me that the idea which British Columbia members have conveyed to us since 1871, since we have had the pleasure of sitting here with those hon. gentlemen, is that the principal object to be gained was the expenditure of money in British Columbia on these works. I believe, Sir, and I did believe when I voted for the railway between Esquimalt and Nanaimo, that if the money could have been expended there, it would have hushed the complaints of those hon. gentlemen a good deal, and they would not be so anxious to-day to press the Dominion to involve itself so heavily in debt to construct the railway in that Province. I realize as well as anybody the obligations the Dominion is under to complete the Pacific Railway, but, Sir, I am one of those who abide by the resolutions of this House so often passed that this public work should only be carried on as fast as the resources of the country would warrant, and that, Sir, is one of my principal objections to this contract, and I may say, also, to the offer made by the new Syndicate. Of course, as between the two, if it came to a question to decide between them, I prefer the new Syndicate offer, but I believe the proper course for the Government to pursue in this case would be to reconsider what they have already done, and if they are to make a bargain with either one of those companies, to retain the control of matters in their own hands in such a way that proper restrictions could be placed upon the expenditure of the public moneys. If the control of the work had been kept in the hands of the Government, the expenditure could have been limited. If we found that the settlement of the North-West did not proceed as rapidly as we should desire, and as we all do desire, we could at any time have stopped the expenditure of money upon the work, or limited it. If at any time the revenues, derived principally from the Eastern Provinces —although I am aware that British Columbia is paying a large proportion for such a small population to the revenue — should diminish, the expenditure could have been controlled; but under this contract the Government binds itself to increase the public debt of the Dominion, within ten years, by $50,000,000 for construction purposes of this railway alone. It more than that binds itself to incur all the obligations and responsibilities of establishing new governments, extinguishing Indian titles, and doing everything necessary to open up a new country like the North-West; and I believe, if this work is to be carried out as the hon. gentlemen on the Treasury benches profess to believe it will be carried out, the debt of the Dominion will be increased in those ten years by at least $75,000,000. I do not wish to be considered as speaking on this occasion, in any manner, to look like throwing obstruction in the way of public business. That is not the idea, but I believe that considering the way this contract was brought forth, the way in which it has been laid before Parliament, the short time we have had this immense country, extending 4,000 miles from the Atlantic to the Pacific, the people have not had proper time for the consideration of it, and I believe that they should be permitted more time to study it, and that it is the duty of every hon. member in this House to discuss the matter line by line and to give the people sufficient time to consider the subject thoroughly and to be well informed upon its details. I give, Sir, for that authority from two sources—from a good Liberal authority and from a good Conservative authority. I will read a few lines from an article in the *Quarterly Review* for October, an article entitled "Six months of Liberal Government." Hon. gentlemen will remember that the Marquis of Hartington complained that during the last Session of Parliament, some members were endeavoring to obstruct business. Upon that this journal quotes Mr. Gladstone, using the following words:—

"No doubt Mr. Gladstone remembered the time when he had availed himself of the principles laid down in the foregoing passage. When opposing, with a rare combination of vigor, conscientiousness and ability, the passing of the Divorce Act, the right hon. gentleman, then a private member, employed, in addressing Lord Palmerston, the following uncompromising language:—

"'His noble friend had had an affirmation of his Bill by a decisive majority, and no doubt the minority ought to bow to the fairly expressed will of the majority, and if his noble friend chose to persevere with the measure they must struggle on at whatever personal inconvenience, and maturely discuss the provisions of the Bill. Still, it could not be maintained that the Bill was of a nature particularly urgent to be passed in the present Session. He would also remind his noble friend that the same duty which bound the minority to comply with the declared opinion of the majority on the principle of the Bill, did not absolve them from the obligations of watching, discussing, modifying and altering the provisions of the measure. As an opponent to the Bill, it might answer his purpose to retire from the Committee altogether and depart into the country, allowing the Bill to pass with all its blemishes; but such a course he held to be contrary to his duty, and he conceived it was incumbent on those who objected to the Bill to attend there night after night and week after week, to debate, line by line and word by word, if necessary, the details of a bill of such great importance.'"

The Tory journal comments upon it in this way:

"In one sense an Administration has a right to sacrifice its character for modest usefulness to the ambition of being deemed earnest and enterprising; and this sacrifice has been made, not in the least to our surprise, by the leaders of party whose rôle in future will apparently be to acquire power by destructive criticism, and to retain it by destructive legislation. But no Administration has a right, in the pursuit of this selfish purpose, to damage the position of Parliament in the eyes of the nation; and this injury is effected when Parliament is compelled to vote for measures which it is denied the time to consider."

Now, Sir, that would be my excuse, that the country requires proper time for considering those measures; that it has been and is denied them, and that the Opposition should take any course which in this case they may consider advisable, to give the country ample time to consider the particulars of this Bill. To come back to the point from which I started when I spoke of this question as a measure partly local and partly Dominion. I wish to refer to the state of the taxation of the country since Confederation, bearing on the public debt. I will give the figures very briefly, because, of course, they are in possession of hon. gentlemen. During the fiscal year ending 30th of June, 1868, the goods entered for consumption in the Dominion of Canada amounted to $70,895,000, the duties collected were $8,819,000, or an average of 12½ per cent. In 1875, that is after the change in the tariff made in 1874, the goods entered for consumption were of the value of $119,618,000, and duties collected $15,361,000, or an average rate of 13 per cent. For the year ending 30th of June, 1879, with diminished trade and business, the goods entered for consumption were of the value of $80,541,000, the duties levied on them amounting to $12,939,000, or 16 per cent. Still worse was the year ending 30th June last, and during the last three months of 1880 the goods imported reached $21,604,000, the duty collected being $4,295,000, or 20 per cent. December shows the same result. I want simply to call the attention of hon. gentlemen to the bearing of these figures on the public debt of the country. Before Confederation Nova Scotia had an average rate of duty upon free and dutiable goods of about 8½ per cent. The first year after Confederation or

at Confederation the national debt of Canada was $75,795,000. In 1875 the amount was $117,068,600. On 30th June, 1880, it reached $156,94-,000. The debt about doubled in those thirteen years; the taxation more than doubled so far as the Province is concerned, and about doubled as far as the Dominion as a whole is concerned. I ask hon. gentlemen to consider what is likely to be the effect on taxation if $75,000,000 are to be added to the public debt during the next ten years. Hon. gentleman on the Treasury benches assume immense ability in conducting public affairs, and seek to prove that the country will not have a single cent to pay for the Pacific Railway; but the exact contrary has been the case since the North-West has been opened up. Although we have been promised great returns from the sale of lands we have seen year after year immense sums drawn from the public treasury for the administration of Government, settling difficulties, appointing officials of the Government, and persons whom it was necessary to console; and instead of deriving revenue from the country we have been constantly losing. Under these circumstances, I believe it behoves us to proceed with caution and deliberation, and keep the faith which Parliament has pledged time and again that the work of building the Pacific Railway should not proceed faster than the resources of the country will permit. I was surprised to hear the hon. member for Lunenberg (Mr. Kaulbach) offer the other night more objections to the contract than I could possibly make, while the hon member for Annapolis (Mr. Longley) lauded it in every possible way, both of them taking few exceptions to it and simply saying it required a few modifications. We do not, however, expect anything better from them, of course. Perhaps, if they were to come to our party under present circumstances they would not be accepted on returning home by the Liberals of their own counties, and the Conservatives would not have anything to do with them, and, therefore, the hon. gentlemen resumed their seats with the remark that if the modifications were not made, they were prepared to swallow the contract—as the hon. leader of the Government informed them they were to do—pretty much as the cassowary swallowed the missionary, skin and bones, and hymn-book too. It would be very much better if those hon. gentlemen instead of registering their votes on every occasion when he told them, would pay more attention to the rates of taxation and the duties levied on the fishermen, lumbermen and laboringmen, who, although they are now struggling under the burden, but keeping their heads above water, may, if they are weighted with other burdens, may be unable to remain int he part of the country to which they now belong, and be compelled to join those parties now leaving the Dominion for the United States. The hon. member for King's, P.E.I. (Mr. Muttart), made a speech in favor of the contract the other night. He had some objections to it, but he was prepared to vote for it. All his reasons for voting in its favor, besides the dictum of the First Minister, was the fact that Senator Haythorne was opposed to it. Well, I am not astonished at the hon. member for King's. He is one of the people who helped the people of Prince Edward Island to give themselves away, to surrender their rights and privileges. There was a time when the Island stood in a better position than it does to-day; and I know there are sufficient independent electors, if they are appealed to on this question, to show those hon. gentlemen they have been somewhat mistaken in the views they have taken. I hold in my hand a text, a halfpenny, from which a very fair sermon might be preached, not only to the Island but to the whole Dominion. It is dated 1857, and on the obverse side are the words: "Prince Edward Island. Self Government and Free Trade." The hon. gentlemen from Prince Edward Island were some of those who relinquished the first of those privileges on the occasion when they sent the hon. Minister of Marine up here to negotiate for Confederation; and they relinquished the other privilege, that of free trade, which was the most important privilege that they could have, when they assisted the hon. Finance Minister in passing his iniquitous Tariff of 1878. I have not a word to say against the personal character of those gentlemen. Of course, while I was speaking of them in the way I have done, I was referring to these hon. gentlemen in the most pleasing way imaginable. I respect most of them personally, many of them are my friends, but their public conduct I cannot, of course, approve of. I might include the hon. gentleman from Halifax in that catalogue. He is one of those, who is ready to vote against the interests of the electors of his city at a nod of the hon. the Minister of Railways. Why are those hon. gentlemen so silent on this great question? They have good reason for silence. They know that they cannot get up in their places and defend the contract, without ruining themselves in their constituencies. The increase of the public debt has a certain local bearing, which I refer to, and which was called to my mind by the hon. member for King's. I understood him to quote somebody's statement, that a very large amount would be added to the indebtedness of each particular county. The remark struck me as being appropriate, but, the hon. gentleman could not believe in it. I suppose, if $75,000,000 are added to the Dominion by the construction of this railway, that, allowing for all probable increase in population, and allowing for all probable increase by the establishing of new Provinces in the North-West and the sale of lands; allowing that $25,000,000 will derived from these sources, for the sake of illustration, still $50,000,000 would remain as a burden on the other constituencies in the older Provinces $250,000 for each constituency, and for Prince Edward Island $1,500,000—or more than half what the Island Railway had cost when it was handed over to the Government. Well, Sir, that may be nothing. The right hon. Minister said that $25,000,000 was nothing. He said he was going to give $25,0 0,00 0 in cash towards the construction of the road, and he told us that is nothing. Last year he told us he was going to get it out of the lands, but he is now going to grant the money and give away the land, out of which he was going to get the $25,000,000, for nothing. But the people of my county consider $25,000,000 to be a good deal, and the people of Prince Edward Island consider $25,000,000 to be a good deal, and they complain of the burden of taxation that it will impose on them. I have told the people of my county that they will have to pay towards the construction of the Pacific Railway, $500,000. The burden caused by this Pacific Railway contract upon each constituency of 200 in this Dominion, must be somewhere in the neighborhood of $500,000. Do the people of this country consider that nothing? Do not hon. gentlemen suppose that the electors of these constituencies consider it something, and will consider it something? It is the duty of hon. members to proceed in this matter with all caution, and, while prepared to recognize all reasonable obligations to British Columbia, they should hesitate before going into such a contract as this, and throw all the expenditure out of the control of the Government, and into the hands of the speculators. Without desiring to weary the House, I will proceed to make a few remarks on certain clauses of the contract. I will not go over any point which I have heard particularly brought out, because I am sure that hon. members may be somewhat tired of it; especially hon. members on that side of the House who have had those points brought out, elaborated, and laid before them in a way that has been disadvantageous to themselves. I wish to call attention to some of the options in the contract. I do this, not so much for the purpose of finding fault, as for the purpose of

getting information. When the Minister of Finance spoke on this subject I thought that he was going to explain, in some way, the bearings of the sub-section of clause 9, and show us what were the powers of the Company to issue securities; when and in what way this road would probably be done; and what the probable annual charge would be, in case the Company accepted the option of sub-section *d*, of taking a guarantee, instead of the $25,000,000 in cash. I find, Sir, that all the options in this contract are in favor of the Syndicate, and against the Government. Section *b* says:

"Upon the construction of any portion of the railway hereby contracted for, not less than 20 miles in length and the completion thereof so as to admit of the running of regular trains thereon, together with such equipment thereof as shall be required for the traffic thereon, the Government shall pay and grant to the Company the money and land subsidies applicable thereto, according to the division and appropriation thereof made, as hereinbefore provided; the Company having the option of receiving in lieu of cash, terminable bonds of the Government, bearing such rate of interest for such period and nominal amount as may be arranged, and which may be equivalent according to actuarial calculation to the corresponding cash payment, the Government allowing four per cent. interest on monys deposited with them."

Now, Sir, I think that is an option which should have been with the Government instead of with the Company. Perhaps it is not a matter of very great importance, and the Government may be able to control it. But I do not see how they can. Suppose to-day for the construction of twenty miles $200,000 in cash is due to the Company, they would be quite able to come to the Government, and then have the question of actuarial mode as to what amount of lands should be given to them instead, or then take a very much larger amount of bonds than the cash payment they would be entitled to; but at any rate, after having the calculation made, if the market price were such that it would be to the advantage of the Syndicate to take bonds instead of cash, of course the Syndicate would take the bonds. Well, it may not be a large matter, but I quote it as one of the instances, that wherever an option is given in the contract it is given in favor of the Syndicate, and has not been retained by the Government. Sub-section *d* is rather an intricate one. Of course I would not like to call upon the Finance Minister to explain it now, as he might not have the figures with him, and would not be able to explain it in such a way as would be understood, but I think some one on that side of the House should be able to give a more lucid explanation of it than we have got. I want to call attention to the powers given by those clauses, and the corresponding section of the proposed Act to issue securities on this line of road. We find, leaving lands out altogether, that the Company have a bonus to receive of $25,000,000, that they are able to issue bonds upon the whole line of railway to the extent of $20,000 per mile, over 2,700 miles of railway, equal to $54,000,000; that they have the power to issue $25,000,000 of capital—ordinary stock—and that besides that they have the power to issue $10,000 per mile on $27,000,000 of preferred stock. By no estimate that I have seen is the cost of the portion to be constructed by the Company likely to cost more than $48,500,000. Is it right for this Parliament to give such immense borrowing powers to the extent of $131,000,000, to enable this Company to build a piece of road to cost $48,500,000. I will venture to say that we have never done anything of the kind before to any company that have applied for like privileges. The Government made one reservation in this contract which may be of benefit to them, though I doubt it. There is an excuse for the Syndicate stopping work at any time if they should be prevented by the Act of God, the Queen's enemies, floods, or other causes beyond the control of the Company. The Tory writer to whom I referred, states with reference to this that "The act of God is a solemn phrase, but it loses something of its sacredness when examination shows it to be only a convenient substitute for the recklessness of man." The hon. member for Provencher (Mr. Royal), speaking the other night about an alternative of route, said that no monopoly could exist in the North-West, because, although the trade eastward, under the charter, might at first be compelled to flow to the St. Paul and Manitoba Railway, yet there are two charters to the Hudson's Bay which will be competing lines. The hon. Minister of Railways, in his speech at London referred to the same thing, speaking, perhaps in a joeular way, but doubtless in earnest, with reference to the Hudson Bay outlet. Now, I would like to call the attention of the hon. members for Halifax to that point. What becomes of the winter port scheme for Halifax if the grain trade of the North-West, instead of going down to Halifax, is either to go down by the St. Paul and Manitoba Railway to New York and Baltimore, or out through the Hudson's Bay? I think when this subject is brought before the people of Halifax they will say that the hon. member has not been very attentive to his duty in that matter. I would call attention to the system of granting lands proposed in this contract. We have been told time and again that the lands will be granted only in alternate blocks. Now any person who reads clause 11 of the contract must see that is not the case:

"The Company may, with the consent of the Government, select in the North-West Territories any tract or tracts of land not taken up as a means of supplying, or partially supplying, such deficiency, but such grants shall be made only from land remaining vested in the Goverment."

Hon. gentlemen may say that this clause prevents anything of the sort. I believe that up to the time of the correspondence laid on the Table between Col. Dennis and Mr. Brassey, it was the intention of the Government to grant lands only in alternate blocks. But Mr. Brassey, when he wrote this letter on the 3rd of September, did not understand this Syndicate business. He was not aware how the Syndicate could manage these matters with the Government, and that if anybody wanted to get 100,000 acres of land in a block it could easily be done. All that is required is for the hon. gentlemen on the Treasury Benches to give their consent, and after they have given their consent so readily to other requests of the Syndicate, they will, no doubt, be able to make a small concession like this. If Mr. Brassey had only gone to the Syndicate and asked them to arrange to procure him a hundred square miles of land, the Syndicate could very easily have made arrangements with the Government for as much land as he wished. I hear that some hon. gentlemen, well known to most of us, are desirous of getting large farms in that country, much larger than some of us think should be given to anybody. All they have got to do is to make a little arrangement with the Syndicate, and the Syndicate makes a little arrangement with the Government, and thus large tracks are shut up from settlement. Sheep farms may be made of 100 miles in length and 20 miles in breadth. I do not see anything in this contract to prevent such a Government as this from granting tracts—100 miles in length and 24 miles in width, each side of the railway, at any point the Syndicate may wish. It might be under certain circumstances to the advantage of the Syndicate, and to the advantage of the Government to do that, but certainly not to the advantage of the country. I have considered it my duty to call attention to these points, and to express most unqualifiedly my opposition to this contract, and I may say, in an unqualified way, my opposition to the Government who have been guilty of making this contract. Between the contract and the offer the difference in my opinion is immense. I believe, so far as I know the gentleman connected with the offer, it was made in good faith. I believe the duty of the Government is to submit the question to the country, and I believe the verdict of the country will be unhesitatingly,

that the matter should have been left open to public tender, and that the best offer which could be got should be received.

Mr. ARKELL. It is not my intention to occupy much of the time of this House. But I feel that I am called upon to make a few remarks on this important measure. I do not intend to make a speech of two or three hours length. I think we have already had read to us about three-fourths of the *Hansard* for the last six or seven years in the speeches that have been delivered. I consider the question one of the most important, probably the most important, that has ever been brought before this House. It is only necessary to look back a few years to see how anxious the people of this country have been to secure the accomplishment of this great measure of building the Canadian Pacific Railway. Even since Confederation the people of this country have been looking forward to the time when this railway should be built from the Atlantic to the Pacific through Canadian territory. In 1872 the contract with Sir Hugh Allan was entered into, and it was a great loss to this country that Sir Hugh Allan was not able to carry out that great scheme owing to the excitement raised by hon. gentlemen opposite, not only in this country, but in England. The result was, that the Government of that time were forced to resign, and I believe it was a good thing they did resign. The Conservatives had been in power for a number of years, and the people were promised that if the Reformers once got in power, we should have a millenium in this country, we should have everything we wanted, and everybody should become rich. Well, we had five years experiences of the rule of hon. members opposite, and the majority of the people of this country came to the conclusion that it was a complete failure. For five years they frittered away their time, so far as the Pacific Railway was concerned. They never grasped the subject as statesmen should have grasped it. It has been said that the National Policy carried the election of 1878, but I believe it was not only the National Policy, but this great question of the Pacific Railway. I was surprised to hear the long speeches made during the Sessions of 1879 and 1880 by hon. gentlemen opposite, in condemnation of the National Policy. One hon. gentleman, the member for North Norfolk (Mr. Charlton) I think, said it was a legalized robbery. That is not the verdict the people of this country will pronounce upon it to-day. That policy has proved a great success, and the majority of the people of this Dominion to-day are perfectly satisfied with its working. So soon as the present Government got in power, they commenced at once to carry out their scheme of constructing the Pacific Railway. In the first place they took up the incomplete work begun by the late Government. But they were also awake to the necessity of finding capitalists who would relieve the Government of this great work, and I must say it is a great relief to the country to-day to know that they have been able to carry the desire of the people to so successful an issue. When Parliament is called together to carry out the views of the Government, we find every obstacle put in their way by hon. gentlemen opposite, who, if they had the interests of the country at heart, instead of pursuing the unpatriotic course they are pursuing, would come forward and help the Government to carry out this great scheme. The House met on the 9th of December, and the debate continues to the 23rd of December, two weeks of vacation took place, and those gentlemen, instead of going home to enjoy themselves with their families, began to agitate this question all over the country. I can only say that in my part of the country, when the people heard that this Syndicate had been formed, both Conservatives and Reformers were satisfied with it, not a single objection being raised against it. The member for West Elgin (Mr. Casey), however, came up there and called three meetings in his own riding. They were very thinly attended; he could not get more than fifteen or twenty or twenty-five people together in his own riding to hear him condemn this measure. I will read an extract from a speech he delivered at Dutton. On the night the meeting was called for nobody came out to meet him; but it fortunately happened for him that there was a tea-meeting held there on the same night, and they made the hon. gentleman the chairman of the meeting, and about ten o'clock, after the ladies had retired, they gave him a chance to speak, and to present resolutions which he brought with him in his pocket. As reported, he said:

"He would now draw the attention of the meeting to the cost of the railway, and proceeded to give an array of figures which we present in tabular form, the cash bonus to the Syndicate being $35,000,000, or $6.25 per head for every man, woman, and child of the 4,000,000 in Canada.

Cash bonus per head	$	6 25
" " " family		31 25
" " west Riding of Elgin	87,500	00
" " County of Elgin	250,000	00

showing that we would have to pay in this county, as our proportion of the cash bonus alone, $50,000 more than we gave to the Canada Southern Railway which passes through our very midst. But including the land bonus of 25,000,000 acres, valued by the Government, not long ago, as being worth, at least $3.18 per acre, and a total of $36,500,000 expended on the line by the Government and handed over to the Syndicate, the figures would stand as follows:—

Total bonus per head	$	35 25
" " " family		176 25
" " west Riding of Elgin	493,000	00
" " County of Elgin	1,410,000	00

Now this is from the St. Thomas journal, the advocate of the Grit party in Elgin. The hon. gentleman thought he would hold a meeting in the riding I have the honor to represent. He called a meeting in the Opera House of St. Thomas, and invited me to attend. About 800 people were present, and I assure you the resolutions he brought from Ottawa remained in his pocket, as he did not dare propose them. Had there been a vote taken he would not have found 100 men in the town willing to uphold his resolutions. The hon. gentleman was advised by his political friends that he had better not come, but he did come on his own responsibility and suffered the consequence. He shot as wide of the mark on that occasion as he did when he shot at a crow and killed a cow. The hon. gentlemen stated yesterday there was division among the Conservatives in reference to this question. I can only speak for my section. I know there is not a single Conservative to-day in Elgin who would oppose this great measure, and I know there are a great many Reformers there in its favor. In fact, it is only the extreme men who are opposed to it, and they oppose it purely through factiousness. Last night we had a speech from the hon. member for South Perth. It appears that hon. gentlemen went to the North-West on three different occasions. I remember when that gentleman, before the Committee on Emigration and Colonization, did not speak very favorably of lands in the North-West; but now hon. gentlemen opposite place all kinds of values on these lands. I think they are making a great mistake. I am satisfied the lands are not worth anything without railway communication. If we can get men to come forward and invest their money in the North-West, they are entitled to good compensation for their expenditure. The Syndicate get 25,000,000 acres and $25,000,000, and the expenditure by the country on contracts completed and unfinished will amount to $28,000,000. I wish the Government had made arrangements to hand the whole work over to the Syndicate and give them 50,000,000 instead of 25,000,000 acres, and no subsidy in money. This would, I believe, meet with the approval of the people. To talk about $3, $4 and $5 an acre is absurd, when there are millions of acres of public lands in the United States to be got for $1.25 an acre, probably lands fully as good if not better than those in the North-West. No doubt there is great prosperity in store for those who go to our North-

West, but it will take years before the country will be settled. If the Government could only realize sufficient to pay for the amount they have and will yet have to invest there, viz., $53,000,000, it would be good policy to give settlers every acre free. When the agreement was first published in the *Mail*, I read it very carefully, and I could not take the views taken by hon. gentlemen opposite, nor do I endorse the objections raised by hon. members on this side. I feel satisfied the Government have got the best of the bargain. I feel satisfied, from information I have obtained, the work may never be built at the amount estimated, and after the road is completed it will take millions of dollars to equip it, and after it has been completely equipped it will take many years before it will pay. It would be a great misfortune, should that great undertaking fall into the hands of a Syndicate who were not able to carry it out. The more they make, the stronger the Company will be, and the more resources they will have to build branch lines to connect with the main line. I only hope that the right hon. leader of the Government, who I think has looked forward, since Confederation, to the accomplishment of this great work will live and remain in power long enough to take a Pullman car in Ottawa and ride over the Canadian Pacific Railway to visit his constituents in British Columbia. It has been said that this contract is going to kill the Conservative party. I believe that party is quite willing to take the risk, and that the Opposition will have all they can manage at the next elections to defend their course in reference to the National Policy, not to speak of this railway at all. I hope that we shall then have a large amount of work done not merely on the prairie but on the Lake Superior and British Columbia sections, and that the people will say, as I think they will, we shall not entrust to the hands of the Opposition the completion of this great work but leave it to the party which originated it; and that we intend it shall be carried to a successful issue by the Conservative party which we placed in power. I have no hesitation in supporting these resolutions, which I know are popular with the country, and am satisfied that no supporter of the Government in the House on this occasion will have trouble in securing his re-election. The leader of the Opposition had the credit of upsetting a Government in 1871. I believe he found a traitor in it however. But I do not think he will find any traitors in this Government or among its supporters. If hon. gentlemen opposite wish to keep up this debate a month or even two months longer we are quite willing to stay to listen. Though we have had a re hash of the whole thing night after night for some time, we can stand it a while longer if hon. gentleman opposite think proper. In conclusion, I will say that it will afford me the greatest pleasure to record my vote in favor of the resolutions on the Table.

Mr. BOULTBEE. The last speaker on the Opposition side (Mr. Killam) I think made an apology, near the end of his speech, for having occupied the time of the House so long in making, or trying to make, as he said, some points which he believed had not been brought forward by any other hon. gentleman in the House. Well, I followed him carefully, as I intended to speak after him if I got the opportunity, and I tried to see those points, but I failed to see them. I fancy every one in the House failed to see them after he had made them, therefore it was not altogether remarkable that they had not been seen before. This rather shows a disposition on the part of hon. members in Opposition to carry on this debate in a mere spirit of factiousness, as in fact it was all talk without argument. Now I do not intend to take up the time of the House at any great length to-night because this debate has been drawn out to perhaps an unreasonable length. But I do not like to let this vote go, without taking notice of certain points that have also occurred to me, like the member for Yarmouth, on this occasion, though I hope they may may be more distinctly seen by everyone in this House. I think that never have we had in this country a question of so great importance as this treated in the same way by the Opposition, unless it be that in regard to the re-arrangement of our commercial affairs. It seems to me that they have treated this question with a considerable degree of factiousness. I do not think that as the debate has gone on, the Opposition have made any points entitling them to protract the debate to its present unreasonable length, or able men as they are, to warrant them delaying the legislation and business of the country to the extent we have noticed. Since this subject has been treated at all, or discussed in this country, the whole people, I think, have recognised not only the national but the commercial necessities involved in this great scheme. I need not dilate now upon a subject already discussd at such length, or reiterate well-known arguments to show how necessary it is to a country situated geographically as this is, that it should extend from ocean to ocean, and be connected by a great chain of railways such as is contemplated at present. I think I understand the question fully, and I may say that I go farther than our leader or the other gentlemen who have spoken on this occasion as to the political necessities of the case. I think not only is it necessary that this great line of communication should be created through the country, for keeping Manitoba and the North-West and British Columbia, but I go farther and affirm this principle, which I believe will be borne out by the views of the people of this country generally, that it is absolutely and completely necessary to construct this railway to prevent the disintegration altogether of this great Dominion. I do not believe for a moment, if this factious and disloyal policy was sustained and put into operation, that we could retain British Columbia within the bounds of Canada; nor do I believe, were we to let the North-West be cut off from us by means like those suggested in this new scheme, that we should be able to retain the North-West after we had lost British Columbia. I do not think that, under these circumstances, we should be able to retain the North-West with us. Stripped of British Columbia, and the fair and fertile belts of the North-West, and of the good we hope to accomplish by close commercial and national relations with that country, I do not believe Ontario and the other Provinces would be able to maintain their autonomy. I believe that this scheme is a necessity of the hour; one which we are bound by the inexorable logic of facts and national necessities to carry out, and I do not think we should take our stand on mere party politics and allow great questions like this to be injuriously delayed. The necessities of this measure, after it has been so long discussed, have impressed themselves, not only on the minds of statesmen and politicians, but of the people at large. The present Government, favored as I think by a happy conjunction of circumstances, have been able, with as much ordinary human wisdom and sagacity as is often shown by men to lay before this House and this country a scheme which seems to me to be satisfactory in every particular. It is a scheme which will enable us to have, within a few years, without increasing our burdens, this great road stretching from one end of our country to the other. I say without increasing our burdens, for though I am speaking without having looked into the exact statistics, I recollect seeing that some time ago the small Province of Manitoba and the continuous territory of the North-West, with a population of something like 70,000 people, are now paying in excise and customs something like $450,000 into our revenues. It is no dream of a visionary to say that when this great scheme is placed on a proper footing, when it is pushed forward by the energy of skilled men, backed by liberal capital, we shall have, in a few years, five times that population, and that

we shall draw from the resources of that country—resources which could not be developed if we do not implement this great scheme—all that we have to pay towards the building of that road, irrespective of the immense advantages which will flow to Ontario and the other Provinces from being in close commercial relations with the population of that country, who will draw from us the very necessaries of life. The scheme is one which, to say the least, is as well conceived, and is besides far more reasonable in its terms than the scheme of the late Government. I wish to refer briefly to the manner in which this scheme has been treated. Speaking gravely and reasonably of a scheme, the most important which has been debated in this House for many years, and the most important probably which will be discussed in any Legislature in Canada for many years to come, I say the Opposition have factiously endeavored to prevent this scheme from becoming law. I say that in doing this they have completely turned their backs on themselves. They have, Sir, swallowed every argument they made use of twelve months ago in this House. One hon. member has argued in one way, and another another way. We had the late Finance Minister indignantly pointing out that the national result of the scheme would be that our trade would be diverted from the United States. We have had the leader of the Opposition, on the other hand, endeavoring to carry out what his late and present colleague deprecated so strongly. But they have gone further. They, a very small minority, have used expressions towards the large majority who are supporting a very strong Government that were scarcely courteous in debate. They have characterized us as men of little intelligence—as the servile followers of a tyrannical and corrupt Government, and there is no epithet of abuse which can be employed in a debate which they have not used against us. But their efforts produced no effect upon those who represent the sentiments of the country, and it became apparent to them that they had to try other means. They did what I think—though I am not so well read in constitutional law as the leader of the Opposition—was utterly unconstitutional and improper, mainly to endeavor to stir up the country in the midst of a Session, we have gone through the turmoil of a general election; we represent the country and are here to carry out its behests, and I say it was less the act of a statesman than the act of a demagogue to go to the country in the midst of a Session and endeavor to stir up an agitation against the scheme of the Government. But what has been the result of their meetings—of all their agitation throughout the country—of the petitions which they circulated in every hole and corner? They have failed in every respect in arousing the indignation of the people. I say that this debate should have been carried on with all the quiet gravity, all that consideration, all that carelessness of exterior circumstances which should characterize an important debate of this kind, but such a spirit was impossible when these hon, gentlemen were making frantic appeals to the country while Parliament was sitting. But even when they did go before the people they did not try to have a fair discussion of the subject. That was not the end they sought; but they endeavored, by packed meetings, and by preventing the other side being heard, to carry resolutions condemning the Government. I have been at meetings myself where attempts were made to debate the long strings of resolutions that were made up, and where it was impossible to say anything in defence of the Government. I have been present on such occasions in the city of Toronto, with a member of the Senate in the chair; with a number of people on the platform who were not exactly members of Parliament, but who had tried to become such. There were men there of high intelligence, who ought to have had some sense of justice, some principles of fairness, but they showed simply a desire to burk discussion. I should like to ask the leader of the Opposition, if he were in his place, as I see he is not, if he stood before a bar charged with some serious crime, for instance the abduction of a local Minister from a local Cabinet, and if, after able council had stated the case against him, and the jury had heard the evidence against him; when his counsel got up to defend him, and the judge said: "No, stop; that is not the way we are going to conduct this trial. We believe this man to be guilty and bad. If you go into a perplexing trial, and get up a discussion in his defence, you will puzzle the minds of the jury, and we cannot get a condemnation; let us convict him and I will condenm him, and after that you may say what you like"—I ask the hon. gentleman what he would say to that? Yet that is the way that the hon. gentlemen opposite submit the question to the people. Sir, I say they have carried out their agitation in that unfair and factious way. We have had their petitions hawked from one end of the country to the other. I have seen men to-day who have arrived in this city from Western Canada and from the east, and I asked them what was going on. Well, they said, everything is quiet; there is nothing going on at all. We understand this thing is going through in good shape in spite of the opposition of these men, and that will be the end of it and the country will be well satisfied. But this discussion, such as it is, seems to have produced some sort of effect. Now, if there is one man more than another who pretends that the country is alarmed and excited on this question, it is the hon. member for Gloucester (Mr. Anglin). He is deeply moved on this subject himself, and he has stated that the country is boiling with indignation at the bargain, that there will be a rebellion, that the indignant people will rise and stamp out this House if we attempt to give effect to this measure. Well, Sir, somehow that hon. gentleman does not seem to represent very correctly the feelings of those amongst whom he lives. I hold in my hand a telegram containing a resolution passed by the county council that hon. gentleman represents.

Mr. ANGLIN. Hear, hear.

Mr. BOULTBEE. If I mistake not I heard that hon. gentleman say that he wished he could support this scheme. There are four others said the same thing, and if they are honest and truthful, why do they persist in their opposition? The hon. member for Gloucester, patriot as he is, and so largely imbued with the opinion of the men of his county, when he hears this resolution passed by the County Council of Gloucester, will be able to carry out his wish and to support this scheme.

Mr. ANGLIN. I know all about it.

Mr. BOULTBEE. I do not know whether you know all about it or not, but I intend the House shall know all about it. Here is the resolution, dated to-day:

"Gloucester County Council to-day passed the following resolutions: Whereas we consider that the people of this Province are interested to a certain extent in common with those of all other parts of the Dominion, in the construction and speedy completion of the Canadian Pacific Railway through British territory as a work eminently calculated to promote the growth wealth and prosperity of the country at large, and we rejoice to learn that Ministers have succeeded in contracting with capitalists for the prompt construction of the work on more favorable terms, which was laid before Parliament in December and deserves general support: Therefore, resolved, that we view the contract entered into by the Dominion Government for the construction of the railway as a just and favorable one, and at a lower cost to the Dominion that would have been readily accepted by their predecessors in office. That the proposition, or offer, by what is termed the new Syndicate, has the appearance of a political dodge employed at the eleventh hour to embarrass the Government and delay the construction and completion of this important work. Further resolved that we consider it behoves every honest loyal lover of his country to give his earnest support to the Government in this matter, and frustrate the abject and factious opponents who are only trifling with the best interests of the country."

The following seem to be the names of those who voted in favor of the resolution; Councillors Young, Lebreton, Barry,

Hache, Sewell, Alexander, Degrace, Hornibrook, Landry, Chalmers, Hube; O'Brien and Metanson declined voting. The Secretary-Treasurer was directed to send copies to Senator Ferguson and Mr. Anglin. This resolution, Mr. Speaker, is well worded, it seems sensible, it seems to express the opinion of a great majority of that county. The only doubt in my mind is this—I have got a horrible doubt on this matter—whether these men in Gloucester are men of good judgment or not. The external evidence in this House of their judgment is against them. If they are men capable of passing a resolution like this, I do not know how we can account for the presence of the hon. member for Gloucester here. If these men be honest and capable of appreciating a great question like this, then I think the hon. gentleman will have to vote for the scheme. His position, of course, is a painful one, and we must all feel great sympathy for him, though that sympathy is somewhat mitigated when we remember how he has carried himself on other occasions, when we have seen him in unpleasant circumstances. We hope the hon. member for Gloucester will get comfortably through that thing. Well, that is one of the resolutions that this agitation has called forth. We see that in attempting to stir up the people against this great scheme, which is going to realize all our hopes in relation to the Canadian Pacific Railway, the country rises against them, and there are arriving at this House now, letters from every portion of the country, letters from men whose intelligence is undoubted, urging us by all means to press this thing through as fast as a factious Opposition will allow, because they consider the future of the country is at stake. Well, Sir, all this failed. Did these gentlemen stop then? They had given us factious opposition in the House; we had faction and conspiracy in the country. Did they stop then? Oh, no, their resources were not exhausted. We have next what is called the new Syndicate. Well, this new Syndicate has got into about the same trouble as the member for Gloucester. Its position is an ambiguous one, and it is tainted with considerable stain and suspicion. It is a very curious thing that it is very difficult to put up a job. Whenever you try to put up a job, it is characterized with a certain perverse ingenuity which invariably divests it of those circumstances which surround a natural transaction. I will give you an instance. Two stores are burned down in the same neighborhood. The owner of one has the sympathy of all his neighbors; very likely subscriptions are raised for him, the insurance company pays him, and he gets on very well. To the other fire everybody points at as a fraud. Somebody said a long while ago that truth is mighty and will prevail. Well, this Syndicate affair is not an ordinary fire; it is an incendiary. It is a scheme that bears the stamp of having been conceived in fraud, and brought forth in iniquity. It bears upon its face the marks of its iniquitous paternity. It was conceived without honesty and, like most of such measures, without common sense. Throughout this country there is but one opinion with reference to it, and that is that it is a fraud. Who are the men connected with it? The head and front of this affair, the great financier who is to manage the whole thing, is Sir Wm. P. Howland. Well, perhaps, from certain relations which exist between him and the leader of the present Government, he had better have kept his hand out of this nasty thing. He had been well repaid for what he did, and should have been satisfied. But when men put a scheme like this before the people on a matter so important they must be subject to criticism. Is Sir Wm. P. Howland a man of such financial ability as to be able to carry out a scheme like this? To my memory, the only marked instance we have of his financial talent was when he was treasurer of the Macdonald-Sicotte Government, when, in one year, he got the affairs of the country in such a mess that the Government burst up altogether. But it is said there are great railway men in the new Syndicate, great contractors who have carried out works of enormous importance, and are able to carry out this work better than the Stephen Syndicate or any one else. Well, who are these men? Among them are Hendrie, Proctor & Wood, of Hamilton. These men, claiming that the Northern Railway Company were likely to impose onerous rates on freight and passengers, determined to get up another road to compete with it—the Hamilton and North Western Railway—and they went through the country, and succeeded in getting very large bonuses from the municipalities through which it passed, on the ground that it would be a competing line with the Northern Railway. In this way they got bonuses enough to build about half the road, and they got a clause put in their Act of incorporation allowing them to be contractors also. About the time they got the road completed, they found that they had made a horrible mess of it. What did these men do? They went to work, and in front of the men from whom they had got the bonuses, made that road over to the Northern Railway, which they were bonused to compete against. We might, of course, say, and with ordinary justice, that men who carried out a scheme like that are not honest men and should not be trusted with such an undertaking as this; but I want to go further than that, and show that whether honest or not honest, they would be unable to carry it out. It was found out when they handed the Hamilton and North Western Railway over to the Northern Railway Company, they were about to be prosecuted for fraud by the City of Hamilton, from which they had obtained a bonus of $200,000. And what did these great railway men do? They crawled all around Hamilton on their stomachs and said that they and their families would be ruined, that their furniture would be sold by auction, that they would have to work hard for their honest living. So they got these proceedings stopped, on the ground that they would be ruined if they were not. Well, I say on that ground, they are not fit to be trusted with a great transaction like this. I need not discuss Major Walker; he has been discussed already. It is enough to mention the names of Major Walker and Herman Cook, and to point to their public acts or their financial position to show that they would bring no strength to a scheme like this. The same remark applies to the man named Larkin, of St. Catherines, who is well known to be not worth a cent in the world. Mr. Norris belongs to it also, who has no more means than is necessary with hard work to carry on his own business. Is it right we should have a thing like this flaunted in our faces? What is the result when this great gun is fired, and when the sober common sense of the people become able to appreciate it at its true value? We find those gentlemen, so soon as they learn the true feeling of the people, abandon their bantling before it was weaned, leaving it to starve. I may be talking harshly; I may be so very biassed by my political proclivities that I cannot deal with it fairly, but it seems to me when a thing like this, marked with so many features that indicate it to be a foolish fraud from beginning to end, on which the very men from whom it emanated turn their backs, I am fairly born out in charging these men with not dealing fairly with the House and country in the course they have adopted. The Government have brought down a measure that seems to give a solution of the problem that has been vexing the minds of statesmen both here and in the mother land. On the one hand, no greater problem has engaged the attention of the statesmen of England than that of providing an outlet for their overcrowded population, and on the other the great question which our statesmen have had to consider for years past is the speedy filling up of our North-West with the people from other lands. In the scheme now before the House, we have a complete solution of that problem. We can, with the aid of the mother

land, remove her surplus population, energetic men anxious to provide homes for themselves and families, to our immense regions of land as fertile as any to be found in the world. Yet, when a scheme such as this is submitted, a small band of men, politically speaking, outcast of the earth and reprobate of Heaven, raise their voices and say: "We are going to stamp out this thing; you know nothing, you are only curs, imbeciles, and slaves; we are the wise men, the men who know how to do this thing; entrust the Government to us and every thing will prosper; the land will bloom with happiness; we will have no more taxation; we will have railways without going to the ordinary means of building them, and every thing will be rosy." The only way I can account for their course is that their Grit mind is, for practical business purposes, a badly constituted intellect, of no use to themselves or to anybody else. When in Opposition their teeming brains are full of visionary fancies; and once in power, their scrupulosity, and honesty of purpose, and practical common sense do not all keep pace with their theories when out of office. We have seen what an improvement has become manifest in the commercial affairs of our country through the remedial legislation introduced by the Government; and if the scheme now under consideration were not as wise and perfect as it is, I hold that in the grave issues before us any man who would refuse to support the Government, and would vote to bring these men back to power, would be acting against the best interests of his country. What, from their utterance, would be the result if they were in power? We cannot shut our eyes to the fact that they have deliberately, for years past, set themselves in determined opposition and the will of the people. They care nothing for the expressed view of the people. They only wish to carry out their own ideas. When defeated at the polls by an overwhelming majority, they simply said: "Oh! the people are all fools; we are the wise men." I said, when I began to speak, I would detain the House but for a short time, I have given hasty expression to the views and opinions that have crowded themselves on my mind as the debate goes on, and I resume my seat with a renewed appeal, to accept this measure which is going to bind our people together, increase our population and national prosperity, and consequently add to the greatness and strength of the Dominion.

Mr. BORDEN. I think that the hon. member for Yarmouth ought to feel flattered, for he has been able to bring to his feet the acknowledged fighting man of the Government party in this House. That gentleman complained very much of the discourteous language used upon the floor of the House by gentlemen of the Opposition towards gentlemen on the Government side, and he began himself by most discourteous allusions to the speech of the member for Yarmouth (Mr. Killam). He saw fit to sneer at certain points which the member for Yarmouth said he intended to make, and which I believe the majority of the House will concede he succeeded in establishing. I think if there is any hon. gentleman who is able to place his points clearly before the country it is the hon. member for Yarmouth (Mr. Killam). The hon. member for East York (Mr. Boultbee), for the second time during this Session, treated us to a description of a meeting that took place during the vacation in Toronto, at which he has told us, in almost the same words, that the leader of the Opposition was afraid to meet him. In view of that the hon. member for Yarmouth should feel deeply flattered that a gentleman of his immense ability should consider him worthy of his steel. I do not intend to follow that hon. gentleman through his rambling speech, but there are one or two points that have attracted my notice. The hon. gentleman said he took a national view of this question, that he was in advance of his leader. Why, we know that every age produces men who are in advance of it. History tells us of such men. We read of men of science who have been put to death for holding views in advance of their times, who have been martyrs. I have no doubt the hon. member for East York (Mr. Boultbee) will find he is a martyr also for his advanced opinions when he comes to meet the people of this country at the polls. The hon. gentleman thought fit to accuse the Opposition of factiousness. I want to know which side of the House has occupied most time in this discussion; but I do not think any speech can be pointed to as indicating factiousness, and I do not think a speech has been made by an hon. member but that he thought it was his duty to make it on this important question. The hon. member for East York treated the House to a telegram which he said he had received, or had handed to him from the county of Gloucester, represented so ably by an hon. gentleman in this House. I do not propose to deal with that, inasmuch as the hon. member for that constituency rose in his place, and, no doubt, he would be able, in due time, to attend to the matter. But I also have a telegram from the Province of Nova Scotia, one in which the hon. member for Digby (Mr. Wade) will be interested. It is from a constituency represented in this House by a supporter of the Government, and it runs as follows:—

"Resolutions, protesting against the Government bargain with the Syndicate and favoring Blake's policy, of only building the road as fast as the resources of the country will admit, passed unanimously by the County Council to-day. J. W. LONGSTAFF."

Mr. WADE. When I rise as member for Digby, and make my observations as to the course I will take on this measure, it will be found that I will take the course I have always taken in the past. I know very well where that telegram comes from and the party who sent it. Digby will take care of itself.

Mr. BORDEN. I do not wonder the hon. gentleman is very much excited. He has had bitter experience of the results of taking a vote of the kind which his party leader will require from him in a short time. On a certain occasion, not very many years ago, the scheme of Confederation was passed in Nova Scotia. A motion was introduced by the Opposition in the Provincial Legislature, asking that the question might be submitted to the people at the polls. The present member for Digby (Mr. Wade) was a member of the House, and he voted against it.

Mr. ROCHESTER. I rise to a point of order. The hon. gentleman is not speaking to the question before the House.

Mr. WADE. Allow the hon. member to proceed.

Mr. SPEAKER. Will the hon. gentleman be kind enough to repeat what he has said.

Mr. BORDEN. I was reminding the hon. member for Digby of an event in the history of Nova Scotia somewhat similar to the present one, and that the hon. gentleman was called upon by his party leader to give a vote which relegated him to private life for quite a number of years. I do not wonder that this telegram makes him sensitive, remembering, as he must, the result of the course he followed on that occasion, which, I regret to say, he intends to take upon this. It is not my intention at this late period of the debate, after the question has been so thoroughly discussed by both sides of the House, to enter into the general question of the Pacific Railway; nor do I think it necessary or proper to do so, because I think the question is much narrowed by the recent offer made to the Government for the construction for a very much less sum in land and money than the offer which the Government have laid on the Table. Hon. gentlemen supporting the Government have seen fit, since the new offer was made and laid on the Table, to take a wider range of discussion than they did before; and I can

rightly understand it, because their object was to distract the attention of the House and the country from the new offer. They have sought to fasten the minds of the people upon every possible and conceivable subject, except the fact that two offers are in the hands of the Government, and that one is immensely more favorable to the people than the other. Now, it seems to me the question before the House is, which of these offers should be accepted? If it were not limited to these two, as I understand it is, if the question were open, I should advocate the Government asking tenders from the whole world, to see whether we have yet got the lowest tender that could be given. But as the Government do not see their way clear to that, and have a very much better offer than the first submitted, I say it is unquestionably their duty to accept it. Now, several speakers have raised certain objections to the new offer, one being that it comes too late. I would like to ask how it could have come before. What means did the Government take to get offers of any kind? Did they not conduct their business in secret? Did they invite tenders, or advertise for tenders for the construction of the road? Have they not, on the contrary, taken every possible means to conceal this offer from the House and the people? We have heard a great deal about the dignity of Parliament, before Parliament assembled, that it would be undignified for the Ministry to announce the nature of this bargain. When we came here, however, it was not undignified of them to deny Parliament the facts that would show us whether they had come to a wise conclusion or not, and most important papers, without which it was impossible for the House to arrive at an intelligent conclusion as to the course the Government have pursued; and, to-day, I presume they will see that it will be contrary to the dignity of Parliament for it to ratify anything but this contract. It seems to me, under the circumstances, that it would be most undignified for Parliament to ratify this bargain. Has Parliament relegated to this Ministry the exclusive right of doing its business? What do we meet here for? Is Parliament a farce? Do we come to receive from the Administration instructions as to what we are to do, or have we come here as independent men to review their conduct, and decide whether they have acted rightly or wrongly? One thing is certain—the people will review our conduct, we cannot deny them that privilege, although we do not give it to them now. I think the Government will be acting wisely to give it to them, but if they will not the people will have the opportunity before very long. A second objection taken by the member for Lunenberg (Mr. Kaulbach) to this second offer was, that it was not serious. To judge from that hon. gentleman's speech, and the tone of his remarks, I think he considers it very serious, and that he will find it exceedingly serious before he gets through with it. If I had wanted a list of arguments against this scheme of the Government, and arguments favoring the new offer, I could not do better than take his speech. While he was making it, I wondered whether he hoped the people would read his speech and forget his vote, because his speech is exactly opposite to what I am afraid his vote will be. With regard to the seriousness of this offer, does it seem likely that gentlemen of such high business standing, would deposit one and half million dollars, if they were not serious and did not mean business. The hon. gentleman from Cardwell made a very extraordinary statement the other night: he said that the money would never have been put up if he had not denounced the new scheme as bogus. He takes the whole credit for the result. He said that those gentlemen believing that he had been put up to give expression to the sentiments of the Government, and feeling perfectly safe as to the result, had seen fit to deposit their money. A more disingenuous statement, a more unworthy imputation could not have been made against the character of those gentlemen who submitted the new offer. Another objection was that this was done to embarrass the Government. Well, I want to know why it should embarrass the Government? What are the Government of this country for? To serve the best interests of the people. That should be their chief aim, and if they were anxious to do the best by the people of this country, this offer could not possibly embarrass them. Another objection made is, that its adoption would involve the giving up of the eastern end of the road. Why? The new offer certainly provides for the construction of the whole road. Well, they say again: "Oh, but it involves a change of Government." The policy of the Opposition is to throw over the eastern section. Why should it involve a change of Government? Are Ministers bound to accept this offer? Why did they bring it here at all? What have we got to do with it? We have heard a great deal about monopolies. Has this Syndicate a monopoly already? What binds this Government so that it cannot receive any other offer, and how is it that the acceptance of a lower offer would be equivalent to turning the Government out, and putting the Opposition in power? Another objection made is that the new offer is purely Canadian; that the ends of immigration, which are very important to this country, would not be so well served by the second as by the Government plan, because, forsooth, the Government Syndicate is composed of various nationalities, Frenchmen, Germans, and Americans. Hon. gentlemen opposite get up here and air their views, and tell us that the Opposition are disloyal—that they are super-loyal; believe in building up a great country, and want this railroad run all through Canadian territory; and yet they are unwilling it should be constructed, owned and worked by a purely Canadian company. There are a great many objections to the Government scheme, which have been ably dealt with already—there is the exemption from duty which the member for Lunenberg turned his especial attention to. He said, in Nova Scotia we have coal and iron—we are prepared to make rails for all the railways in Canada, and when he was making that statement I thought of the promise made to us previous to Confederation, that Nova Scotia would be the workshop of the whole Dominion. I also thought of the promises made to us previous to the adoption of the National Policy, and I scarcely could conceive how gentlemen who had made those promises could frame this contract as they did. Now, I desire to advert to two or three important differences between the two offers. And first we have a saving of $3,000,000 and 3,000,000 acres of land. An hon. gentleman from Prince Edward Island, who spoke last night, said the people approved of the principle of giving this work into the hands of a company, and that they were not much interested in the details; but it seems to me that this money and these lands are details in which they will be interested and which they will appreciate. I might point to the fact that these $3,000,000 would complete a line of railway in the county of the hon. member for Lunenberg (Mr. Kaulbach), and make the constitutents of that hon. gentleman happy. It would also complete the link between Digby and Annapolis. With regard to the value of the land it appears that there is one important consideration which has not been referred to, and that is that the Syndicate will get enough money to build the central section without using an acre of land, so that we have to consider the value of the lands after the road is constructed. If those lands will not be worth $2 an acre after the road is built, then I think the sooner we give up the whole country to those gentlemen the better. We find that in the scheme proposed by the Minister of Railways in 1879, that hon. gentleman proposed to build the road by the sale of lands, and he estimated the lands at a minimum of $2 an acre previous to the construction of the road. The hon. member for Lunenberg (Mr. Kaulbach), said he approved of the principle of building the road by a company, as a company could build the road more cheaply

than a Government, but surely there is room for comparison between the two companies. We have two companies before us, the offer of one being much more favorable than that of the other, and we will see which one the hon. gentlemen will vote for. A good deal has been said here about public opinion, and hon. gentlemen supporting the Government are endeavoring to delude themselves into the belief that public opinion is in their favor. I believe that their better convictions tell these hon. gentlemen that public opinion is decidedly against them. I know that, so far as I observed—and I had good opportunity for observation when I went home during the holidays—that public opinion is very much exercised on this subject and that it is opposed to the Government scheme. I had the pleasure of being present at a meeting in Halifax which was attended by 800 or 1,000 electors, and was one of the most earnest meetings I ever attended. The hon. member for Gloucester delivered a most able speech, and notwithstanding that invitations were repeatedly extended to any person present to address the meeting for or against the Government scheme, resolutions adverse to the contract were passed almost unanimous, there being not more than one or two voices raised against them. Some remarks have been made about the petitions which are being presented to this House in opposition to the contract; vain attempts were made to get up counter petitions, but the latter have been so few and the number of signatures so small, that I think it would have been better for the hon. gentleman opposite, if the attempt had not been made, as it has only strengthened our position. An hon. gentleman referred last night o the monster petition which was presented from Prince Edward Island, and by taking various exceptions to it he made out that there was about 100 of the signatures which could be objected to. Well, as the petition had some 4,500 signatures, even if we take off 100, we have still left 4,400 names. A very respectable petition. He said this petition was signed by the dead as well as the living, but I was not much surprised at that, for I should think if there was anything which would bring the dead from their graves it would be the enormity of the the scheme which is before the House. He said he had received some letters—of which he read extracts without, however, giving us the names of the writers—and he said he thought these letters would be a better indication of the feeling in Prince Edward Island than the petitions presented to the House. He may think so, but I do not think any body else will agree with him. We have heard a good deal during the debate about loyalty, and we had a lecture on that subject from the hon. member for Annapolis (Mr. Longley) who always enters earnestly into any subject he may discuss. Hon. gentlemen opposite are in the habit of arrogating to themselves all the loyalty of this country—they are the super-loyal party. But it occurred to me that the interests of the people could be better secured by acts of loyalty than by high-toned expressions of loyalty in the House, and that loyalty like charity had better begin at home. That hon. gentleman knows that his own Province and county are heavily taxed by the National Policy of this Government; that it bears very severely on the people living by the sea. The hon. gentleman I think would serve his people better by voting to save them this $3,000,000 and 3,000,000 acres of land—which means $6,000,000 more—than by treating us to lectures on sentimental loyalty. There is one thing about him and about those who agree with him in Nova Scotia, and that is their loyalty to their party. I admire a man who sticks to his party, but there is such a thing as carrying that feeling too far. When loyalty to his party comes in conflict with loyalty to the best interests of his country then I think loyalty to his party should give way to the interests of his country.

Mr. MACDOUGALL. I have abstained until the present moment from taking part in this debate on the main question before this House, because I felt, as an old member of Parliament, and an ex-member of the Government, and one who has in his official capacity had to do with questions closely connected with this, it would be proper for me to hear the views and opinions of hon. members, some of whom became members of this House only at the last election, and to observe, as well as I could, the progress of the agitation which has taken place in the country for the purpose of exciting—I will not say for that purpose alone—opposition to this scheme which the Government has submitted to Parliament with respect to the Pacific Railway. I am one of those who have a very strong faith in the sober second thought of the people. From the beginning of my political life, now many years ago, that has been my guiding star. I have endeavored to ascertain first, what, according to my judgment, was in the interests of my country, and then, as journalist and member of Parliament, to bring the question in that light before the people of the country, and to be guided in my political action, at all events in my representative action, by the result at which I arrived as to the true opinion of the people of the country, irrespective of party. I have belonged to Governments which have had to depend, for their support in Parliament, upon the suffrages of a political party. I admit, as the gentleman who has just taken his seat remarked, that there are occasions in the history of political conflicts when it becomes the duty of every member of Parliament to consider whether his allegiance to his party or his allegiance to his country should prevail. Now, Sir, if I felt that in the present case anything I could say, or any influence I could use with the Government or upon hon. members of this House, or upon the public, would prevent the success of a scheme which has been submitted to Parliament, I should hesitate very much before attempting to exercise that influence. I should feel myself bound to consider the broad question whether this scheme, with all its defects, with all the objections that an honest man and a man of experience, in matters of this sort, could urge against it, is not upon the whole a measure which ought to command a majority of this House. I have had an opportunity, as I remarked on a former occasion, of consulting my constituents. The constituency I have the honor to represent is, I believe, without making any unfair reflection upon other constituencies, one of the most intelligent in the Province of Ontario. It lies between two considerable cities, Toronto and Hamilton. It is crossed by four railways, one in the rear of the county, another in the front, another from front to rear, and another recently constructed through the centre. There are several villages, and there is great activity of political discussion in that constituency. They have had, for many years, close contests, sometimes bitter contests. Newspapers circulate there freely—the city papers both of Hamilton and Toronto, as well as those from more distant points. Therefore, I thought it was a very suitable tribunal to decide upon the main features of a case like this. On the occasion to which I refer, I had the pleasure and the advantage of having present the prominent men, the most intelligent men of every township of that constituency and of both political parties. I endeavored, assuming for the time a judicial tone and temper, to lay this matter before them in that sense—avoiding a partizan position, either on behalf of the scheme of the Government or on behalf of the Opposition. I pointed out, as I thought it my duty to do, what its merits seemed to be, and what was contemplated by the Government in submitting it. I called attention to some features which seemed to be defects, some of them serious defects. I asked them to express their opinion for my guidance. I was asked by some who were active in the Conservative interest, whether I would support this scheme in Parliament if a majority of my constituents instructed me to do so. I said at once, I can make no such promise; I am here for the purpose of hearing your views, of ascertaining the political pulse, so to speak, upon this subject,

of Halton; not of the Conservative party only, because I told them after my election that I would hold myself responsible to the constituency at large, that in dealing with great questions in which all their interests were or might be affected, it would be my duty to regard, not the political party who chiefly gave me their support, but the views, opinions, and interests of the whole body of the electors. I said that I wished to have the opinion not merely of Conservatives, but of those who belonged to the Opposition. On the other hand, I was asked by prominent gentlemen, personal friends of mine, belonging to the Liberal party, whether, if the measure was condemned by a vote of my constituents, I would go back to Parliament and condemn the measure by my vote. I said, as in the other case, that I would make no such promise, that it would be my duty, in their interest, as well as in the interests of the country at large, to consider this question from both points of view, of its merits and its defects, and to arrive, if possible, at a conclusion, when the vote was taken, what course it would be my duty to take. Well, Sir, the conclusion at which I did arrive, after a pretty full discussion, after various propositions had been submitted to the meeting by leaders of the Liberal party as well as by prominent Conservatives, was that the public opinion of that constituency, so expressed, was favorable to the proposition submitted by the Government to Parliament. It was favorable to it on this view: in the first place it seemed to be the unanimous opinion that it was desirable, if it could be accomplished, to take the construction of the Pacific Railway out of the hands of the Government and the officers of the Government and to place it in the hands of the Company of capitalists, a commercial company, who would construct, operate, and own it as a commercial speculation. They seemed to be of opinion that it would be preferable, in the interests of the country, that that course should be taken, if it could be accomplished without making the burden too heavy for the people to bear. Then, as to the amount of subsidy. It was a very simple question—$25,000,000 in cash, and 25,000,000 acres of land to be appropriated, in alternate sections, so that the Government would retain everywhere adjacent to a section belonging to the Company a section of its own, to be dealt with as the Government of the day, instructed by Parliament, might deem proper. If our policy should in the future be to give away all the lands, to induce settlers to go into the country, it would be quite competent for Parliament to pursue that course with respect to the alternate sections. I do not think any intelligent man of either party, objected to the amount of land and money proposed to be given for the completion of this railway. Objections were made—and on the face of the contract were naturally and justly made—to some features in it. I was able to tell them, with reference to the standard of construction, that the Syndicate had consented by one of its members, who had a power of attorney to act for his colleagues, that the Union Pacific Railway, as delivered to the Government in 1873, should be the standard, the approximate character of which would guide in the construction of this railway. Then I was able to say that, before leaving Ottawa, I was assured by those who had it in their power to assure me, that, with respect to the exemption from duty of a certain portion of the materials required for the railway, an arrangement would be made which would meet objections with respect to that; that, in other words, those manufacturers in the country of railway materials should have no just ground of complaint against the Government, as this matter was entirely in the hands of the Government. With respect to the objection raised here, as to the roadway, rolling stock, and property of the Company along the line being exempted from taxation, it did not engage my attention or the attention of those present very much; it was regarded as an insignificant objection, inasmuch as if the railway were constructed as a public road, the roadway and its equipment would be exempted. It has been the custom throughout these Provinces to encourage the construction of railways, by exempting them from taxation in some cases, and by bonuses in other cases. It did not, therefore, strike me that that was a matter worth speaking of. But as to exemption of the lands from taxation for twenty years, it did strike most people, I confess, as a pretty serious objection. But it was explained to them that this exemption of lands from taxation was only operative in the case of municipalities being organized along the line of railway by the settlers, and that the time when this question would arise would be somewhat remote, over the greater portion of the line. The question does not arise in Ontario or Manitoba; because, I apprehend, it is well understood that the Government of the Dominion does not assume to contract with this Company to exempt their propertyin the Provinces of Ontario or Manitoba——

Sir JOHN A. MACDONALD. Or British Columbia.

Mr. MACDOUGALL. Or British Columbia; so that the exemption of both road-bed and lands could only come into operation when we pass the western boundary of Manitoba up to the eastern boundary of British Columbia. It did, therefore, seem to the gentlemen with whom that subject was discussed, that that was not a very serious matter, or one which would justify me as their representative in opposing the scheme. The last question that was discussed at that time—because I went there honestly and sincerely to ascertain the real views of the people, and endeavored to raise every material point for their consideration, and to elicit their opinion upon it—was the question of monopoly: first, in regard to the prohibition against other railways crossing their line, or the international boundary, making in fact a neutral territory within fifteen miles of the boundary; and, second, with respect to the power of the Company to impose such rates and tolls as they pleased, subject, of course, in the first instance, to the approval of the Government as in the case of other railways; and subject, in the next place, to that condition which, on the face of it—reading the contract in its ordinary, literal, grammatical sense—seems to require that there should be an earning of profit over 10 per cent. upon all the capital expended in the construction of the work, which, in my judgment necessarily, and as a matter of law, according to the decisions of the American courts, includes all the land, money and property which the work represents, and which may then belong to the corporation. That, I think, is the construction which the courts of law will put upon this contract. Of course we are supreme; our law must prevail if we choose to make it, for they are subject to us, and we may choose to overlook the terms of this contract if we will. But most hon. members of this House, and most honest people out of it, will say that we should be guided by a sense of justice, that we should respect our contract, and see that justice be done in any change that may become necessary. But, reading that clause, it seemed to me and the gentlemen present on the occasion I refer to—some of whom were legal gentlemen—that it meant that there should be a profit earned by the Company, on the whole expenditure made by the Government on the Thunder Bay section, on the Yale-Kamloops section, and on the Pembina section, as well as on the $25,000,000 and the lands to be given to the Company for the construction of the railway—a total sum which would certainly be found in the neighborhood of $80,000,000. If that is the construction of the contract, if that is the position in which the country will be placed, if the people will not be able to revise, through the action of the Government, the tolls, the charges, the rates which may be imposed by this Company, we know what will be the result. We know how railway boards act in matters of this kind. We

have had, in questions that have arisen in England, as well as in the United States, a frank exposition by railway managers of the principle upon which they impose rates and charges. They hold that their shareholders are their constituents, that they are trustees for the shareholders, that they have nothing to do with the public except to get profits out of them, and that it is their duty to impose as high rates on traffic as, under the circumstances of each particular case, the traffic will bear. I presume this Company, or any company, will act on that principle. If they have the right so far as the law, should this Bill become law, is concerned, to levy ten per cent. profit upon the amount of capital contributed by the Government as well as their own capital, none of us who are alive to-day or our children will see the time when that interference of the Government for the reduction of tolls can be accomplished. It has been whispered about that this is not the construction to be placed on the clause. I believe the First Minister the other night said something to this effect, but I did not catch his sentence, and in looking over the *Hansard* report I did not observe any distinct statement on his part that that particular construction which I have attempted to describe was, or was not the true one. However, I suppose before the Bill has passed through its various stages, the construction to be placed on that particular section will be elicited. It seems to me the Company ought to be willing to trust to the equity, honesty and judgment of Parliament in the future management of the road. They are receiving great aid and great privileges on the face of this contract, and it does seem to me that in developing that new country, in which they will have so large an interest by reason of the quantity of land allotted to them, they ought to act generously and in concert with the Government in dealing with a question of this kind. I have said before, though not in this House, that if any attempt be made by any company whatever in that North-West country, to impose extortionate rates on the people who go there, neither the Government of Canada nor any Local Government will be able to enforce obedience to that state of things. We cannot, in this British American Confederation, govern any Province against the will or determination of a large majority of its inhabitants. Our only influence, our only power of control is in the confidence which the people may repose in our justice and honesty of purpose. We can govern, in other words, only by moral influence. We have no physical power adequate to the suppression of any large movement among the people in any Province, more especially in the North-West. We must hold these people by reason of the feeling that we are dealing honestly and fairly with them, and that it is their advantage to remain part and parcel of the Confederation. If we put in the hands of this company the power to oppress them, and they exercise that power, a feeling of resentment will spring up in that country which no force we can use will subdue. Therefore I say that no great injury can result from this clause, because it is impossible for the Company to put in force. Those who insist on it, in the hope it will be profitable to them, as well as those who represent the people here, ought to see that there must be a revision of these terms. The people must feel that they are not at the mercy of a soulless corporation but are under the protection and control and have the assistance of the Government. That provision, in my mind, is a most important one. It includes or excludes many of the objections that have been pointed out by hon. gentlemen opposite. The Government is now, as Governments in the future will be, subject to parliamentary control in this matter. It is true we have sometimes seen votes that did not indicate a very great amount of independent action on the part of supporters of the Government. I sat occasionally, by permission, on the floor of this House, during the *regime* of the Liberal party. The hon. member for Lambton, who was for many years a personal and political friend of mine, was at the head of affairs, and the hon. gentleman who now leads the Opposition—and leads it with such distinguished ability, leads it so far as parliamentary knowledge, legal skill, and oratorical power can aid him, perhaps with more distinction, with more success than any leader of that party in my time—was in his Administration. I remember when the hon. gentleman first took the political stump. I, though not pretending to his ability, did not regard him as a very formidable antagonist before the people, but I would so regard him now because I see he has made progress in all those arts which enable a public man to conciliate the prejudices and secure the confidence of the multitude. When in the House on that occasion, I observed the tyranny of the Government. The power of the Executive to impress its views upon and control the action of members of Parliament was more pronounced, and exercised a greater influence than at any time since 1853 when I first entered Parliament. There was a feeling among the Opposition that there was a power in the Government which was inexorable. I saw it in all the actions of Parliament and was amazed; as an old Liberal, I was offended; I said to myself: "Do these men represent the sentiments, the broad liberal views of government, which in my earlier days I learnt from the lips of Robert Baldwin, and other distinguished men of the time, who fought and struggled with the right hon. gentleman—at all events with his political party—to secure for the people the right to have their well understood wishes expressed in Parliament; is it possible that these men, the pupils of that political school, have so misunderstood its lessons that they have resorted to the means familiar to despotism in the conduct of the country's affairs?" Perhaps I was mistaken, perhaps some little irritation of feeling, personally—for I seemed to be a special object of hostility—influenced my judgment. I may have been mistaken; but they learnt a lesson. They found that the arbitrary system of government, that that dictatorial system that prevailed during the *regime* of Mr. Mackenzie—that personal government—which he practically exercised over this whole country and his colleagues, was unpalatable to the people. I found men who in their Provinces had held some position of prominence previously, unwilling to express an opinion upon a moot question that might occupy the attention of the Government, till they had consulted their chief—not even in the privacy of their bed-rooms or their offices. But that has passed away so far as the Liberal party is concerned; different ideas prevail to-day; and I am glad to notice, because I am observant in regard to such matters, that in this House and among the members of the Opposition there is a different feeling prevalent. I think that the hon. gentleman who leads the Opposition now, must consult his friends and ascertain their feelings before he undertakes to act. I think that lesson at all events has been learnt. I must say with regard to the hon. gentlemen who lead this House and govern this country, whatever difference may have existed between myself and them—and differences have existed, and exist to-day—I have always found them amenable to reason; they will argue—they can be approached. You can speak your views to them, and sometimes I have thought they listened to the views expressed by their political friends, not merely in matters of patronage or administration, but in matters of legislation and government. This little excursion into the history of the past, with reference to the two political parties, may help to explain my position. When I learned from hon. gentlemen closely connected with the Government, that there is to be no such construction as I have described, with reference to the contract—that is to say, that the Company when organized and operating the road, will not be able to hold that they have a right to impose such tolls as they please until we can show they have earned the ten per cent. on the $80,000,000 over and above the capi-

tal they may have contributed, and over and above their stock—I was disposed to regard with less disfavor the contract as it stands, than when I visited my constituents at Halton. I told them that I had a strong belief that with respect to these two matters, the question of taxation and of Government control over this railway, changes would be made; or, at all events, explanations that would remove existing doubts. I have no authority to announce it here—because I do not know how it is to be done—but all I can say is, that unless that be done, not only my vote but, perhaps, the votes of some other members, might be recorded against the scheme. That might not amount to much, as the Government possesses a large majority—too large a majority, I think—for we would be able to discuss some of the questions that come before us with better prospects of success to the minority, if the majority were not so large——

Sir JOHN A. MACDONALD. I may inform the hon. gentleman that the construction he fears is not the construction the Government puts upon the contract; it is not the construction the Syndicate puts upon it; and to prevent the possibility of any doubt on the question there will be a clause inserted in the Consolidated Railway Act, which is to be introduced by the Minister of Railways, defining and limiting, in the sense the hon. gentleman would desire, the extent to which the 10 per cent. profit goes.

Mr. MACDOUGALL. I am delighted to hear that statement by the leader of the Government. It removes one of the most serious objections in the minds of some hon. members on this side of the House, as well as in the minds of intelligent thinking people outside, with respect to this contract. Now, what has happened since the submission of the Government scheme to Parliament. Some gentlemen in Toronto, Hamilton, London, and other parts of the Dominion, have been induced to tender for this contract with certain modifications, at a certain lesser amount in money and in land; they claim that it is in the public interest, and my hon. friend—I will call him so politically, although I am sorry we are not in the habit of communicating with one another; I do not think the fault is mine—my hon. friend, the leader of the Opposition, and many members on that side urge that this Government should withdraw from the arrangement which they have conditionally entered into with the first Syndicate, because it would save to the country $3,000,000 and 3,000,000 acres of land worth a dollar an acre. It might seem to the country that it is desirable to save $6,000,000 by placing this contact in the hands of a new company equally able with the other to carry out the contract. That does impress me as a very serious question for members of Parliament to consider. It is a substantial sum, an amount which, I believe, will impress most of the voters to whom we will have to appeal, after a couple of Sessions, with a notion that it would have been well to have saved it. I should like to see my way to an honorable course, provided the Government can take such a course—by which the conditions could be improved in this respect. But I think it would be unfair for a member of Parliament, and especially any one on the Ministerial side, to ask the Government as the organ or committee of Parliament, to take a course with respect to a transaction of this kind, that he should not himself be willing to take if he were a member of that Government. We must put ourselves in their place. We must not ask Ministers to do an act which our own minds would revolt against if we were clothed with the responsibilities of office. Can they retreat from the position they occupy? I do not say anything about the circumstances which preceded this contract. That has been fully reviewed on both sides. It has been contended with great skill by the leader of the Opposition, that under the Act of 1874, the Government had no authority to do what they have done; that the law did not authorize them to enter into a contract of this character, that therefore they are not acting within the terms of that Act. I am much of that opinion. I think the arguments of the leader of the Opposition were clear and conclusive on that point, but as I understand it the Government do not assume, they do not come here claiming that this contract is made pursuant to, or under the authority of, the Act of 1874.

Sir ALBERT J. SMITH. The Minister of Railways said so.

Mr. MACDOUGALL. I do not so understand it, and the very fact that the contract is before us to-day; that we have to pass an Act of incorporation, *ab initio*, proves, I think, that this contract is not within the Act of 1874—though the purpose which it is intended to serve may be the purpose indicated in that Act. It is an action of the Government outside of the Act of 1874, but within the spirit of it, within the motive and the intention of that Act. This is a proposition to hand over the construction of the remainder of the Canadian Pacific Railway to a Company, and that was an alternative contained in the Act of 1874. I think, however, that when the Government of that day, the Government of the hon. member for Lambton, adopted the other alternative, it necessarily excluded this. You have exhausted the power which is given in that Act, by adopting one of these alternatives; therefore, I do not agree with those hon. gentlemen on this side of the House, who say that Parliament and the country have expressed their desire to make this railway by or through a private company, for Mr. Mackenzie, in his Act of 1874, provided for the construction of the work by or through the Government. He began the construction of the railway as a Government work, he contracted with British Columbia—at least that was the aspect of the question at the time the Carnarvon contract was entered into, to build it as a Government railway, and the work was proceeding when the general election took place, upon that basis. After this Government came into power, they advertised for contracts, they let some contracts, and the work is in course of execution to-day, under the authority of that Act. I was elected knowing that the Pacific Railway would continue as a Government work, under the right hon. leader of the Government, if he came into power. It proceeded for a certain time in that way, and therefore, I think that in the discussions which have taken place as to whether this contract was strictly within the Act of 1874, or a departure from that Act is beside the question, because we have here the fact that the Government has taken the responsibility of proposing to this Parliament that they shall cease its construction as a Government work, except in certain portions, and shall hand over 2,000 miles of the Pacific Railway to be constructed by a company. Now, 2,000 miles of railway, 650 miles of it being in the rear of, or to the north of Lake Superior, and 450 miles more in the Rocky Mountain region, is a pretty large work to undertake. Valuing the lands at $1 an acre, the amount we are asked to pay for these 2,000 miles of railway is $50,000,000. It is true that an apparently disproportionate amount has been allotted to the middle or easy section, but I look at the proposition, and I think Parliament should look at it as an entire contract; and although the arrangement I have mentioned, may have been made in order to enable the Company to improve their finances, and although a larger amount of public money has been thereby contributed to their capital account at the outset, still the question for us is whether upon the whole contract the Company is being overpaid. I will read you upon this point two or three extracts from the able speech delivered by the hon. member for Lambton in 1874, when he was introducing the resolutions upon which to found his Bill of that year. He referred to the circum-

stances under which the Intercolonial Railway has been built, and proceeded :

"The Intercolonial Railway will cost about $45,000 per mile, traversing on the whole a very favorable country, and possessing the most ample means of access at various points on its course, and with the additional advantage of having procured the iron structures and the rails at a time when there was a very great depression in the prices of iron."

"The Northern Pacific has cost, so far as it has been carried—that is to Red River—$47,000 or 48,000 per mile in round numbers. Well, Sir, that road traverses, almost wholly, a prairie region, easily accessible, and where materials were easily found, and is altogether quite as favorable as the most favorable spot of any part of our territories, with this advantage that it was much nearer to the producers of supplies than any portion of our lines except that on the immediate frontier of the Lakes."

"But, judging from the cost of our own railways we have no reason to suppose that it will be possible to construct this line from end to end at a less price than $40,000 per mile, and it may exceed that by several thousands of dollars. Parts of it will of course exceed that very much, though in the whole of the sections east of the Rocky Mountains something in the neighborhood of that figure will cover the outlay."

Now, you will observe that we have 2,000 miles of railway to construct, of which about 1,100 miles may be said to be quite as difficult as large portions of the Intercolonial, and according to Mr. Mackenzie's calculations, the cost would be $40,000 per mile. Well, Sir, 1,000 miles of that difficult country, if you give $40,000 per mile, comes to $40,000,000. The other 1,000 miles, is a section including a large portion in the neighborhood of the Rocky Mountains, beyond the Pembina River, and, according to Mr. Smith and other engineers, is not by any means a facile country, and being removed so far from the base of supplies there are many difficulties, such as Mr. Mackenzie indicated, to interfere with the success of the contractors in that region. If you put it at $10,000 a mile there will not be any profit to be made by a Company who construct the road for that sum, so that counting land at $1 an acre over and above expenses of management, and over and above the cost of emigration which this Company must support, if they are to receive any valuable result fron the construction of the road, there will not be much margin for profit left. The matter of cost in promoting emigration is a point I have not heard much discussed hitherto in connection with this question. I have had an opportunity to know something of the manner in which the Northern Pacific Railway managed its emigration business. When I was in London in 1873 I visited frequently the offices of the Northern Pacific Railway. There was a regular propaganda established there. There were maps of every description, there were pamphlets and books prepared with elegant illustrations describing the country—most expensive books circulated by thousands. The gentleman who had charge of that establishment was an old newspaper man, an intimate friend of mine, Mr. George Sheppard, a very able man, who I believe is in their service again, and who was receiving $10,000 a year as a salary for superintending those offices and managing the subordinates under him. They had agencies on the continent, they distributed their literature everywhere over England, Ireland and Scotland, and they made arrangements with the steamers for bringing out emigrants intending to settle on their lands. I have no doubt that all this machinery cost them more than $1 per acre for all the land which they sold to immigrants. Now, Sir, if this Company undertake to settle their alternate sections of land so as to produce a traffic for their railway when it is built, and they will have little traffic for it unless they do so, it will cost them hundreds of thousands of dollars to secure the immigration they will need. Therefore, it will not be all profit. The calculations that have been made, the speeches that have been recorded in *Hansard* and in the newspapers, all omit, overlook, ignore that important element in ascertaining the value of the land which this Company is to receive. I say, then, assuming that this Company will act upon the same principle and be guided by the same motives of profit by which some of its members are already guided in Minnesota, that they will endeavor to secure settlers in order to produce something for the railroad to carry. If the Company adopt that principle, I think $1 an acre, above all these charges, is quite as large a sum as this House ought to place upon it in this discussion. Therefore, supposing that 1,000 miles, or one half the distance, is a difficult country which will cost, according to Mr. Mackenzie's estimate, $40,000 a mile, and that the rest will cost $10,000 a mile, they will require to get $1 per acre for every acre of land they own, before they will realize enough to meet the charges and expenses they have incurred. I do not think it ought to be the policy of this country to hand over the construction of this road to a private company, if we regard such a proposal as an extravagant one. It seems to me that subsidy is only adequate on the face of it. But, as I said a little while ago, certain gentlemen holding a very respectable position in the community, have tendered at a lower figure. My old colleague and friend, Sir William Howland, is at the head of them, and he is as shrewd a man, as careful a man in any matter which involves expenditure of money, as any one with whom I have made acquaintance in my political life, and I therefore believe that he must have calculated very closely in this matter if the proposal was a serious one. I know that Sir William Howland, a Privy Councillor, an ex-member of the Government, is as sensitive concerning the honor of a Privy Councillor, and the honor of a Government of which he is a member, in their dealings with other persons, as any man I have known. Therefore, I say that if he believed the Government could and would, with their majority of eighty in this House, abandon the contract which they had deliberately entered into with this Syndicate, for the difference between these propositions and hand the contract over to him, if he believed that, I think he must have expected to make a very small profit in the share he takes in the Syndicate. I know these are not his ways in dealing with questions of this kind. He wants a larger margin generally in operations in which he is engaged. But if we regard it as a movement for the purpose of bringing concussion upon the Government, if it is intended to strengthen the hands of hon. gentlemen opposite as a political minority in the country, as I said before too small a minority for the good government of the country—I wish it was somewhat larger—we can understand the lower tender. I think if the policy of the Government is no worse in other matters than in this, they will find votes enough to defend their policy. But, Sir, the question comes to this: ought we, as supporting this Government, to vote for the new Syndicate? I have always qualified my support. I need not repeat that in this House, I am sure the members of the Government will do me the justice to say that in the first place I have not asked anything from them for myself, and that in the second place I express my views to them on public matters as freely as if I was a colleague of theirs, and they will not, I think, question my sincerity if I vote against them, should the interests of the public, in my view, require it. At the same time I am standing here responsible for my action to my own conscience and to my country, and I will not join in a cry or a movement which seems to be made with a desire to embarrass the Government as a Government, and to put it in a position of doubt and suspicion with respect to its supporters in the country upon a great public measure of this kind. But a Government requires to be upheld. Powerful as this Government is in its support in this House, in two years hence, if this measure shall be disapproved by a majority of the people, it will disappear like snow before the sun—it will disapper as another strong Government in our recollection disappeared at the polls. Therefore I say that though its support may be powerful here, yet it is the duty of those who support it and who desire that it shall continue

and work out the policy for which it was elected, to strengthen the hands of even this strong Government and not join in those movements or efforts made by persons who have a political object in view. Their political object may be conbined with a public object; that is the business of an Opposition; it is the duty of an Opposition to seize upon those measures in which the Goverment have not come up to the mark, as they say, and to expose them, to point out to the country that they have not done as well as they ought to have done, that they have not been so economical as they ought, that they have not made a choice of public servants from the class that they ought, and so on. On all these points it is legitimate, proper and u-eful to the country that the Opposition should attack and compel defence. But, Sir, when we are dealing with a question of the magnitude of this one, which is unparalleled, except by the great scheme of Confederation itself —affecting important interests far reaching in its influence over that great country which is to be, in my opinion, the chief seat of empire upon this North American continent—I say, that in dealing with such a question, I appeal to this House as I appealed to my constituents, for the sake of their country, to put aside their party feelings for the moment, and deal with this matter upon its merits—not to mistake partizanship for patriotism, or positivity for truth, but to treat this momentous question honestly, and if possible ascertain what course we, as representatives, ought to pursue. In that spirit, and with a desire to support the Government in carrying out their policy, I am disposed to overlook small points, and to disregard words unless they are significant words, in this contract; and I think one may be justified in taking this ground, because when the Government of a country have adopted a policy which no party objects to, which hon. gentlemen opposite do not object to—of constructing this railway by means of a private company—when the Government have entered into a contract with capitalists at home and abroad, when they felt justified in leaving their colleagues behind them and visited Europe and made explanations to, and placed facts and figures before the powerful men on the Bourses of Eurepe, as I presume they had to do, to secure their co-operation—I say, when they did that, dealing with a country, the future of which we are now settling—a country which has a cultivatable area of 150,000,000 acres of land, at least—a matter of two or three millions, more or less, in the construction of a railway 2,000 miles long, is a very small matter. Suppose that, under the pressure of this political exigency, and out of sympathy with Ministers, the first Syndicate should come down, as they might easily do, and say: "You have entered into a written contract with us; we have made certain expenditures on the assumption that a Government, with such a support in Parliament as yours, would implement the agreement; but if it is going to embarrass you, we will come down in the price." What would be the result? They would take the difference out of the railway. They would make such a road as they could make a profit upon at a lower sum. I do not think, Sir, that in so gigantic an undertaking as this, for this small consideration, small as compared with the large amount involved, it is worth while to force Ministers into the repudiation of the solemn agreement which they made in the light of all the information available to them at the time with parties competent to undertake this contract—that has not been denied. If the new Syndicate embraces gentlemen of large means and large experience—there are some, it is stated, who have not very large means. No doubt they are quite capable of undertaking a large enterprise of this kind with the backing of capitalists who have confidence in their undertaking and can influence the markets of the world. None of them have the means of building the Lake Superior section or the section from Jasper House to Kamloops on their own credit. All the millions these men together could produce would not begin to be sufficient for a work of that kind, if they were not able to go into the markets of the world and show that they have an undertaking that will yield them a reasonable amount of profit. Therefore I think the fact of the second offer should not weigh with us very much. Is this a practical scheme with a large amount of money and land to be given, which will commend itself of the confidence of capitalists—of men who lend their money expecting to get it back after a while—of men who expect to get interest upon it during the time the work is going on? I used to say, in discussing public questions at our pic-nics before the last general elections: "You Conservatives need not listen to me; I am not addressing myself to you, I know you will support your chief at any rate; I wish to address myself to those who are not so well affected towards the political leader with whom I am at this moment acting, and to endeavor to persuade them that in supporting that hon. gentleman and his friends they will have a National Policy which will restore their prosperity and give health and progress to the industries of the country; and now that I have alluded to that point, I believe the fact corresponds with the prediction. Those persons like myself, who were not the political supporters, but rather the political allies of that hon. gentleman, persons looking with a friendly eye upon gentlemen who had vindicated their right to be considered statesmen by a long course of useful public life, and by adopting some good reforms which they had in their early days resisted, considered them deserving of credit, because they were like English statesmen of whom it is said they abandoned the prejudices of their youth and adopted the views which were found at last to prevail. I believe there are a good many people in this country who believe in the maxim of Lord Beaconsfield, that a statesman must pay attention to the spirit of the age; and I believe that class of politicans are those who are likely to succeed in this country. Returning to this new proposition, I admit it is embarrassing. It is a weapon which will no doubt be effective in the hands of hon. gentlemen opposite and their friends outside. At the same time if this House confirm that contract, if they pass the Bill which gives authority to the Company to proceed under it, if the Company push on the work rapidly, if they organize machinery at home and abroad to bring out emigrants and relieve the Government *pro tanto*, I believe, when another election takes place—provided hon. gentlemen do not make greater mistakes in other matters, and provided hon. gentlemen opposite do not induce the people to forget their mistakes—those who have supported this arrangement will stand a very fair chance of again finding their places, if they wish to get them, on the floor of this House. I feel, after the way in which the question has been considered from every possible point of view, from every possible point of legal scrutiny, after the manner in which its objectionable features have been magnified and presented in their most repulsive form by the skill and ingenuity of hon. gentlemen opposite, if all the hon. gentleman can do is to move an amendment which affirms nothing, which is a mere recital of what I suppose by courtesy we may say are facts, so far as the analysis of the Act of 1874 and the analysis of the contract, are concerned, he will accomplish nothing. I think it is a remarkably able paper. It will make a capital manifesto, far superior to the manifesto which appeared modestly in the newspapers a few weeks ago; but at the same time, like many things which I have observed in the course of my political experience that emanated from that hon. gentleman, it ends it nothing. It affirms nothing; it is a negative. I think if your attention, Mr. Speaker, had been called to it at an earlier stage, precedent might have been found for rejecting the amendment altogether, because it is merely a negative of the resolution. Looking at the last clause, it seems to me to offer nothing to the House. If you say "yea" to that clause, you merely say "no" to the resolution, nothing more. I see no purpose,

except a political one, in having such statements entered in the Journals of this House. I think that any person who was patriotic in his intentions and who desired to impress on the country and upon the House, the desirability of adopting the second proposition, would not have undertaken to embarrass the Government, to place the Government and its supporters in so many false positions as they are placed in apparently by the long recital and by the figures and calculations which amount simply to a declaration that it is not expedient to legalize the contract. That was all it was necessary to say. The amendment was like a famous one proposed on the occasion of the English Reform Bill, by an hon. member who wished to record all his objections to that revolutionary Bill, as he considered it, and it was ruled that he had the right to place those reasons in the form of a resolution. That was the precedent on which the hon. gentleman was enabled to set forth in his amendment, all the objections to the present contract, by showing how it differed from the Act of 1874, and the offer made by his political friends. I believe the question will be—I see evidence of it on this, and I think on the other side of the House—is not this amendment at the bottom, in its inspiration and in its motives and throughout, a political movement; and in that sense it is not surprising that supporters of the Government in this House should resent, resist and oppose it. For my part I would be very glad to save three million dollars and three million of acres of land, but I do not see how it can be done. If the Government were forced to abandon the contract with the Syndicate, believing it to be the best that could be made, they, as honorable men and as men with a fine sense of propriety in the positions they hold, would be compelled to abandon their places. You force them, you drive them to give up the position they hold, and transfer to any one who may succeed them the carrying out of this work. It would not be expected if hon. gentlemen opposite were in power. When they were in power, does any one suppose an Opposition amendment, inspired as this has been, containing such propositions as this contains, so obviously aimed at the destruction of the Government as a Government, so obviously prepared for the purpose of elevating the Opposition in the estimation of the country, would have been accepted—does any one suppose they would have hesitated to vote it down. How many cases can be cited if we look at the Journals, where questions not involving, it is true, such large interests, except the Act of 1874, were voted down without the least hesitation; and every political party under our system of Government will do the same. I have, therefore, with these observations upon the general question, to say that having been elected at the last general election as a supporter of the policy of the hon. gentlemen on the Treasury benches, having been elected by a majority of their political supporters, although I fancy I would not have been here if I had not been supported by a good many voters who are not Conservatives, having found that the policy which we were all pledged to secure at their hands, has, in respect to the Tariff, been carried out, and proved successful, I cannot support the amendment. Taking a large, an unprejudiced view, and not a critical or hostile view, not allowing personal feeling to intervene, I must support the Government. I might perhaps, in consequence of things I see in the newspapers and hear in the lobbies and elsewhere, allow my personal resentment to influence my conduct, yet I have never done so as a public man, and will not do so now. It is impossible for either the friends or opponents of this Government, no matter what they may think, or say, or write in the newspapers, or omit from their newspapers, to drive me from according an honest and fair support to its policy, so long as that policy is in the interests of the country. I decline to support the amendment, which means nothing, which is only an historical narrative of certain facts, and I will support the proposition of the Government to grant $25,000,000 and 25,000,000 acres of land, with proper provisions to carry out what I now understand to be the intention of the Government.

Mr. CAMERON (Victoria). I do not rise, Mr. Speaker, to address the House at this late period of the debate, with the fond hope that I can for one moment say anything new, or present any fact not already stated in some way, and probably much better than I can do so. It would be presumptuous on my part, and an unwarranted reflection upon the ability, industry and eloquence of the many hon. gentlemen who have addressed the House at such length, as they have addressed it on the question now before the Chair, were I to assume I can add one argument, that I can adduce any statistics to throw new light on the question before the House; but the magnitude of the matter is so great, the importance of the question under consideration is so vital to the interests of the country, that I feel it is only right and proper that every hon. member who desires to do so should have a fair opportunity of stating his views to the House, and in that way of justifying to his constituents the vote he feels necessary to give. I feel, in my particular case, it is the more necessary and proper I should do so. I would not have availed myself of the opportunity, were it not that in the leading organ of hon. gentlemen opposite, it has been stated that I am one of the supporters of the Government who thinks one way but intends to vote another. I am not aware that while I have been in this House I have ever done so; I am not aware that any hon. gentleman can point to any inconsistency in my public conduct, or to contradiction between my expressed opinions and the votes which I have thought it necessary and proper to give. But slander coming from that source, anyone on this side of the House will pay but little attention to it. It will be waste of time now to begin to discuss, nor do I think it is very relevant to the proper discussion of this question, whether hon. gentlemen on the other side of the House have been guilty of inconsistency in the utterances they have made during this discussion, when compared with what they said on various occasions, nor is it of very great value to discuss whether this newspaper or that has always said the same thing on the question now before us. What we have to consider is this—and it is the point which the country wants to know—whether this proposal now before the House for consideration is the best thing to be done in respect to the gigantic question we have to decide. That is the real, substantial, vital point for our consideration. The people do not care to hear the recollection of hon. gentlemen as to what has been said or done in the past. What they want is to have the Pacific Railway question fairly discussed from its public and broad standpoint, in respect to the best interests of the country. I take it that so far as the policy of hon. gentlemen, in regard to the construction of this road, and the subsequent ownership and operation of it by a private company, is concerned, both political parties are committed to that view; and not only both parties, but Parliament is committed to it by legislation, not once, but more than once. The question now is, that being the case, is it better for the interests of the country to hand over the construction of the work and its operation hereafter to a company, or whether it is better for the Government to continue to prosecute the building of the road? I confess on that point I desire to speak with no uncertain sound. I have no doubt in my own mind that it is in the best interests of the country that the Government should cease, provided they can do so on reasonable and favorable terms, any longer to continue the construction of that great work, or after its construction continue to work it. I feel it is incompatible with the due carrying out of the business of the Government, that it should be embarrassed with the duty of building a railroad such as this or working it after it is built. It seems to me

it is not within the proper functions of the Government, constituted such as ours, and that there will flow nothing but recriminations from one side of the House to the other, in respect to the construction and management of the work. We have seen that in the past. We have seen each side assailing the other about so much of the work as is already constructed. We have seen each side assail the other as to the management of that great Government railroad which is still carried on by the Government, the Intercolonial Railway. We have seen the proper administration of the road and the proper construction of this Pacific Railway seriously interfered with by the utterances of party conflict; and I think beyond that objection to the Government carrying on this work there is also the practical objection that the Government is incapable, from its constitution, to satisfactorily work the road after it is built. A private company can construct it much more cheaply and satisfactorily as a commercial undertaking, and work it much more profitably and in the public interest after construction, than any Government can. There is thus no reason not to approve of the general policy that this work should be handed over to a company. The question then is whether the arrangement ought to meet with approval, whether the Government have been justified in entering into that preliminary arrangement. The general principle being concurred in, I believe the Government were justified in entering into this contract subject to the approval of Parliament. Two-thirds of the amendment of the leader of the Opposition went to prove that the contract was not in accordance with the terms of the Act of 1874. The Act of 1874 sanctions the general principle that the work should be constructed by a company, and it is quite immaterial whether the details of the proposed contract agrees with the Act or not. As the hon. leader of the Opposition said the other day, this contract has no vitality or existence until Parliament solemnly sanctions it and makes it law. It is unnecessary to discuss whether it is according to a former law or not, because this Parliament must make the law, must declare these provisions are for the benefit of the country and indicate the necessary legislation to carry it out. In viewing past legislation, in view of the declared policy of both political parties, the Government were perfectly justified in entering into and carrying on the negotiations which led to the completion of this contract, so far as it has been completed, subject to the ratification of Parliament. I go further—I say that the Government having been so justified, Parliament is bound in good faith to ratify this contract, unless there is something in it radically wrong and contrary to the best interests of the country. I quite agree with the hon. member for Halton that we should not examine with microscopic accuracy the details of the contract, and say because we would like this or that little detail altered we will condemn it altogether. The Government are bound in good faith towards the gentlemen with whom they have negotiated to use every reasonable exertion to have this contract ratified. If this Parliament should refuse to ratify it, it involves a condemnation of the Government. Are we prepared to condemn the Government, to say they should not have entered into this contract, that it is detrimental to the interests of the Dominion, that we should refuse to sanction it, when we know the effect of that will be the defeat of the Government? No other constitutional result can follow. For my part, I am not prepared to accept the responsibility of such a resolution. The hon. member for Gloucester, the other day, inferred, as one of the advantages that would flow from a refusal of this contract, that there might be a change of Government, and that such change would save us from the hideous enormity of the national policy. The very fact that he alluded to is one strong and material reason, and I have no hesitation in saying that even if I saw greater objections to the contract than I do, I should feel it my duty as a member of this House and of the Conservative party, as one having the best interest of the country at heart, to vote for the ratification of this contract, because I know that the result of a refusal to ratify it would be a reversal of that fiscal policy which, in my opinion, has been most beneficial to the best interests of this country. Among other disastrous results which would flow from a refusal to ratify this contract would be the injurious effect it would have on our moneyed institutions. A very intelligent and eminent banker told me, within the last week or two, that a refusal to ratify this contract would, in his opinion, result in a fall of at least 20 per cent. in the value of stocks of all the banks of the Dominion. This depreciation would, of course, affect every other joint-stock company and there would be a general upsetting of all that commercial prosperity which at present prevails. The general consequences of a refusal to ratify this contract would be so injurious beyond the special ones arising from the change in our fiscal policy that it would require very grave reasons to induce me to vote against this contract at the present time. We have been told that a strong reason why we should vote against it is that a better offer has been made, and that if the Government and Parliament chose to accept the one that has been made by the first Syndicate, they would be violating their duty to the country.

Mr. MILLS. Hear, hear.

Mr. CAMERON. The hon. member for Bothwell says "hear, hear," as if I correctly expressed his views. The first answer I would make to that is that the Government are bound in good faith to these gentlemen with whom they entered into this provisional contract to use their exertions to have it ratified. The Government were not in a position, when this last proposition was made to them, to deal with the gentlemen who made it—they must have known that that was the position of the Government. It is said, however, by members on the Opposition side: "Oh! you dealt with the first Syndicate behind the backs of the country, behind the backs of moneyed men who would have likely entered into such an arrangement." I deny that statement altogether, notwithstanding the emphatic 'hear, hear," of the member for Gloucester. I say that even before last Session it was well known that proposals of this kind had been made to the Government; that shortly after the close of last Session, and before Ministers went to England, the Premier openly and publicly, in his speech delivered at Bath, announced that such offers had been received, not only one offer but two, not only from Canadian but from English capitalists, and that speech was published in every newspaper It was commented upon at great length by the organs of hon. gentlemen opposite, and especially by the *Globe*. It was well known that Ministers went to England for that very purpose of negotiating with various parties, who wished and intended to make proposals or tenders for the whole construction of the work, for the formation of a company with that object, and the subsequent working of the whole road. It was well known throughout England, Canada, Europe and the United States, and publicly commented upon by the journals of those countries, and it is idle now to say that the capitalists and railway men of the world were ignorant during the whole time of those negotiations that this business was in contemplation. Members of the Government remained in England some two months before a preliminary contract was made, during which time articles constantly appeared in all the leading newspapers in London and in England, announcing what the business of the Government was. The probabilities of their success were openly discussed in the *Times* and other journals, and almost every English paper contained almost daily references to the subject, including the probability of a large demand being made upon the

money market of the world by the new company to be formed to build and own the Canadian Pacific Railway. It was announced to the whole world that the Canadian Government were open to offers for the construction of this work, and the formation of a company as then proposed. To say that these gentlemen who have come forward with such new-born zeal in the public interest, were ignorant of the affair and did not know they would be dealt with by the Canadian Government, is a statement that carries its own conviction on its face. They knew all about it, both when the Government was negotiating and after its return, and that although a preliminary arrangement was made, it was not consummated, and that there were details about which discussions were going on, as the leader of the Opposition says, for seven weeks before the contract was completed. Did those gentlemen make any sign during that time? Did the Howlands or McMasters or other Canadian capitalists suggest for an instant that the desire to enter into negotiations with the Government would lead to an offer of this kind? No; not until the contract was laid on the Table of this House, and until they could use it as an engine of political opposition to the Government, did they begin to have hopes that if they could make a little better offer they could defeat the Government, even if they could not get the contract, nor were those proposals brought forward. It is all very well and very easy for any one to get a better offer after he has closed with the first offer. If he propose to build a house, or do any particular work, and have made a contract at a certain price, somebody is sure to come forward afterwards and say, I would have done it a great deal cheaper. That is just the position of these gentlemen; they held back when they knew the Government could accept their offer, and then they made an offer which could not be accepted, and which I should properly stigmatize as a bogus offer. I do not mean to say it is bogus in the sense that these gentlemen are not responsible, or cannot raise the money to go on with the work—though whether they could complete it I very much doubt—but I mean by the term bogus, that the offer is made in collusion with hon. gentlemen opposite, and for the purpose of embarrassing and defeating the Government. Is it not a circumstance deserving of consideration that the leader of the Opposition told us when the matter was first mentioned, and when he asked the Minister of Railways if he had the new offer, that he had a copy in his own possession, before the Government ever saw it? Did not its terms appear in the *Globe*, the day before it was presented to the hon. the Minister of Railways. Are we not then justified in saying that it was concocted in collusion with hon. gentlemen opposite? If we believe that, it will be the duty of every hon. member in the House, supporting the Government, to refuse to entertain it for a moment. I think I am justified in saying it is an unworthy party trick, designed to embarrass us, and stultify us if possible before our constituents, and for that reason we are perfectly justified in saying we shall have nothing to do with it. There is another point to be considered. What, I ask, would be the effect upon the credit and character of Canada in the money markets of the world, if the Government should now entertain this offer? Supposing that the Government after entering on this preliminary contract by the authority of Parliament, but subject to the ratification of Parliament, after this had been known all over the world that we had entered into this contract with some of the leading moneyed men of England and the continent, that Government should say: "Since we have done all this, we have had a little better offer, and one by the acceptance of which we will save a few million of dollars and a few million acres of land, and we have therefore to throw overboard the contract which we solemnly entered into, which we called Parliament to ratify, although we staked our responsibility on the contract before the country and before Parliament;"—if this Government or any succeeding Government should after that go to England or to Europe to borrow money, or to enter into any negotiations or arrangements, they would be told by the moneyed men of Europe: "We want none of you; we have no confidence in your Government or your public men; we have no faith that you will carry out the arrangements which you may enter into, or that you will not stultify yourselves by getting rid of any responsibility which you may assume." I say that the acceptance of the new proposal would have a most injurious and destructive effect in the money markets of the world upon the credit and the reputation of Canada. It would bring disgrace upon the country if, under the circumstances which now exist, we should entertain what I cannot help calling this bogus offer. It is said that the second offer is very much better than the first. I totally dissent from that proposition. In the first place, if we consider the *personnel* of the two Syndicates, having no predilections for the members of the first Syndicate, not having any particular reason for favoring them, never having had any business relations with them or any of them, and having nothing but the merest personal acquaintance with them, and knowing by reputation and personally the members of the second Syndicate, I have no hesitation in saying that I have far more confidence in the ability, experience and capacity to carry on the work successfully possessed by the members of the first Syndicate than that possessed by the members of the second Syndicate. However much I may object to the political complexion of the first Syndicate, I believe it contains within itself the elements likely to ensure success for this work. The first thing we have to consider in relation to these two offers is, which of these two companies is the more likely to accomplish successfully the great undertaking we are entering upon. A mere saving of $3,000,000 or 3,000,000 acres of land would be of no importance if it would endanger the success of the whole scheme. What we require is the company that will be in a position to carry out successfully this great work, and compared with that object the saving of that amount as represents the difference between these two offers absolutely amounts to nothing. Members of the first Syndicate have had large experience of work of this kind. They have had large experience in bringing out emigrants, and in the sale and settlement of lands, and they have had larger experience and are certainly better known than the members of the second Syndicate in such negotiations as have necessarily to be taken to ensure the confidence of capitalists so as to raise the money necessary in carrying out such a work. I shall not go into any personal consideration of the wealth or means of the gentlemen who respectively comprise these two companies. This is not the proper place to discuss such a question as that, and it is due to these gentlemen themselves that we should not discuss their personal standing or wealth when they come before this House in a public capacity. I will at once concede that either of these Syndicates has money enough to make the advance necessary before the funds requisite for the completion of the work is required, but I do not think any of them can raise money enough out of their own resources. It is said that this new Syndicate will raise all the money which they will require, in Canada and out of their own resources. I should be sorry to think that they should be required to do so, for I believe it would be disastrous to the best interests of the country. I think that the introduction of foreign capital for the purpose of constructing the railway would be infinitely more beneficial to us, than that our banks and money institutions should be drained of their resources for the purpose of constructing this railway. Further, I do not believe that this second Syndicate, after what has occurred in reference to this second Syndicate, would be able to raise a pound of money if they

went to England. But perhaps the most serious objection to the second offer is, that it carries on its face a deliberate intention of constructing only the central or prairie section, and leaving the two ends to look out for themselves. In fact it involves the destruction of the great scheme to which Parliament is committed, which Parliament has been struggling to carry out this eight or nine years—that is, the Pacific Railway constructed throughout on Canadian soil, and stretching from the Atlantic to the Pacific of our mighty Dominion. For that reason alone, if for no other, I will feel bound to oppose this second offer. We have been endeavoring to build up a mighty Confederation—a great Dominion—and it has been solemnly and rightly considered by Parliament that a Pacific Railway, built from the Atlantic to the Pacific on Canadian soil, is an essential alike for political, patriotic and commercial purposes. Now, we are asked at this late day, the ninth year after the scheme was first propounded to Parliament, to cast aside the whole of our past, to declare that we do not want the Canadian Pacific Railway on Canadian soil, that we want in fact a route built through the prairies as fast as we can get people to go in there, and that we do not care what becomes of British Columbia, whether the eastern Provinces should be brought into communication with the west by a route going through our own territory; all we want is to build a railway in the North-West and leave the rest of the scheme to look out for itself. That such is their intention I think this new proposal carries the proof on the face of it. From that point of view I have no doubt they can make money in the scheme. No doubt they would like nothing better than to be allowed to go on and build from Winnipeg to the Rocky Mountains and stop then, if by doing that they could get the money and land subsidies they ask for, and the Pembina Branch and the road from Winnipeg to Thunder Bay given them into the bargain. That, I believe, is what this new proposition contemplates and nothing else. It may be said that these conditions apply only in case the Government desire to withdraw from the construction of this, that and the other part. But what will be the effect of the adoption of this new proposal and the rejection of the other? Why, the change of the Government and the putting in of the friends of this new Syndicate—for it happens there is only one Conservative among the whole twenty-one members, Mr. Hendrie, of Hamilton—when these gentlemen who have by this proposal succeeded in putting another Government into power, could go to the new Government and say: "We put you where you are, we put you on the Treasury benches, you are our servants, our slaves, we feel that in gratitude at least you ought to do what we want; now withdraw from the construction of the ends and we will be perfectly satisfied, and everything will be harmonious." Are we not justified in assuming that this will be the policy of the Government after hearing the declaration of hon. gentleman opposite, after hearing the leader of the Opposition avowing his opposition to building the road through British Columbia, avowing that the Lake Superior section from Nipissing to connect with the road near Thunder Bay should be indefinitely postponed, and that instead we should build the Sault Ste. Marie line? When we have heard these utterances officially made on the floor of Parliament, are we not justified in coming to the conclusion that if that hon. gentleman and his friends took office, as would be the result of the adoption of this new proposal, the new Syndicate would have no difficulty in getting those terms granted to them simply for building the prairie section for the cash and land subsides, with the Pembina and Thunder Bay Branch thrown in?

Mr. MILLS. We would have to go to the country and be sustained.

Mr. CAMERON. I am very glad to hear the hon. gentleman say that, because it shows that he has a vivid recollection of the effect of going to the country, and that he has present to his mind, that if they attempted to do anything so monstrous as I have pointed out, the people would rise and would say: "You have conspired with these contractors and we will not sanction your accession to office." I do not mean to say that there are not some details in the original proposal which I would prefer not to see there, but it must be borne in mind that this contract is not a one-sided bargain, not one dictated by the Government, that there were two parties to it, that it was a matter of give and take. We must also bear in mind that it was not for the interest of the country that the Government should try to subject these capitalists to such stringent conditions as would render their project a failure, that if they did not give them fair advantages and every reasonable consideration in the terms of the contract, the probability was that their efforts to raise the necessary money would be a failure. The Government were undoubtedly justified in showing every consideration, consistent with the public interest, to the request of these gentlemen as to the conditions that were sought to be imposed. Objection has been urged in reference to exemption from taxation, but I do not take much stock in it, to use a vulgar expression. I do not think it amounts to much if anything. The exemption from duties, I would have prefered not to see there. Possibly, it may have been considered unavoidable, and I think that when, as I have reason to believe is the case, the manufacturing interests of the country learn that their interests will be looked after, that a counterpoise will be provided, an equivalent will be allowed to them, which will prevent their being injured by this clause, I think the objection to it will be substantially removed. The monopoly of branch lines, about which so much has been said, I do not look upon as a serious objection. I can readily understand it was a condition on which the Syndicate, in common prudence to themselves, would necessarily have insisted. But it is only a limited monopoly, it is only a monopoly in so far as it would prevent competition ruinous to the main line of the through Canadian Pacific Railway, and if that be the object and the result of it I do not think Parliament ought to complain. Unlimited power is given to any company to build railroads in every direction except in the direction covered by the exception, and that I think it was proper for them to ask, it was essential for their safety to have it, so that no evil result is likely to follow from it. A good deal has been said in favor of the advantage to the country from the insertion of an option to the Government of assuming the property and all the assets of the Company at a valuation. I do not think that is important, for this reason: we are deliberately adopting the policy that it is not desirable that the Governement should own and carry on this work, and I do not see any occasion therefore for stipulating at the outset that we want to buy back the property and the assets of the Company with all the mortgages for all unpaid purchase money and everything else they happen to possess. Moreover, it seems to me that if the Parliament deliberately chooses at any time to say that it is in the interests of the public to buy this railway, or any other railway, or any other public work, Parliament would have that power; it is within the paramount power of Parliament to assume on such terms as it thinks fit this railway at any time, just as the Parliament in England bought all the telegraph lines. This power is inherent in Parliament of buying this road at any period it may deem fit in the public interest. Of course Parliament would only exercise the power on fair and reasonable terms.

Mr. MILLS. The Parliament in England reserves the power to buy the telegraph lines and also the railroads.

Sir JOHN A. MACDONALD. The Incorporation Act gives our Government the same power.

Mr. CAMERON. The part of this contract, looked at from a purely Ontario standpoint that seems most deserving consideration, is the traffic arrangements and the rates of toll which the Company will be authorized to charge. When I speak of traffic arrangements and of rates of toll, I mean that it is our duty, as representatives from Ontario, to see that Ontario is not placed in a position of disadvantage, and that our local railroads, the Ontario and Pacific Junction, and any other roads that connect with the Canadian Pacific, should have proper facilities for making connections with, and getting traffic from, or delivered to, the Canadian Pacific Railway as any other railroad; and that Toronto and Hamilton, and Ontario generally, should not be placed at a disadvantage as compared with Montreal and the Lower Provinces. I can readily understand that, if unlimited power were given to the railroad as to fixing rates, they might, by discriminating rates, virtually drive off the trade of the Province of Ontario and concentrate it all in Montreal. The 24th section of the proposed Act was, undoubtedly, intended to prevent that. I have some doubt whether that section goes far enough; but the Toronto Board of Trade have had a committee thoroughly considering this question and consulting railway men upon it, and that Board, in concurrence with the Hamilton Board of Trade, have put in writing certain suggestions on that point, which, I have reason to believe, the gentlemen composing the first Syndicate are not unwilling to accept. At any rate, I believe we may reasonably leave that matter in the hands of the Toronto Board of Trade, and trust that the Government will see, and that the good sense and fairness of the Syndicate will suggest, that what was undoubtedly the intention of the 24th section of the Act will be so regulated as to prevent the possibility of any discrimination against Toronto or Hamilton, or the Ontario railroads, in reference to traffic over the Canadian Pacific Railway. For these reasons I have no hesitation in saying that I consider it my duty to vote in favor of the original resolutions and against the amendment of the hon. member for West Durham, notwithstanding the warning of that hon. gentleman, couched in most emphatic terms, that the action of the Government and its supporters in this matter was going to bring ruin upon the country first and the party afterwards. I confess that the hon. gentleman and his friends appear to be competent, from experience, to predict what will bring ruin on the country first and the party afterwards. During five years of misrule they did their best, and very nearly succeeded in accomplishing the ruin of their country, and they found that the result was unquestionably the ruin of their party. I therefore admit his experience, while I deny altogether that the result he predicts in that lugubrious manner is likely to follow the adoption of the resolution now before the House. If I thought for one moment that that was likely to be the result, I should rather see the Government defeated, although, for the reasons I have stated, that would be a public disaster. I have sufficient confidence in the successful result of this arrangement to be convinced that it will produce not the ruin but the rapid development and the increased prosperity of the country at large, and that a grateful people will show that their confidence in the Conservative party has been vastly increased in their wisdom in carrying through the important matter now before the House.

Mr. ANGLIN. Before proceeding to deal with the more important points raised in the speeches of hon. gentlemen on the other side of the House, I may, perhaps, be permitted to refer to a matter somewhat personal to myself. The hon. member for East York (Mr. Boultbee), some time ago, read in his place a telegram relating to the passing of a resolution in the County Council of Gloucester—the county I represent. He might as well have told us that that telegram was put into his hand by the hon. the Finance Minister, and he might as well have read the name at the foot of it. It so happened that a few minutes before the hon. gentleman read that telegram, I received one myself from the county relating to the same subject. I was glad the hon. gentleman read the names of the parties who voted for that resolution, because it enables me to tell the House that so far as I can recollect not one of those gentlemen ever voted for me at any election, but that every one of them, so far as I know, opposed me at every election; opposed me when my majority was nearly 1,200, and did their best to prevent my election, and I think if I recognize one of the names, it is the name of a gentleman who opposed me as a candidate and who received either three or four votes. This telegram impugns the character of the County Council and speaks of their election and of other things which I do not care to dwell upon. They form a Council of the county, legally or illegally, and I have no objection that their opinion should go for what it is worth. But it should be known that several of those gentlemen have been members of that Council for a long time, and that others have rather drifted into the Council than been elected. I have not the slightest doubt that I shall have their earnest opposition at the next election, as I have had it in previous elections, and that notwithstanding all their opposition I shall have as large a majority at least as I had at the last election. There is another matter of a somewhat personal character to which I desire to refer. I was not in the House last evening when an hon. member from Prince Edward Island (Mr. Muttart) stated that a petition which I had the honor to present was of a somewhat bogus character—that some person had said that there were names upon it of dead men. When an hon. gentleman makes a statement of that kind he should be prepared with some proof.

Mr. PLUMB. He cannot have a coroner's inquest.

Mr. ANGLIN. No, Sir; but when the respectability of a document of that kind is attacked some evidence ought to be furnished in support of the statements made against it. Another statement is that several of the names are in the same handwriting. Not having examined the petition I cannot say whether that is so or not, but I think it is not at all improbable. Anyone who knows anything about the getting up of petitions must be aware that when persons carry petitions around for the purpose of obtaining signatures, those to whom they apply often authorize the applicants to sign their names, and names so attached are properly attached. The great document signed at Runnymede would have been of very little importance indeed if the fact that some of those whose signatures were attached to it were unable to write their names could destroy the value of the document. I heard of this petition only a few moments before I presented it. I received a note from Senator Haythorne and afterwards received the following letter:—

"CHARLOTTETOWN, 13th January, 1881.

"Hon. Senator Haythorne:

"DEAR MR. HAYTHORNE,—I have this day forwarded you the petition. There are 4,465 signatures to it. Owing to the snow storms and the short time for getting signatures the petition is not so large as it otherwise would have been. It is probable that there will be more coming in, but I could not wait any longer, although at least one-third of the Island has not yet been heard from. The Association would like, if it is not too late, to have the petition presented in the Commons, and if too late for the Commons in the Senate. Mr. Yeo is still here, so if he does not get up in time it will be necessary to get someone else to present it. The people here will not trust any of the other five members, so if Mr. Yeo is not back we would like to entrust it to either Mr. Anglin or Mr. Cameron, the former preferred because of his being from the Maritime Provinces. I will probably send some supplementary petitions hereafter, but it might be as well not to mention them until they are received. With kind regards,

"I remain,

"Yours very sincerely,

"A. B. WARBURTON."

That petition comes from a most respectable source. I presented it in good faith, and I am satisfied it is as respectable

a petition as any ever presented to this House. If hon. gentlemen choose to impugn its character they can have a committee appointed to enquire into the whole matter. Two things have become very evident in this debate. One is that all or very nearly all the hon. members who support the Government have made up their minds to ratify this contract. The right hon. leader of the Government presented the case to the House in the most specious form in which it was possible to clothe it, and yet he failed entirely to prove that the bargain is one which should be ratified. Other hon. gentlemen who followed him repeated his sophistries and fallacies—some of them of the most flimsy character. The hon. member for Halton gave us this evening an exhibition of what might be called political teetering of a most remarkable character. He was now on the one side and again on the other. It was rather remarkable that the objections to which he attached the most importance, which, if one may judge from what he said, would have made it impossible for him to vote against the amendment, were apparently removed so that he could not find any insuperable difficulty in coming to the conclusion that after all he should vote with the Government; but what it was that finally inclined him I cannot discover in his speech. I do not wish to attribute to him improper motives which he seemed to anticipate would be attributed to him. I am quite prepared to regard him as a man of powerful intellect, who, in endeavoring to decide which side he would take on this question, was entirely at a loss to find any reasonable grounds for voting against this amendment, but resolved to vote against it because he found that under all the circumstances he was bound to vote for the Government. In trying to defend that course he repeated a great many of the sophistries of the First Minister; but knowing the powerful intellect which the hon. member possesses, I would hesitate to suppose that those fallacies were accepted by him as overwhelming arguments. The hon. member for Victoria (Mr. Cameron) in his turn, repeated many of the fallacies of the First Minister and pretended to attach great importance to them. But, waxing warm towards the close, he forgot his prudence and declared that his great object was to sustain the Government in order to sustain the National Policy. The relevancy of the National Policy to the subject under discussion is not apparent to me, but those gentlemen find it very convenient to laud the National Policy in connection with this question, because they find that when they proclaim the success of the National Policy they are much more heartily applauded than when they attempt to defend the terms of the contract now on the Table. The member for Victoria (Mr. Cameron) I think must have misunderstood what I said, when he imagined that I anticipated the possible result of the debate and vote on this motion to be the defeat of the Government. I am not aware that I ever expressed that opinion. My opinion all through has been that, for all we know, there is no reason why the Government should resign if this contract be not ratified, except only their declaration that they are determined so to do. It is unfortunate for them, and it will always be unfortunate, that they did not lay all the documents connected with this matter before Parliament. We then should have been able to judge for ourselves why they say they are bound in honor to stand by this contract to any greater extent than reason and common sense would dictate. We might then be able to judge what they did to obtain the best possible terms, and what efforts they made to induce capitalists to undertake this great work. All that is deliberately, wilfully, persistently withheld from us. The only information they condescend to impart to Parliament is that they approached some capitalists, that others approached them, and that of all the terms proposed by any who approached them, or any that they approached, the terms in this contract are the very best. Ministers went to England on this business without any express authority of Parliament. The Minister of Railways and, I think, the Minister of Finance attempted to argue that the Act of 1874 gave them the authority to enter into negotiations and make such a bargain as this. That position is utterly untenable. That Act is explicit in its terms. It gave to that Government of the day and the present authority to enter into a contract only within its precise terms and limits; it gave no other authority. I do not say that the Government ought not without the direct authority of Parliament to enter into negotiations even in a case like this. Circumstances might require them to assume such responsibility, and Parliament may subsequently justify their course. I am sorry, and I think all the real friends of the Government must be sorry, that they have made no effort to satisfy Parliament or the country that that was the course they took. They have preferred concealment, secrecy, to the broad, open, frank, constitutional manner of dealing with the people and Parliament of Canada. The member for Victoria, carrying the statements on the Ministerial side very much further than any who preceded him, said that, before the close of last Session, members were informed that offers of this kind were made to the Government, and entertained by it. As a member of Parliament who attends to his duties as closely as most others, I must declare that I never heard anything of such offers having been made, nor did, I think, any of my friends around me. But I heard the Government declare that its deliberately adopted policy was to build this road as a public work, and the leader of the Government submitted to the House official statements and elaborate calculations to prove that if the road were built as a Government work, money enough could be obtained from the lands in the North-West, within the ten years fixed for its construction, to pay its whole cost, to leave a large balance still due from those who purchase the lands, and a much larger portion of those lands still in possession of the Government. Though I knew that hon. gentlemen opposite changed their views year after year, and that all their boasting had proved vain and futile, and all their assurances had been belied by subsequent events, still I felt quite satisfied that that was really their policy, and that they would pursue it honestly and fairly till, at all events, Parliament assembled again.

Mr. GIROUARD moved the adjournment of the debate.

Motion agreed to.

DEATH OF MR. KEELER.

Sir JOHN A. MACDONALD. I move the adjournment of the House, but, before doing so, I desire to express, on my own part, and on the part of my hon. friends, and, I have no doubt, on the part of every member of the House, the deep sorrow and regret with which we learn the very sudden and unexpected demise of the hon. member for East Northumberland. All those who knew him personally, as I have had the gratification of knowing him for so many years, must have been well acquainted with his high character—his estimable character in every possible relation of life. A man of unblemished honor, whose word was as good as his bond, respected and liked by all his neighbors, and by every one who knew him, and respected also in this House for the straightforward manner he performed his duties. I am quite sure I speak the sentiments of hon. gentlemen on this side of the House, as well of hon. gentlemen opposite—especially of those who have sat in Parliament for some time—I may say I speak the sentiments of everybody, in stating that this House feels and will entertain the greatest respect for the memory of the departed, and will deeply regret the loss of so valuable a member.

Motion agreed to; and (at 1 o'clock, a.m.,) the House adjourned.

HOUSE OF COMMONS,

MONDAY, 24th January, 1881.

The SPEAKER took the Chair at Three o'clock.

PRAYERS.

THE CIVIL SERVICE.

Mr. CURRIER enquired, Is it the intention of the Government to lay before the House, during the present Session, a report of the Commission appointed to enquire into matters relating to the Civil Service?

Sir JOHN A. MACDONALD. The Commission has not yet reported. It is now sitting *de die in diem*, and is settling its final report, which I expect to obtain very shortly.

Mr. CURRIER enquired, Is it the intention of the Government to introduce a Bill, during the present Session, to amend the Civil Service Act of 1868, or to take any action towards the amelioration of the condition of the Service?

Sir JOHN A. MACDONALD. I cannot well answer the question until we have seen the report of the Commission. The Commission was appointed for the purpose of enquiring into the whole subject, and we hope the report will be such as to enable us to base a report upon it.

LIGHTHOUSE FOR PORT STANLEY.

Mr. ARKELL enquired, Whether it is the intention of the Government to erect the lighthouse at Port Stanley, for which an appropriation of $1,000 was made last Session, and when it is intended that the work shall be proceeded with?

Mr. POPE (Queen's). It appears the pier at that place is in charge of the Great Western Railway Company. Last year it was in a condition unfit to place a light upon it. If it should be put in proper repair a light would be placed upon it; as the matter now stands it cannot be done.

CANADIAN PACIFIC RAILWAY.

House resumed adjourned debate on the proposed motion of Sir Charles Tupper for the second reading of the resolutions reported from the Committee of the Whole on the 14th January instant, granting certain moneys and lands for the construction of the Canadian Pacific Railway, and the motion of Mr. Blake in amendment thereto.

Mr. ANGLIN. Mr. Speaker, I have said that in the many speeches delivered by members of the Government and its supporters in defence of the proposal that this contract be now ratified, no single good reason for such ratification has been assigned. If we took from those speeches the attacks made upon the hon. member for West Durham (Mr. Blake) the charge that he, while Premier of the Province of Ontario, was guilty of maladministration, the charge that he has been guilty in this House, and on this very subject, of inconsistency; the charge made against the hon. member for Centre Huron (Sir Richard J. Cartwright); the personal attack made upon the hon. member for Westmoreland (Sir A. J. Smith); the charges made against the hon. member for North Norfolk (Mr. Charlton)—entirely unprovoked and unjustifiable as the charges were—if we take away the attacks made upon the members of the new Syndicate, individually and collectively, and if we deduct also the attempt made to prove that the terms of this contract are essentially better than the terms of any contract that might have been made within the terms of the Act of 1874—I think we would have very little left. If from that little we again deducted the apologies of several hon. gentlemen on the other side of the House, who had not one word to say in favor of any part of the contract, but admitted they were compelled to object to very many of its terms, I think we would find that the *residuum* would occupy but a very small portion of our *Hansard*. It will be well, perhaps, briefly to notice the charge of inconsistency; I think it is entirely unfounded in fact. The mere circumstance that the hon. member for West Durham (Mr. Blake) entertained at one time, one opinion with respect to the value of the lands in the North-West, and several years afterwards formed another opinion. When the circumstances had changed, when the country was to a great extent opened up, when order had been restored, when all fear of Indian troubles had been almost removed, when railway communication had been established, with the present railway system of the United States, and when our railway from Thunder Bay to Selkirk, through our own territory, has been almost completed,—a change of opinion under those circumstances cannot reasonably or properly be held to be inconsistency. We find every day that in the sworn assessments of the value of property, circumstances have so changed as to compel a change of value even though made by the same men acting on the same principles.

Mr. PLUMB. A change of 300 per cent.

Mr. ANGLIN. I know that in a very few years property even in some of the older cities has grown in value 300 per cent.; but that expression scarcely conveys a fair idea of any change of opinion with respect to the value of the North-West lands. I do not recollect hearing that the hon. member for West Durham (Mr. Blake) on any occasion expressed a positive opinion as to the precise value of those lands. He did, I think, argue on one occasion that the estimate set on them by hon. gentlemen opposite was excessive; and I think, if I have followed the debate correctly, the chief reason why the hon. gentleman is now accused of inconsistency on this point, is the fact that he has chosen to take the official statements of hon. gentlemen opposite as the basis of the calculations he made this year. There is also another and a more serious charge of inconsistency brought against hon. members on this side of the House. It is that their whole policy with respect to this great railway work differs essentially from the policy they accepted and endeavored to enforce on previous occasions. I was sorry to find the right hon. gentleman at the head of the Government, in order to give perhaps the more force and point to this charge, make an ungenerous and cruel attack upon the hon. member for Lambton (Mr. Mackenzie), when that gentleman was lying prostrated on a bed of sickness, because of his zeal and devotion to the best interests of the people of this country. Those who know that hon. gentleman and how he worked while in office to promote the best interests of the Dominion, by the sacrifice of his own comfort and strength, are well aware of the true reasons why, to-day, he is so weak and prostrate as we regret to say he is. The hon. First Minister expressed sympathy for him in that condition, and regret that he was physically disabled from taking his seat, and yet in the very next breath he proceeded to make against him the charge which he knew would wound the feelings of the hon. member most deeply. He charged him, unnecessarily, wantonly, ungenerously, and cruelly with having been driven from his own convictions, with having been whipped into submission by the present leader of the Liberal party. The right hon. gentleman said:

"If I were his worst enemy, and wished to triumph over him, I would not desire a greater humiliation, a sorrier fate, or a more wretched ending of a statesman than that, at the whip of a man who had deposed him—of the man who had removed and supplanted him—he should be obliged to eat his own words and vote in favor of postponing the construction of the road through British Columbia—that he should have to belie—I use not the word in an offensive sense—his own advertisement and all the action of his Government in asking for tenders for the building of that road."

Now, if there is one charge more than another to which the hon. member for Lambton is not fairly amenable, if there is one charge more than another which the people, irrespective of party, will refuse to believe, it is the charge that he could be forced by any power on earth to belie his own convictions, or eat his own words, or vote or speak that which he did not in his soul believe to be exact truth. It was not necessary in order to sustain the charge of inconsistency, so far as it could be sustained, that this attack should have been made; and the charge is entirely unfounded. The right hon. gentleman, in the course of his speech, admitted that the hon. member for Lambton did show a sincere desire to carry out the policy of the country as determined by Act of Parliament, and that he did honestly and zealously endeavor to push the construction of the railway towards British Columbia Such an admission I never heard made by those hon. gentlemen when they occupied seats on this side of the House. When the hon. member for Lambton, as First Minister, was pushing forward the work with all the energy and zeal that man could display, they did not acknowledge then that he was acting faithfully and honestly in the discharge of his duty; but he was accused, day after day and night after night, by those hon. gentlemen, then in Opposition, with being faithless to his own pledges, and with misconceiving the policy of the country. His policy of utilizing the water stretches was laughed at; his whole policy was scouted and denounced, and yet we find that hon. gentlemen opposite, since they have returned to power, have been compelled to adopt, one after another, every point of policy which the hon. member for Lambton elaborated, and which they denounced so strongly while in Opposition. The policy on this side of the House has always been the same. We in Opposition opposed the terms under which British Columbia came into the Union; we did everything in our power to prove that the terms were unreasonable, that it was impossible that Canada could fulfil the obligations; we implored the Government to modify the terms; we begged them to bring them within the limits of reason and common sense; but they were deaf to our entreaties and remonstrances, disregarded our arguments, and insisted that the resolutions must pass as submitted to Parliament. They were passed; and that became the unalterable policy of this Dominion of Canada; and all parties, whether they approved or disapproved it, were bound by law, not merely by the Act of the Canadian Parliament, but by the Imperial Statute, to build the Pacific Railway as far as the means and resources of the country would permit, without so oppressing the people of the older Provinces as to cause them any serious financial embarrassment. I believe the hon. member for Lambton honestly endeavored to carry out that point. How far he ever came to approve of building this road within the terms specified, I am not prepared to say; but he immediately set his surveyors to work, and as soon as it was possible to let sections from Thunder Bay to Selkirk he let those portions of the work. Indeed, as it proved afterwards, the surveys were even then insufficient, though there was every reason to suppose them sufficient, when those portions of the road were let. He pushed the road forward as rapidly as possible with due regard to the best interests of the country, and continued to do so up to the day he retired from office. When the people of British Columbia complained that his Government did not intend to carry out the original bargain in its literal acceptation, and applied to Lord Carnarvon, and those negotiations commenced, he took the very proper ground, which I think the whole people of the country approved of, that it was impossible that Canada should fulfil that bargain literally and absolutely; and it is said that because he then agreed, so far as he and his Government were concerned—for he had no more authority than the present Government to bind the people of this country to any mere unauthorized act of theirs—to build that portion of the road between Lake Superior and the Pacific Ocean before 1891: because he assumed to undertake what was reasonable within the means of this country, and made that undertaking in good faith. Members of the Government and their supporters pretend that he increased the weight and burden of the terms of the original bargain. I have heard it alleged again and again by hon. gentlemen on the Ministerial side, that those Carnarvon terms were onerous—that in agreeing to them the member for Lambton undertook more than Canada had been previously bound to do. But it is simply absurd to allege that to undertake to do within a longer period a portion of the work in question, was more onerous than the original pledge, to do the whole work within a shorter time. Hon. gentlemen opposite bound this country. so far as they could by words, Act of Parliament and Imperial Proclamation, to commence that whole road within two years and finish it within ten. The Carnarvon terms bound the Government, as far as they could, to finish, not the whole of the road, but that portion from Lake Superior to the Pacific, within a very much longer period. It is sometimes said that the obligation to expend $2,000,000 per annum in British Columbia was a condition far more onerous than any implied in the original terms. But even that is a very great mistake. My own impression is that the hon. member for Lambton, in agreeing to that condition, committed a serious error. I do not believe he should have bound even himself, though he considered he was acting within the original terms of the bargain, to any such expenditure; but it was not adding to the burden of the original terms even to agree to spend $2,000,000 per annum within British Columbia, for a smaller expenditure in that vast mountainous region could not possibly have brought the works to completion within a shorter time than the time specified. We thought it well to adhere as closely as possible to that declaration—for it was little more, after all, than that made by this Parliament immediately after the bargain with British Columbia was concluded, that the road should be so built as not to add materially to the weight of our taxation. That was the guiding principle, I think, that controlled the the whole action of the late Government; and when year after year we saw—notwithstanding all the efforts made by the Government of that day to economize notwithstanding that they imposed an increased rate of taxation, which, if the business of the country had not diminished, must have increased the revenue by $3,000,000—yet revenues actually decreasing, because of the world-wide depression prevailing; when we saw a deficit, notwithstanding those efforts and sacrifices—not so large as the hon. Minister of Railways loves to speak of, but a real deficit year after year; when we perceived the expectations of the whole world were disappointed with regard to the return of prosperity—it surely became the duty of the Government, who had the welfare of this country sincerely at heart, to consider whether, under the circumstances then existing, it was their duty to proceed more rapidly with that work. The right hon. gentleman said: "Are we to suppose that tenders were invited for the construction of that work in the Rocky Mountains, merely for the purpose of ascertaining what it would cost? Are we to suppose that intending contractors were invited to send their engineers to make borings in various parts, and to incur a vast amount of labor and expense, merely in order that the First Minister might ascertain what the road would cost one day or other?" I do not think any Minister would be justified in taking such a course. But from the day those advertisements were published, up to the day the late Government left office, and for many a day after, the depression continued to grow greater and deeper. The difficulties of the country became greater day by day, the revenue diminished daily,

and we all thought it had become evident that it was the duty of the Government to pause, to incur no great additional expenditure or liabilities until we saw some signs of recuperation in the business of the country. It suits hon. gentlemen opposite to pretend, as they have pretended rather successfully, that the depression was caused by the misgovernment of the country, by the neglect of the late Government to introduce that financial system, such as they themselves never endeavored to introduce during their whole previous occupation of office. However far they succeeded in deluding the people on this point, I think that delusion is pretty well dispelled to-day, and that the country understands thoroughly that the depression was not caused by any existing laws of Canada, or the want of any laws; that it was the result of laws operating over the whole civilized world, and which we could not control in any way. We acted then upon that principle, and we act to-day upon the same principle. We oppose the passage of these resolutions to-day because we do not believe that the circumstances of Canada either require or justify such an expenditure as is now proposed. We believe that there is no necessity for the immediate construction of the portion of the railway lying to the North of Lake Superior—a work which is surrounded by the greatest difficulties, a work which must add enormously to the burdens of the people of this country. We do not believe that it is in the interests of British Columbia itself that the whole of the work through the Rocky Mountains from Jasper House to Port Moody should be now pressed rapidly to completion. We believe it would be more prudent, more wise, to postpone the work on those ends for a time, until we have built the railroad across the prairie, until we have ascertained how far we may calculate upon a great influx of people into the great North-West, into that portion of the country said to be so fertile, said to be intrinsically of such enormous value. We believe that if we press forward the railway into the fertile belt, if we build the railway across the prairie as rapidly as the interests of settlement demand, keeping not merely abreast of settlement, but pushing considerably ahead of settlement, and so going on until we have reached the Rocky Mountains, and have placed in that country a large population who will not be burdened by any excessive taxation, or borne down by any exacting monopoly—by doing this we believe we will be doing the best for the whole Dominion, including even British Columbia which has expected, with perhaps not unnatural impatience, to see the terms of the original bargain carried out. But I wish to say that our views have been grossly misrepresented by hon. gentlemen opposite. They say that we are entirely opposed to the construction of an all through line of railway through British territory. They say we would not merely postpone, but postpone indefinitely—put aside for all time—the construction of the railway north of Lake Superior, and that portion across the Rocky Mountains and through British Columbia. Nothing that has been said on this side of the House forms anything like a justification for this assertion. We have fully as deep an interest in the welfare of Canada as those hon. gentlemen; we, I think are desirous of promoting, as fully as they can, the future growth, the future greatness and independence of our country. We all of us share that national sentiment; we are as desirous of seeing these Provinces—now that they are united in one Confederation—welded together by this great railway; but we think it is in the interests of the country—of the new Provinces as well as the old—that the work should not be done prematurely, that it should not be done too hastily. We believe that by deferring for the present the construction of the eastern section, and of that through British Columbia, we do not thereby unnecessarily delay the final completion of the whole road; but we believe, rather, that the work would, by that means, be rendered more easy for the people of this country, and would sooner be brought to completion. It is not true that we do not desire to see an all-rail route through Canada. It is not true that we do not desire to see these Provinces brought together as closely as possible by the easiest and best method of communication, but we believe that the whole work should not be undertaken at once. The right hon. leader of the Government, and many of those who followed him, said that if this railway were not built to the north of Lake Superior the consequence would be that all the trade of the great North-West would be directed into the United States, and carried to the Atlantic seaboard through that country. In that, too, the right hon. gentleman was widely astray. In the first place he does not propose to bind this Syndicate, or those who may succeed them, to build the railway north of Lake Superior in less than ten years, and yet he hands the only railway which now connects the North-West with the outer world—the Pembina Branch—over to the absolute control of a company which is not a Canadian company, which is not a British company, but an American company, owning a great American railway, that is to-day worked on the principle of a great monopoly. The very moment this contract goes into effect, the Syndicate become the masters of the Pembina Branch, and that moment they divert the whole trade of the North-West, not to Montreal or the Atlantic seaboard, but to Chicago and New York, and this will continue for a period of ten years. It is true they will have the chance of sending a great deal of produce of the North-West over the line of Thunder Bay when that is finished, and finished it may be, perhaps, in two or three years; but they will have no object in doing anything of the kind, for it will pay them much better to divert the traffic over their own line and over the American system of railways. So that instead of this contract being one which will secure the trade of Canada for the Canadians, as hon. gentlemen so loudly assert is their object, it is one which will have the immediate effect of diverting the trade of the North-West through the American system of railways to the Atlantic seaboard. The charge of inconsistency, however, even if it were absolutely well founded, would not afford the slightest justification for the ratification of the contract now upon the Table of the House. Another assertion made by hon. gentlemen is that under this contract the railway will cost a great deal less than any railway would have cost built within the terms of the Act of 1874, or built according to the plans and specifications prepared by the late Government. I am rather astonished at hearing that argument revived at this stage of the debate, after we had shown its fallacy over and over again—after we had shown that there was no room for comparison between the kind of railway which the hon. member for Lambton proposed to build and the kind of railway which the Syndicate will be bound to build under the terms of the contract. It would be just as absurd to compare a handsome commodious modern dwelling, having all the modern improvements, with a barn of the roughest and rudest kind, as to compare the railway which the hon. member for Lambton proposed to build with such a road as the Union Pacific was when first constructed, or, I may add, such as the Union Pacific was in 1873. But, Sir, we find that towards the close of the debate this same fallacy has been revived—revived, I was astonished to hear, by the hon. member for Halton (Mr. Macdougall), who, usually clear-headed and quick-sighted, would, I should suppose, have perceived that between the two kinds of railroads there was a great difference. Yet, in his strange argument, if argument it may be called, he endeavored to satisfy himself and the public that the cost in the one case was greatly to exceed the cost in the other, the road being the same in both instances. But a more extraordinary effort in this line was that of the hon. the Minister of Finance, who undertook to prove, as he thought, beyond

all doubt, that the expenditure of the country under the Act of 1874 would be enormously higher than any expenditure now contemplated. I think he stated it would be at least $20,000,000 more, and he defied any one to break down his statement or show where it was fallacious. I confess that I never listened to him dealing with figures when it was so utterly impossible to make out what he was driving at, and I have since looked into the *Hansard* for the purpose of endeavoring to ascertain how the hon. gentleman arrived at such an extraordinary result. I find that he took a very short cut to it after all. Although there was a great mass of figures, he arrived at the result by a very summary mode. He assumed that the 52,000,000 acres of land under the Act of 1874—although the Act says expressly that those lands are to be in blocks along the whole line of railway, that they are to be only of a fair average quality, which we must reasonably assume to be of the fair average quality of the whole country through which the road is to run, he coolly calculated that all these lands were to be in the fertile belt, and that if you say that the 25,000,000 acres of land lying close along the line of railway in the fertile belt, which the Syndicate are to get under the terms of this contract, are worth at least $2 an acre, why, then, you must also calculate that the whole 52,000,000 acres to be given under the terms of the former Act are also worth $2 an acre. Now, this is a point where it is scarcely worth while to deal in argument. Any man of common sense who has ever heard anything with regard to the country through which that road runs, who knows that for nearly 1,000 miles from Lake Nipissing to Selkirk the land is scarcely of any value whatever, who knows that through the Rocky Mountains the land is scarcely of any value whatever, must be satisfied that the 25,000,000 acres of land, 11,000,000 of which will lie along the line of railway, and the other 14,000,000 will be selected in the fertile belt, or wherever else the Syndicate may choose to make the selection, are of higher market value than the 52,000,000 acres of land which the late Government proposed to grant, and that the 25,000,000 acres are worth not merely more, acre for acre, but that they are worth a great deal more, as a whole, than the whole quantity to be given under the old Act. The Finance Minister, pretending to regard the land as of the same value, acre for acre in both cases, said that if you choose to say that the land selected in the fertile belt and near the railroad is worth $2 an acre, then the late Government would have been giving $104,000,000 worth of land; and, if it is worth $3 an acre, they would have been giving $156,000,000, and in that way the hon. gentleman coolly piled up an enormous amount as the amount to have been paid by this country, under the terms of the Act of 1874. Not satisfied with that, he coolly assumed, also, that because Mr. Foster was to obtain four per cent. on $7,500 per mile, for twenty-five years, for the construction of the Georgian Bay Branch, through a country so exceedingly difficult that for a long time there were serious doubts as to whether a road could be built there at all——

Sir LEONARD TILLEY. Hear, hear.

Mr. ANGLIN. If the hon. gentleman looks into the Blue-books he will find such to be the literal fact.

Mr. WHITE (Renfrew). What was the opinion of the hon. member for Lambton in relation to that route?

Mr. ANGLIN. He always thought it was an exceedingly difficult route, but he believed it, no doubt, to be practicable. He had the report of a gentleman, who was regarded as a very eminent engineer, who had passed through the country and reported it practicable; it was let, because it was supposed to be practicable, otherwise it would not have been let at all, but it was regarded as an exceedingly difficult section.

It is assumed that because at the time of that contract it was bargained with Mr. Foster that he should receive some $300 a year per mile in the shape of interest for 25 years, therefore it was intended, under the Act of 1874, to have given to any contractor who chose to make the proposal, a similar amount in addition to the $10,000 per mile to be paid in cash. That, Sir, is a most unwarrantable assumption. Then the hon. gentleman calculated that the total amount so paid would be, I think he said, equal to $12,400,000, and he added that to the enormous amount reached by calculating that the whole 52,000,000 acres were worth as much as the 25,000,000 acres in the fertile belt. That was not all. He added still to that the cost of the Georgian Bay Branch, which he assumed was a portion of the Pacific Railroad under the terms of the Act; and he added also to that the subsidy paid to the Canada Central Railroad. Not satisfied even with that, he coolly assumed that the whole 50,000,000 acres were to be in the fertile belt, and that the Bill introduced by the hon. member for Bothwell, for the purpose of encouraging the construction of branch railroads through that country, was really a bill intended to encourage the construction of branch railroads through the lands to be given to the contractors under the terms of that Act, and that 10,000 acres of land or $10,000 per mile would be paid on a great many miles of those branch railroads to be constructed for the benefit of the contractors. This amount could be calculated to nearly two millions. He added all that sum to the total amount before arrived at, and so, piling Pelion on Ossa, he piled up the whole amount until he reached a very extravagant sum, and then he declared triumphantly: "Just see what this thing would have cost had the terms of the Act of 1874 been carried out, and see what we propose now to give and the difference between the two, and then observe what we are saving to the country, and give us all the great thanks that are due to us for our extraordinary superiority in judgment and administrative ability." Now, we have to repeat what has already been said with regard to that portion of their argument, if argument it is. In truth, Mr. Speaker, even if they succeeded in proving that the terms of the Act of 1874 are far more disadvantageous to the country than the terms of this contract, they still would not prove that this contract ought to be ratified. We know more of the country to-day than we did in 1874. When that Act was passed in 1874 the old Administration had gone out and the new one had come in but a few short months before, and the surveys and explorations that have since been made had not then been made; we knew almost nothing aboutthat country. To-day we really know little more; but we are told that in all the Rocky Mountain district there is not fertile land of greater extent than an ordinary county in the Province of Ontario, or the Province of New Brunswick. I believe that such an Act would not have been proposed or thought of if it was known then, as it is now, what the real character of that part of the country was. We say that the 52,000,000 acres of land, which were about the same in character and quantity as that which Sir Hugh Allan was to receive under the terms of his contract, were not worth—cannot by any reasonable man who has heard or read anything of that country be regarded as worth—as much as the 25,000,000 acres which the Syndicate are to receive. And, Sir, out of the $10,000 a mile, or a total of $27,000,000 which was then to be paid in cash, it was distinctly stipulated should be deducted the cost of any portion of the road constructed or in course of construction by the Government, together with the cost of the surveys, which, as we know, has amounted to $3,000,000. The hon. Finance Minister thought he made a wonderful discovery when he asserted that, by the Act of 1874, the lands to be assigned to the contractors as a subsidy were

to be exempt from taxation. He knew nothing more than that two-thirds of the land would be exempt from taxation. He said he was not in the House when that matter was discussed, but he was in the House when the Sir Hugh Allan contract was under consideration. He must remember that one of the strongest objections taken on this side of the House to that contract, was that it placed absolutely at the disposal of Sir Hugh Allan so large a quantity of the lands of this country as 50,000,000 acres, the Government not retaining any control over them, not requiring that they should be settled or attempted to be settled, and binding themselves to sell the lands they held at not less than $2.50 an acre, unless with the permission of the contractors. Remembering that, the hon. gentleman might have known that it was for that reason that such care was taken in the Act of 1874 that the contractors should not have control over lands covering such a vast area of this country. He might have known that the Government, while proposing to set apart those lands for the construction of the railway, took care that the lands should not be held without settlement, but that settlement should be promoted as rapidly as possible, and therefore reserved control of two-thirds of the lands. Under the present bargain the Company can hold the lands, hold them without taxation, hold them for twenty years, or as long as it is their interest to hold them, while the Government are filling up the alternate blocks, and so adding enormously to the value of the lands of the Syndicate. I do not know whether, in point of law, the lands given under the Act of 1874 would have been exempt from taxation, because these lands, although retained by the Government for settlement, nevertheless ceased to be the property of the Government as soon as the terms of the Act were complied with. Without recourse to such a mass of figures as the hon. gentleman used to sustain his case, I think any gentleman can understand, and make anyone else understand, the wide, broad, marked difference between the Act of 1874 and the contract now on the Table in this respect. In another part of his speech, the hon. gentleman chose to argue that the late Government were derelict in their duty because they did not impose additional taxation on the people. He attempted to prove, when we alleged that, owing to the great depression in business, the revenues had fallen off, the outlook had become gloomy, and that it was not politic or proper to proceed very rapidly with the construction of this work, we were taking a ground which we could not hold, because, forsooth, at that time of depression the rate of taxation per head was somewhat smaller than it had been one or two years before. He refers, with some exultation, to the fact that the late Finance Minister proposed the imposition of increased taxation, that the taxation on general imports was increased from fifteen to seventeen and a half per cent, and that other increases were imposed which would have yielded an additional revenue of $3,000,000, if there had been no falling off in imports. As he put it, the taxation had been increased $3,000,000, and yet, notwithstanding that increase, the revenue fell year by year until the rate per head, allowing for the estimated increase of population, had fallen from $5.31 to $4 50. That he chose to regard as the mode of determining the rate of taxation within the meaning of the resolution, which declares that the taxation of the people of Canada should not be increased for the purpose of building this railway. He coolly alleged—he, a Finance Minister, he who has been for years in public life—that the rate of taxation within the meaning of that resolution should be determined, not by the rate of duties imposed, but by the amount per capita of revenue collected by means of these duties; because the people had all these years become poorer and poorer, because they had been unable to purchase dutiable articles in as large quantities as they had previously purchased, because they were suffering for want of food, and fuel, and clothing, that hon. gentleman tells us that the Finance Minister would not only have been justified in adding to the taxation, but that it was his absolute duty to add to the taxation when the people were poor and impoverished. He boasted that he had now raised the rate to $5.50 per head. How? By taxing the poor man's flour, meal and fuel; by taxing to the extent of from 50 to 70 per cent. his flannels, blankets, and coarse clothing. I do not think the poor oppressed people of Canada will join in the hon. gentleman's self-gratulations. The sophistries and fallacies of his leader, repeated by the hon. gentleman in rather clumsy fashion, received no additional weight from his thunder tones and random rhetoric. The hon. leader of the Government said, and many others who followed him repeated, that the new proposal was concocted on the left of the Speaker's Chair, that it is a bogus proposal, a disreputable political trick. When it is asserted that this offer emanated from the Opposition, hon. gentlemen opposite give us more credit then we are entitled to. We would be proud of having induced respectable capitalists such as those to undertake the work at a saving, if permitted to go on with it, of $3,000,000 cash and 3,000,000 acres of the best land in the fertile belt, for the people of Canada. In saying this document was prepared on this side of the House, hon. gentlemen chose to deal in assertions, the value of which they perhaps did not care themselves to enquire into. The hon. member for Frontenac said the whole or a great part of this contract is a plagiarism of the first contract. So it is, and that only proves that the leading men on this side had nothing to do with drawing it up. Had even the rough draft of agreement been left to them, the offer would have been different from what it is, and much more favorable to the people. We had nothing to do with the drawing up of that offer. We saw it, it is true, as hon. gentlemen opposite also did, before it was laid on the Table, because copies of it had previously been distributed. Another objection to the new offer is, that of those who signed it a very large proportion belong to the Liberal party, and no less than seven were Reform candidates defeated at the last general elections. That, if true, and perhaps it is, simply proves that in the Reform party are men of large means and respectability willing to undertake this great work. As the hon. member for West Durham remarked, hon. gentlemen opposite have forgotten that of the Canadian gentlemen who are in the Syndicate, and those who are supposed to belong to it, though their names are not there, the large majority are members of the Reform party, and the most influential of the whole of them is the last Liberal candidate defeated at any election. We are told that the gentlemen who signed the new offer never meant that it should be accepted. That will not be believed. The people who know Sir William Howland and the Messrs. McMaster, and the other gentlemen from Toronto and Hamilton; Mr. Gilmour and Mr. McLaren, of Ottawa; and Mr. Alexander Gibson, who came all the way from New Brunswick with his $500,000 in his pocket to prove his sincerity, will not believe they would lend themselves to a party trick. But it was also said that this is essentially a faulty and a bad offer; and the right hon. Premier proceeded to quibble on some of the words used in that contract. He, or somebody else, made the wonderful discovery that the word "will" in one place had been substituted for the word "shall," and he chose to assert that it was substituted for a deliberate purpose, because "will" would not bind, as the word "shall" would, the contractors to carry out what they stipulated to do. I thought that was very unworthy of the position of the right hon. gentleman. If those were exactly the terms of the contract there might have been some ground for an objection of that kind. But this is simply an offer of those gentlemen—namely, if you choose to accept our proposal, we will do so-and-so, and whether "shall" or "will" is used in that connection

seems to matter very little. If we derive very little other benefit from that argument of the hon. gentleman, we, perhaps, may be induced to think somewhat more critically of the proper use of the auxiliary verbs. Then we were told that the alternative clauses in that Bill were formed expressly for the purpose of relieving the new Syndicate from the obligation of building the ends of the road. If hon. gentlemen on the other side themselves believed that the offer was a mere bogus offer, a mere paltry, contemptible, political trick, there was no necessity for argument about it, or for trying to prove that certain clauses were framed for the purpose of relieving the parties from the obligations they proposed to undertake. The alternative proposals are to the effect: that if the Government at any time choose to postpone or abandon the eastern or western end, or both, they shall have the right to do so without incurring any liability to the contractors for compensation. "Oh, but," says the right hon. gentleman, "they know that the present Government cannot accept this offer, that the good faith of the Government is pledged to this contract by which they must stand or fall, and that if the House does not ratify it, the Ministry must resign, they also know that their political friends, in a new Government, would relieve them from the responsibility of building those two expensive and difficult ends of the great work, and leave them the enormous amount to be received for the mere construction of the central portion." The right hon. gentleman has never yet shown to the House any reason why the Government must resign if the contract be not ratified. Looking at the matter in a common sense point of view, hon. members opposite must have supposed that the contract was submitted to them for their consideration, and that they were not merely called for the purpose of registering the decrees of gentlemen who are only a Committee of this House. He has chosen to say that if this contract be not ratified and the Government fall, the Opposition will be called upon to form another. He forgot to add that the new Government would have to appeal to the people, and on this very question, as they could not expect support in such a House as the present; and if the people could be persuaded that this contract was the very best bargain obtainable, then they would declare that they had no confidence in the new Government, but approved of the policy of the men who had gone out. I do not know whether that declaration was made by the right hon. gentleman with a view to sustaining this preposterous proposition, or with a view of preparing his supporters for the caucus which was held the following morning. We could see that a great number of those gentlemen were dissatisfied with the contract, as indeed appeared from their declarations in the House. Even the Minister of Public Works declared that he would like to see a great deal in it left out, and the member for Halton, who spoke last Friday evening, declared there was very much in it to which he was still opposed. I cannot, at this moment, remember a single term of this contract of which that hon. gentleman expressed an unqualified approval. Many other hon. gentlemen have said they did not like the contract. So, behind Ministers are gentlemen very unwilling indeed to sacrifice their opinions and convictions upon the altar of party, but who, for the sake of their leaders, will sacrifice their own political future, because they are told that they must now stand or fall with the Government. I suppose they are prepared to stand by it. So far as relates to the proposal before the House, the offer made by the new Syndicate, it is simply a basis of agreement. The right hon. gentleman and the Finance Minister argued that under the present contract the Syndicate are absolutely bound to build and run the two extreme ends of the road. We contend they are not, and that if the contract is to become law, they should be so bound. The right hon. gentleman says that they are bound, under those terms, to commence work on the eastern section on the 1st of July, and to proceed with that work at such a rate as to complete the whole within ten years, and that if they did not carry out that portion of the contract in good faith, when they came for their money and land subsidy, for such portions of the road as they had built on the prairies, the Government would refuse to pay them a dollar in money or an acre of land till they had given substantial proof of their good faith in the construction of the other portions of the road. The hon. member told us more than once that the prairie section would be built in three years; the Finance Minister did not think that statement would be a convenient one, and he made the period four years. The difference between the two statements is this: Under the statement of the leader of the Government the Syndicate would have been bound to build—supposing they carried out the contract up to that time strictly according to its letter—within three years, three-tenths of the whole road. Under the Finance Minister's calculation they would be bound to build two-fifths of the road. Now, Sir, I think I know something about railways—I have given them a good deal of attention in my life—but I cannot see how the standard of the Union Pacific can be made to apply to that portion of the road running through a country, as it will, which has no parallel in the Union Pacific, and where the curves and grades have not been determined. If at the end of three years the Syndicate do not think that it is to their interest to build, run and work the two ends, they will cease the prosecution of the work. They will have built but 190 miles, of which 60 or 70 will be common to the Canadian Pacific and the Sault Ste. Marie roads, and for the whole they will have received $15,500 per mile in cash and 10,000acres per mile, according to the contract. The Government will have no remedy or resource against them, if they simply abandon the $1,000,000 in the hands of the Government. There is no lien to be created on any other portion of the road, and the Company will have the right either to hold it themselves or transfer it in fee simple, as they build every twenty mile section, for there is no obligation upon them to complete such portions of the road except the forfeiture of their deposit and of any balance due them on account of any portion of the eastern section they build. I cannot see what great danger there was in the alternative proposition implied in the new offer, which gave the Government the right absolutely to suspend the work; a right which I believe the Company virtually possess under the terms of the contract. But even if the alternative proposal were objectionable, I really do not think that it afforded any justification or ground for the assertion that the object of the proposal, the intention of those who made it, was that the end sections should never be built; or that hon. gentlemen on this side, who do not say the new offer is one we should accept, but only that it is incomparably better than the other, are in favor of postponing the construction of those sections indefinitely or beyond a reasonable time. There is equally little foundation for the charge which these hon. gentlemen make, that we are engaged in plotting and conspiring for the purpose of preventing the connection of the great Provinces of this Dominion by rail, and to throw the trade and the population of this country into the hands of the United States. We scorn and repudiate any such charge, and we challenge hon. gentlemen to the proof. But the right hon. gentleman proved a great deal too much for his own case. He proved that the amount to be given under the offer for the central section would be enormously disproportionate to the actual work to be one. Here is what he said:

"We will take the Canadian section. Now, this is the statement based on the new proposal. We will value the land grant for the prairie section at $1 an acre, and that everybody must admit is absurdly low—

Mr. MILLS. Hear, hear.

Sir JOHN A. MACDONALD. Yes, it is absurdly low for the land laying twenty-four miles on each side of the prairie section; it must be worth more when the railway is built than a dollar an acre."

It will be observed that the hon. gentleman says the estimate of $1 per acre is absurdly low, while the hon. Minister of Railways says that their whole scheme is based upon the very figure which the Premier says is absurdly low. I wish also to point out that when we mentioned $2 an acre as a possible price for the land, lying within the twenty-four-mile limit, hon. gentlemen opposite immediately proceeded to calculate the value of the 150,000,000 acres of land, which they suppose we have in that country at $2 an acre—taking all the land up to Hudson's Bay and almost to the mouth of the Mackenzie River at that figure. The right hon. gentleman proceeded to say:

"The cash subsidy, 900 miles at $733 33 per mile will be $6,000,000, and the land grant, 10,000 acres per mile for 900 miles at $1 per acre, will be $9,000,000, making in all, for building the prairie section, at $1 per acre, $15,600,000. If you take the land at $2 an acre, and that is far too low by the estimates of the hon. gentleman opposite, the cash subsidy of the land grant at $2 an acre will make in all $24,600,000. Value the land at $3.18 an acre and it will be worth $28,620,000, making in all, cash and land, $35,220,000, so that for building the prairie section, the cheap section, the easy section, the section which can be run at a profit —at $1 an acre, they will get $17,333 33 per mile; at $2 an acre, they will get $27,333.33 a mile, and at $3.18 an acre they will get $39,133 a mile. And this price would be given by hon. gentlemen opposite who say that this section can be built at $8,110 per mile."

Well, Sir, if this proposal were ours, or if we were free to-day to make any proposal whatever, the hon. gentleman on this side of the House would accept no such proposal as that. But when the right hon. gentleman proves that the price to be paid to those gentlemen under the terms of that offer would be so enormously out of proportion to the actual cost of the road to be built, could he have forgotton that, under the terms of his own contract, the price to be paid is about one-third higher in cash and one-third higher in land? Why, throughout this whole proceeding I have failed to discover in the arguments of hon. gentlemen on the opposite side of the House any motive or reason whatever less discreditable than that of absolute infatuation. The hon. gentleman must have been infatuated when he quoted those figures to prove that one-third less than his own terms would give to those gentlemen an extravagant price, and throughout this whole matter he must have been laboring under some hallucination or infatuation for which, unhappily, the people of Canada must suffer for many years to come. But he alleges that there is a reason why this large profit should be given to the Syndicate, a reason why they should be paid enormously more than the cost of the work they do. He told the people at Hochelaga, if I remember aright, that he had made a contract with a company composed of English, French, Germans and Americans, whose means were so ample that it would give them no trouble to build five such railways. Now, he tells us in this House that he proposes to give these men land and money two or three times the value of the work they are to do in this 900 miles, for the purpose of enabling them to establish a basis of credit, so that they may be enabled to float bonds or raise money in the money market. Where, then, are the great capitalists? Where the abundant capital? Where are the vast rescources which we were told these gentlemen could command? The right hon. gentleman in this case proved that his whole position was a false position which he should not occupy a moment longer; proved that it was a position in which hon. gentlemen in this House, who look into this question carefully and desire to do their duty, not to their leader, not to their party, but to their country, and their consciences, ought not to sustain him. But it is said: "Well, the whole thing may be very objectionable, this new offer may be very much better, but it comes too late." When could it have come sooner? When could it have been made by any men, who, honest and well meaning themselves, believed that the leader of the Government of this country was honest also? The only Act we have upon our Statute-book, providing for the construction of this railway, is the Act of 1874. There is no resolution on our books authorizing the Government to make any contract or enter into any negotiation on the subject; there are no terms stated which may be regarded as a basis of negotiations between the Government and any contractors, except only this, that last year, a few short weeks before the hon. gentlemen actually entered into this secret negotiation, they declared in this House that their fixed and determined policy was to build this road as a Government work and to pay for it out of the proceeds of the lands of the North-West. The right hon. leader of the Government says: "Contractors and the public generally had notice enough of our intention and our purpose, and when I said at that picnic in Bath, that certain proposals had been made to us and were under consideration, and that we would probably go to England in a short time and look further into the matter, that was sufficient notice to anyone who desired to tender for the contract." If I remember aright, the hon. gentleman in that same speech at Bath, assured his audience and the country that the Government would take care that this railroad should not cost the people a dollar. That read to me at the time as an endorsation and repetition of the declaration made in this House, that it was the intention of the Government to build this road directly and immediately out of the proceeds of the land of the North-West. There was no reason why capitalists throughout the country should otherwise regard it. There was certainly nothing to lead any man in this country—outside the charmed circle of which the Premier was the centre and in which the Minister of Railways and Minister of Agriculture, moved conspicuously but enwrapped in the cloud with which the gods sometimes do surround themselves when they condescend to visit this earth—there was nothing to induce any one outside that charmed circle to imagine for a moment that any terms such as those embraced in the contract, or the offer now made to the House, would have been entertained for a moment by the right hon. gentlemen. The public had no intimation that it was the intention of the Government to open up the whole matter; they had no reason to suspect that it was their intention to depart from their own solemnly avowed policy. In 1879 we heard the hon. the Minister of Railways, in that series of bombastic resolutions, proclaiming that with the help of the Imperial Government, and by voting 100,000,000 of acres of land to be set aside for that purpose, we were to construct the Pacific Railway, and fill our whole country with a population drawn from Great Britain and Ireland. We were not only to build the railroad, but we were also to fill up the country. In 1880, after the previous policy had failed, those hon. gentlemen came home again, and when they came back they announced that they had entirely succeeded. In the city of Ottawa a banquet was given them to congratulate them and repay them for their success, and at the banquet declarations were again made that they were succeeding, but by-and-bye, we found that they had utterly failed. Shortly after that they came forward with another declaration that the whole Canadian Pacific Railway was to be constructed out of the proceeds of the land of the North-West. Nor had we any right to suspect the contrary, nor had we any reason to believe that anything else than that would be the policy of the Government; thus were the Government pledged, and they were without any authority from this Parliament to enter into anything like what they have called a "firm" contract. After the hon. gentlemen went to England, we know what the English leading papers said of their mission and the mode in which they were conducting it. But hon. gentlemen contend that during all that time every one in this country ought to have known and must have known what the nature of the

negotiations really was from what the papers told us. All I remember the papers telling us, was that the hon. gentlemen on the other side talked of millions of dollars and millions of acres of land, as if they were the merest trifles, and that was confirmed a few evenings ago by the Minister of Railways when he asserted that $25,000,000 was a paltry sum and 25,000,000 acres of land a paltry quantity. But we never did hear anything of the basis upon which these negotiations were proceeding; we never had any reason to suspect, never indeed did suspect, until the contract was laid on the Table, that any Government in this country would entertain for a moment terms so utterly monstrous. But, argued one gentleman after the Ministers came back to this country, there was still time enough; the papers all stated that the details were still under consideration, and these gentlemen should then have approached the Government. Hon. gentlemen who argue in that way do not probably perceive that they ask us to assume that the business men of this country should rather have believed mere newspapers rumors than the solemn public declaration of the Prime Minister of Canada. At Hochelaga that hon. gentleman told the country that he and his colleagues had made a contract firm, and any subsequent negotiations were supposed to have reference only to minor details. So that there was no other time than the time taken by these other capitalists to put in their offer. It is not right to say that the Government of this country have the power to bind Parliament and the country by anything they choose to do. That authority the Government of this country does not and ought not possess. I have been rather astonished that so many leading men of various Provinces could in so short a time take counsel together and agree upon such an offer as has been submitted to the House. I believe that offer was made as soon as it was possible for them to make it. No doubt they had no intention of making any proposal until they saw what exceedingly extravagant terms the Government were disposed to grant, and then, knowing that they had a right to tender, knowing that they had a right to expect that the majority of the people's representatives in this House would make every effort to save the people's money, they came here. They met with reproach, contumely and abuse, from gentlemen from whom they had a right to expect better treatment. The hon. First Minister told us that Sir Wm. Howland was a man who never invested $50 anywhere without being sure of a return. A stronger argument for the *bona fide* character of the offer could not be given. All the gentlemen connected with the second offer proved their earnestness when it was questioned by depositing within forty-eight hours in the banks at Ottawa, not in securities, but in actual solid cash, nearly a million and a-half of dollars. Hon. gentlemen profess to regard that not as a proof of their earnestness in the effort to obtain this contract, but as a further proof that they were resorting to sham and fraud. I could never understand how hon. gentlemen could see in that action a political dodge or device. If they succeed in persuading themselves of the correctness of that idea, they will not succeed in so persuading the people of this country, who will regard this as an evidence that these gentlemen are in earnest, and would have carried out the contract faithfully and to the letter. The only argument, if argument it may be called, in favor of the position of the majority, is one that was rather pithily put in the earliest stage of this debate by the hon. member for Niagara, who does pretty often say pithy things and good things. That hon. gentleman said that the whole matter simply came to this, that the Government were bound in honor to sustain the contract, and the party were bound in honor to sustain the Government. As I have already said, except the declaration of the Prime Minister, there is nothing whatever to show the House and the country that the Government was bound in honor to sustain this contract. We may quite understand that these hon. gentlemen, not knowing last Session—although one of their supporters told us that they did know—that such offers were to be made, allowed the Session to pass without asking for authority to do that which they had no intention to do. Supposing that it would be possible to make what they thought was a good bargain, and to relieve the country of anxiety on account of this great undertaking, they were, I think, quite justified in entering into negotiations. But I do not believe they were quite justified, in binding themselves, as a Government, solemnly to stand by this bargain. They might have made the best bargain they could at the time, and that bargain they might have submitted fairly and honestly to Parliament, and left Parliament to determine whether the bargain was so good that we ought to accept it. But that they should rest their existence, as a Government and a party, on that contract, is something that cannot be understood, unless some further explanations are given. What do they owe to the gentlemen of the Syndicate? Why should they be bound in honor to the gentlemen of the Syndicate to sustain that bargain? If they had asked the authority of Parliament to negotiate a contract on certain terms and within certain limits, if, after having obtained that authority, they had openly and in a proper manner invited tenders for the whole work; and if, after having examined all the tenders received, they came to the conclusion that a particular tender was, on the whole, the best, accepted it, and entered into a contract, then, indeed, they might have fairly said that they were bound in honor to stand by the contract so made. But instead, they proceeded secretly; they allowed themselves to be approached by those persons, who, somehow or other learned that they were approachable and entertained tenders, the substance of which was utterly unknown to the public at large. They proceeded to London, put themselves in correspondence with capitalists there, but not in the open way always followed by Governments. The secrecy of the whole negotiations left room for regarding as but too probable the numberless discreditable street rumors heard to-day at every street corner. Now, they say they are bound in honor to stand by the contract—in honor or in dishonor they have bound themselves They call on their party to sustain them in their course, for no other reason than that the party existence in office depends on that support. They rely on a decision which, if given, will be but that of a mere faction, though composed of a large majority. It will not be the decision of Parliament, a decision based on reason and common sense, on any sense of what is due to the welfare and interests of the country. This bargain, every man in this House knows to-day, takes $3,000,000 cash and 3,000,000 acres of the best land in Canada from the people. Every man believes that if this work were put up to public competition a very much larger sum than $3,000,000 and a larger area than 3,000,000 acres would be saved the people. No man outside the ranks of that party can imagine in what conceivable possible sense it is honorable that he should assist in depriving the people of that enormous sum of money and that vast area of fertile land.

Mr. GIROUARD (Jacques Cartier). Mr. Speaker, feeling that this is the most important question which has been brought before the Canadian Parliament, not since Confederation, as stated by many hon. members, but since the admission of British Columbia into the Union; anticipating now that as the National Policy may be considered settled, the Canadian Pacific Railway will be the leading political topic for twenty or twenty-five years to come, perhaps till the time will come to discuss the advisability of changing the political situation of this Dominion either for legislative union, a system of federation less expensive, or, not to be unjust to the hon. leader of the Opposition, federation of the British Empire; being aware that I represent a county where the Liberal party has a

strong element, many educated supporters, and even eloquent speakers, who on former occasions had opposed me on the hustings in a very formidable manner; knowing, finally, that my county, situated as it is in close proximity to the city of Montreal, and in daily contact with its population, composed of intelligent electors, who generally read and write and receive newspapers, was able to form a fair opinion as to the merits and demerits of the contract—for all these reasons I made up my mind to employ the Christmas adjournment in paying a visit to my constituents at the door of the church of each parish after mass, as is customary in the Province of Quebec after a Session or at election time. At five of these public meetings I exposed the policy of the Government, the terms of the contract, the formation of their Syndicate and the objections made against the same. I told them that the country was bound to build this railway within the next ten years from the Pacific Ocean to the system of Canadian railways, even at the risk of increasing the rate of taxation upon the people. I am surprised, Mr. Speaker, to see this proposition denied in a most positive manner by the hon. gentlemen opposite, and I believe I owe it to my constituents to establish it beyond doubt on the floor of this House. I am aware that in 1871 the House of Commons passed a resolution restricting its obligation to build the railway. I know that the policy laid down in that resolution was to the effect that the construction of the Canadian Pacific Railway was to be prosecuted so as not to increase the rate of taxation upon the people. This was then the policy of this country. It was reaffirmed in the Statute-book of 1872 and 1874. I know all that. But did British Columbia ever assent to this serious restriction? Was it inserted in the terms of the Union? No, Sir, and I venture the hon. members will not contradict me in this respect. By the terms of the British North America Act of 1867, it was provided that British Columbia could enter Confederation upon such terms and conditions as will be expressed in the addresses of British Columbia on the one part and Canada on the other. Now let us see what these addresses provide about the construction of this railway:

"The Government of the Dominion undertake to secure the commencement simultaneously, within two years from the date of the Union, of the construction of a railway from the Pacific towards the Rocky Mountains, and from such point as may be selected east of the Rocky Mountains, towards the Pacific, to connect the seaboard of British Columbia with the railway system of Canada; and, further, to secure the completion of such railway within ten years from the date of the Union."

Not a word is to be found about the rate of taxation which the construction of the railway might produce. Canada has undertaken, unconditionally, to build the railway within ten years. And has British Columbia ever since given her consent to any change of those terms, at least in this particular? No, Sir, by the Carnarvon treaty she has consented to an extension of time, but not to the resolution of the House of Commons in 1871. To-day, as before, we are bound to build this railway within the next ten years. If we desire to meet our engagement, if we care for the honor and credit of this country, the railway must be complete in 1891 without regard to its cost nor to the increase of taxation which it will necessarily involve. Seeing this positive and clear obligation on the part of Canada, Mr. Speaker was greatly surprised, I was amazed, to hear the other evening the hon. leader of the Opposition declare here solemnly to this House and to the country that if British Columbia did not wish to be reasonable, we should let her go. What would the hon. gentleman say to a solvent client who would ask his advice as to whether he should pay his promissory note for $100 in full or only in part? Would he advise him to offer only $25 and recommend him to let his creditor go if he was not willing to accept this and thus be reasonable. The position of British Columbia is just the same. She is our creditor; she insists upon the fulfilment of our engagements, and, Sir, we cannot refuse her demand without repudiating our obligation and bringing dishonor and disgrace upon our country. But we shall not follow the advice of the hon. gentlemen. We shall keep good faith with British Columbia. We shall build the road in the manner and within the time fixed by the agreement. Mr. Speaker, I also told the electors of Jacques Cartier that both political parties, ever since 1871, had made repeated efforts to form a company to build the whole railway; that the Mackenzie Government had passed a Statute authorizing the grant of $10,000 per mile in cash, and 20,000,000 acres of land, besides four per cent interest for twenty-five years on any sum of money which might be stated in the contract, and that all these advantages had been deemed insufficient to induce capitalists to make any offer, although for months and years advertisements inviting tenders have been published in the newspapers of both continents. I also represented to my constituents that in 1879, Parliament had voted 100,000,000 acres of land to be vested in Commissioners to be appointed in England. When I read these railway resolutions, I cannot conceive how the hon. leader of the Opposition can affirm and repeat in every speech that the Canadian Pacific Railway Act of 1874 is still in force at least as far as the plan and policy of building the said railway is concerned. The intention of the Canadian Pacific Railway Act seemed to have been of building the railway by sections and subsections as Government works, and of course tenders had to be called. But the declared policy of this Government and of this Parliament has been to build the whole railway, not by tenders under the supervision and control of the Government, but by the agency of a private company and as a commercial enterprise, and for that reason the provisions of the Canadian Pacific Railway Act cannot apply to the contract under discussion. They have been superseded, abandoned, and given up as affording insufficient means for the construction of this great work. But suppose the Railway Act to be still in force, suppose the tender of the Syndicate is not called, nor made, nor accepted, as provided by that Act, cannot Parliament change that Act, in fact repeal it, and ratify the contract and make it legal? In my humble opinion, the objection is so futile that I cannot understand how the hon. leader of the Opposition, with his great legal mind, could have thought of raising it. To return to my visit to Jacques Cartier, I also told my constituents how much we were to give to the Syndicate, $25,000,000 of cash, 25,000,000 acres of land and sections already built and to be completed by the Government, equivalent to some $28,000,000 or $30,000,000 more. I explained to them the so-called monopoly clauses, providing for exemption from taxation, duties, privileges as to the building of branch lines and prohibition to build roads south of the Canadian Pacific or within fifteen miles of the American boundary. The Government policy was endorsed unanimously, there was not a dissenting voice. No, Sir, I am making a slight mistake. Yes; there was a gentleman from Montreal present who remarked we were giving too much land, as it was worth $2 per acre. An elector immediately replied that if it was worth $2 for the Syndicate, the sections of the Government would be worth that much. But, remarked another elector, when will that land be worth that much? Without the railway it is very much like the land in the moon. Everywhere the contract was approved, even in such a Liberal stronghold as Point Claire, where out of 350 electors I only polled fifty-three at the last election. It was endorsed by reason of certainty as to construction, cost, time and route. A new feature in the controversy has sprung up since my visit to my county—I am referring to the second Syndicate and the offer they have made—and it is this new feature which has induced me to to rise and offer a few remarks. I believe it is the duty of every member of this House to look and carefully examine this new offer. I do not agree

with the hon. gentlemen who contend that the Government is bound by the contract. Suppose some great firms of European capitalists would offer to-day to do the same work for half the money or consideration, I believe it would be the duty of the Government to withdraw their acceptance of the contract—a thing they can do so long as it is not finally ratified by Parliament—and accept the offer of these capitalists. But let us see if the second offer is better than the first one. What are the differences between the two. The second offer is couched word for word in the terms of the contract, with the exception of a few clauses I shall point out presently. It was evidently prepared without that close attention and care which commercial men generally give before signing a document of such a vast importance. I have no doubt in my mind that many have signed it without reading it. It was done in so great a hurry that few sections, for instance sections *d.*, 15 and 16, no longer correspond with previous clauses altered. The offer is to build the railway for $22,000,000 of cash and 22,000,000 acres of land, and yet power was asked to issue bonds to the amount of $25,000,000 as in the contract. The first clause was changed but the subsequent ones were not, and as the offer stands, we can infer that the offer is virtually for $25,000,000 instead of $22,000,000. The differences, at least the leading ones between the two tenders, are $22,000,000 instead of $25,000,000 in cash and land. Sections 15 and 16 of contract is abandoned as to exemption from taxes and payment of duties on certain imported articles. Prohibition on the part of the Dominion and future Provinces not to charter railways south of the Canadian Pacific Railway, or within 15 miles of the American boundary, is also abandoned. These are the better terms, and there is no doubt that in these particulars the second offer is better than the first one. But still these advantages must not be exaggerated. The only items really worthy of attention are the reduction in the price, the exemption forever from taxation of the road. In a country unsettled like the North-West, the exemption from taxation of lands for twenty years is of little value, and we all know that it does not affect Ontario, Manitoba nor British Columbia. In fact, in the Province of Quebec, by the general law of the land, and I think it is the same all over the Dominion, railway companies subsidized by the Government are exempt from taxation to all intents and purposes, not only for twenty years but so long as they receive the subsidies. But there is more, and I am referring here to the exemption from taxes for ever of the road, stations, etc. Can this Parliament prohibit future Provinces from imposing taxes which the British North America Act will give them the power to impose? Can we create Provinces upon different principles and with different powers from those of the Provinces already existing? There is no doubt that the future Provinces will be a portion of Confederation and will be governed by the British North America Act. These new Provinces will, therefore, have the power of putting an end to the regulations we are now making. Of course, they will be bound by the agreements which this Parliament is now making for them, and could not terminate them without some indemnity; but, Sir, owing their existence to this railway, they will find little difficulty or reluctance to provide for this indemnity out of their own resources without making any appeal to the people of the Dominion. However, I need not add that I would prefer to see this exemption struck off, or at least of no effect after a certain number of years, say forty or fifty years. I know that the Government, being only one party to the contract, cannot amend it without the consent of the Syndicate; I know that this contract must be accepted as a compact; I know that the rejection of one clause would break and put an end to the whole arrangement; that the Company will, thereupon, be free and at liberty to withdraw. For this reason I simply make the remark; I throw it out as a suggestion, which the Syndicate, if wise and reasonable, should accept. This exemption from taxes forever is contrary to the spirit of modern legislation, which would not even permit municipalities to grant it for the encouragement of manufactures for a longer period than twenty-five years. The value of the exemption from duties has been greatly exaggerated. It will be no hardship to the manufacturers; they will not be in a worse position, the Government paying no duties on anything they import. I hope, however, that the Government will make such regulations in the allowance of drawback or otherwise, so as to permit Canadians to compete with foreign manufacturers in the supply of the material the Syndicate will require to build the road. The prohibition to charter railways south of the Pacific or within fifteen miles of the boundary for twenty years cannot be seriously felt. It does not apply to Manitoba which has already granted, and may in the future grant, as many charters as she pleases. Section 92 of the British North America Act says:

"In each Province the Legislature may exclusively make laws in relation to matters coming within the classes of subjects next hereinafter enumerated, that is to say;

"Local works and undertakings other than such as are of the following classes:—

"*a.* Lines of steam or other ships railways, canals, telegraphs, and other works and undertakings connecting the Province with any other or others of the Provinces, or extending beyond the limits of the Province.',

Under that clause Manitoba has evidently the power of granting railway charters within the Province, extending to the boundary line, but not beyond its limits. Of course, this local legislation is subject to the veto power of the Dominion. But if the Pacific Railway proves to be tyrannical in its charges and regulations, the Dominion Government will be very careful not to interfere, and not only can this be done, but this Parliament can charter a rival line north of the present Pacific Railway. But to come back to the second Syndicate, granting that their offer contains better terms than the contract, and there is no doubt that it does present some advantages, let us see its disadvantages. Above all, it leaves to uncertainty the construction and running of the entire road, the very thing which was causing so much alarm and anxiety in the mind of the people of this country. The Government may or may not proceed with the western and eastern sections or both. The hon. member for Gloucester, who preceded me, has challenged us to show that under the contract there was any guarantee that the eastern section would be built. I find this guarantee in clause 7 of the contract, and clause 28 of the Act of incorporation. Clause 7 says:

"And upon the completion of the eastern and central sections, the Government shall convey to the Company, with a suitable number of station buildings, and with the water service (but without equipment), those portions of the Canadian Pacific Railway constructed or to be constructed by the Government which shall then be completed."

Clause 28 says:

"And provided also that such mortgage and privilege shall not attach upon any property which the Company are hereby, or by the said contract, authorized to acquire or receive from the Government of Canada, until the same shall have been conveyed by the Government to the Company; but shall attach upon such property, if so declared in such deed, as soon as the same shall be conveyed to the Company."

It is clear that under these clauses the Syndicate shall not acquire the Government sections, nor even validly mortgage the same till the eastern section be completed. For my part I do not want a better security. Mr. Speaker, I may immediately declare that if the contract did contain the uncertainly of the second offer, if it was subject to the same reservation or discretion with the Government, to build or not build the eastern section, I, as a member of the Province of Quebec, as a representative of the people of this Dominion, highly interested to know the cost of the entire road, and to secure its efficient operation within the terms of the Carnarvon

treaty, interested to free the political atmosphere from the impurity or impurities which the construction and working of this immense enterprise by Government would necessarily produce, I would not hesitate to vote against the resolution of the hon. Minister of Railways. It is because there is no uncertainty as to all these points, and for these considerations, that the Province of Quebec *en masse* is in favor of the contract and against the second Syndicate. This fact is so apparent that hardly one anti-petition has come from that portion of the country. The Corn Exchange of Montreal has not even deemed it necessary to present a memorial embodying their resolutions. In this wealthy city, where so many enterprising men are to be found, no one was willing to join the second Syndicate with the exception of an office-seeker, however respectable and competent he may be to manage a railway department. The names of prominent Liberals of Montreal and Quebec were at first mentioned, but at the supreme moment they were not forthcoming and even repudiated any connection with the scheme. The fact is that this second offer was got up by extreme partizans of our friends opposite, assisted by a few disappointed importers of Ontario, for the sole purpose of raising a sectional cry against the Government. When we hear such language as the following fall from the lips of a leading member of the Ontario Government, we are not surprised to hear of anti-petitions coming from a few ridings of the same Province, and a counter-offer coming from the same quarter. Here is the language as quoted by the *Globe:*

"Toronto and Ontario merchants may be placed in a position that they will be compelled to transact nearly all their business with the North-West from Montreal. It is essentially a Montreal scheme, concocted and controlled by Montreal men to the prejudice of Toronto and Ontario generally. It means, I fear, not only a Syndicate monopoly, but a Montreal monopoly too."

I do not for one moment suppose that this is the language of the majority of the population of Ontario. We all know that is the language of a few importers of Hamilton and Toronto, a fact which is also apparent from the allegations set forth in the petition of the Board of Trade of the latter city, where it is alleged:

"That the acquisition of such railways by the Syndicate would destroy the neutral character of the eastern terminus of the National Railway, and would practically transfer its terminus to Montreal."

I know, and we are all too well acquainted with the intelligence and patriotism of the people of Ontario generally, to believe, for one moment, that they would endorse such a selfish statement or argument. We all know that by nature Montreal and Quebec have been placed at the head of the oceanic trade of this Dominion, and Halifax or St. John at the head of its winter trade, and will so remain, no matter whether the traffic of the great West will go down or up by the Sault Ste. Marie route or by way of the Canadian Pacific north of Lake Superior. Ontario has many natural advantages over her sister Provinces of the east. These Provinces are not jealous if she occupies the most prominent position in this Confederation, and we feel confident, and the vote given the other evening and the other votes which I have no doubt will follow, will show that the same liberal and national spirit prevails there.

It being Six o'clock, the Speaker left the Chair.

AFTER RECESS.

Mr. GIROUARD (Jacques Cartier). Finally, Mr. Speaker, I submit that we ought to give our preference to the first Syndicate over the second one by reason of the circumstances which brought the formation of both of them. The first originated calmly, away from the political field, when there was no party interests at stake. It cannot be supposed that a Government having a majority of eighty at its back, had any other object in view but to serve the best interests of the country, and the members of the Syndicate cannot be suspected of aiding any political purpose. They are only known as business men, the political color of only one of them being known, and being a Liberal, he cannot be supposed of ever having had any intention of favoring the party in power. The second Syndicate, on the contrary, bears upon its face the features of a political movement made to embarrass the Government. It has been conceived and born by politicians, to create political excitement for party purposes. If accepted, it would be nothing else but a political machine in the service of that party. This is so very plain, that the clause of their proposed Act of incorporation, which permits the opening of stock books in the principal cities of the Dominion, provides that the provisional directors, that is the promoters of this political scheme, shall have the right to reject any subscription they may deem inexpedient to accept. There is another reason still more important to induce us to reject this second offer, and that is the *personnel* of the two Syndicates. I do not wish to pass the slightest imputation upon the business or financial standing of members of either of the companies—both have men of large means and financial character. But I notice in the composition of the second Syndicate, the absence of the foreign element, which, in my humble opinion, would be fatal to its ultimate success. In 1872, Sir Hugh Allan, in the name of a company just as powerful as this Syndicate is, having personally, on the London markets, undoubtedly more prestige than any member of this second Syndicate, and perhaps as much as the whole of these put together, failed in his mission of raising the necessary funds, for the want of interested parties on the London Stock Exchange. The Stephen Syndicate possesses this immense advantage. By the firm of Mr. Kennedy in New York, they have the financial market of that city open to them, and we all know what successful operators they have been in the past. The firm of Morton, Rose & Company places them in immediate contact with the London and Liverpool Stock Exchanges, and by the firm of Kohn, Reinach & Company, unknown perhaps to many of us, but perfectly well known to any one acquainted with the financial world of Europe, a firm capable alone of floating ten millions of dollars of the bonds of the Company, they have access to the Bourses of Paris, Vienna, Amsterdam, Berlin and of the whole continental Europe. It was the want of this foreign element which caused the collapse of the Allan Company and would inevitably cause the utter failure of the second Syndicate. Without these financial agents, without the active co-operation of these interested bankers, stock brokers or jobbers, it matters very little by what name they are to be styled, Messrs. Gilmour, McLaren, Carruthers and others, will find themselves like those tourists who undertake to visit the catacombs of Rome, without the assistance of a guide; they will be lost for ever. This consideration seems to me to be far more important than all the alleged advantages of the second offer. What the country wants is not only a few millions less promised on paper, the country wants the road built beyond a doubt, and this is more certain, in fact is only surely to be obtained except by the agency of the first Syndicate For all these reasons I feel that I am in duty bound to record my vote against the amendment of the hon. leader of the Opposition and in favor of the railway resolutions. I hope that the gentlemen who are undertaking this gigantic work will make fortunes out of their contract. The country will have no reason to envy them, for their profits will be so many savings to the public treasury. Their pluck and courage deserve reward, and if I had any doubt in my mind, which I have not, as to the superiority of their terms, I would not hesitate to give them the benefit of that doubt. The far Nor-West is, as every one admits and no one can deny, of immense value, but perhaps not so immediately, nor even within a few years. The Company

will need patience, courage, large means and pecuniary resources, before they can realize profits, but they are sure of getting them in the end. The policy pursued by the Opposition will even help them to obtain this result, for instead of persisting in their course of depreciating this young and unknown country, I was, we were all, pleased to see our friends opposite adopt the more patriotic platform of representing Canada as worthy of the attention of Europe and of its surplus of money and population. Mr. Speaker, I feel that I cannot take my seat without thanking the Government and especially the energetic and able Minister who is at the head of the Department of Railways upon the ultimate success of their efforts. Our children and great grandchildren will alone be able to realize the magnitude of the services they are rendering the country on the present occasion. And of the right hon. leader of the Government, who to day sees his hopes and expectations of 1872 realized to their fullest extent, history will say that, the Confederation scheme being excepted, the Pacific contract is the greatest act of a great political career.

Mr. DOULL. As the question before the House has assumed a new aspect since first introduced by the new proposition which has lately been offered to it, I desire to say a few words upon it. I do not purpose prolonging the debate by any lengthened remarks, for, had I greater ability than I pretend to possess, I do not think I could offer any new views to the House. I am sure the subject before the House has already been so ably discussed that I think the arguments on both sides have been fully exhausted, and I am sure the House must be tired and weary with the repetition of arguments that have been made time and again on this subject. But in justice to myself and the constituents I have the honor to represent, I feel that under the new aspect of this question I could not give a silent vote on so important a subject affecting as it does not only the present but the future of this great Dominion. On the developement and settlement of the great North-West largely depend the future greatness and general prosperity of this country. It is by settlement alone that we can expect to increase the population, and in a great extent this cannot be accomplished without the construction of the Canadian Pacific Railway that will connect the Pacific coast with the system of Canadian railways and thus make railway communication from the Atlantic to the Pacific. It has been admitted, I think on all sides, that this is too great a work for the Dominion to undertake as a Government work, and all have agreed that it should be built if possible by a company. Now that we have the opportunity of getting it built as all are agreed it should be built, it is opposed in this House, by the party who have opposed every measure that has been submitted in the interests of the country since Confederation, and, as I believe, on factious grounds. By the new aspect which the subject has assumed since the new offer was made, the question virtually before the House is: shall we ratify the contract or shall we accept the new offer. I think that by the discussion in this House and out of it, it has been most clearly proven that the terms of the contract now before the House are better and more in the interests of the country than either the terms of the Allan contract or the terms that were offered in the Act of 1874 by the Mackenzie Government. It has been stated by hon. gentlemen opposite that circumstances have changed within the last year or so as to enhance the value of the lands in the North-West. I think they have, and that the Government of the day have, acted wisely and prudently in giving less land and more money for the construction of the road. Under the Allan contract the Government of that day agreed on $30,000,000 and 55,000,000 acres of land, that is including the two branches. If we take the land at the valuation which the Opposition now set upon it—that is $3.18 per acre, we will have the money value given under the Allan contract equal to $204,900,000. If we consider the land and money grants under the Mackenzie Act of 1874, we will have $10,000 per mile on 2,797 miles, making $27,970,000. To this we add the interest that might be asked by the company tendering, four per cent., upon the Minister of Railways' estimate of what would actually have to be paid, $7,500 per mile, and we have $20,977,500, making a cash subsidy, under the Mackenzie arrangement, of $48,947,500. Add to that the 56,000,000 acres of land that was to be given under the Act of 1874 to a company for building this road, $178,080,000. Add that to the $48,947,500, and we have an actual money value, given under the Mackenzie contract, of $227,027,500. Under the present contract all that is given is $25,000,000 cash, the road that is built and being built equal to $28,000,000 in cash; both these sums amounting to $53,000,000 in cash. Taking the land at the same valuation it would amount to $79,500,000, making in all $132,500,000 that we give under the present arrangement, a difference in favor of this arrangement of $72,000,000 as compared with the Allan contract, and $94,000,000 as compared with the terms offered under the Mackenzie Act. That the country is fully convinced that the terms of the present contract are better than either of the two arrangements I have mentioned, we want no further proof than the fact the Opposition have failed by their agitation to call forth any general expression of feeling against it. Hence the necessity for something else than the terms of the contract to influence public sentiment in their favor, and hence this new proposition. If this new proposition is a *bona fide* one, the question might naturally be asked, why was it not made before? Why was it not made when the leader of the late Government offered better terms than is proposed to be given by this Bill? Why was it not made months ago, when it was known that the members of the Government were going to England to make arrangements for the construction of the road? Why was it not made when it was known that these gentlemen had returned and were arranging the terms of the present Bill? Why was it only made when the Bill had passed through Committee? Why, I ask, was not this new proposition made before if it is made in good faith, and not as a trap or share to cach votes from this side of the House, and, if possible, to overthrow the Government? The hon. member for Gloucester (Mr. Anglin), in the speech he made to-day, stated that the defeat of this contract need not of necessity cause the overthrow of the Government. I am not a constitutional lawyer, nor yet am I as well acquainted with parliamentary usage as the hon. gentleman, but it appears to me that if this Bill is rejected by this House the Government will have no alternative but to resign. They have entered into a solemn contract, they have bound themselves to this contract, and they have called upon this House to ratify this contract. If this house refuses to ratify that contract, we condemn the Act of the Government, and thereby express a want of confidence in the Government, and, as a matter of course, it appears to me they must resign. But it is not the only object the Opposition have in concocting this political scheme, for I consider it nothing else. Failing to overthrow the Government, they think this would be an excellent card for the next general election. I am inclined to think they have overreached themselves, and as they will certainly fail in the first, so they will as certainly fail in the other. I will endeavor, succinctly as possible, to give my reasons for opposing the new resolutions and for supporting the contract. First, because by accepting the new proposition and refusing to ratify the contract we establish the necessity of overthrowing the present Government to be followed by a Government with the hon. leader of the Opposition at its head—not that I would hesitate to vote to overthrow the present or any other Government if I considered

that the interests of the country required it. In the second place, by rejecting the contract we not only defeat the Government, but we defeat the object we have all so much at heart, the building of the Canadian Pacific Railway, so as to give us railway communication from the Atlantic to the Pacific through Canadian territory. I do not agree with the hon. Premier and others on this side of the House, that this offer is a bogus one, but that it is a political dodge I have no doubt. If, however, it succeeded in overthrowing the present Government and placing in power the leader of the Opposition, that portion of it which is in accordance with the views of that hon. gentleman I have no doubt would be carried out to the letter, and would prove a much more remunerative undertaking than the one under the contract. This House and the country are well aware of the policy of that gentleman with respect to the building of the Canadian Pacific Railway. He has declared time and again against building that portion of the road from the foot of the Rocky Mountains, on the east, to the Pacific and that portion north of Lake Superior, and in favor of building only that portion from Lake Superior to the foot of the Rocky Mountains, and making connection with the American roads *via* Sault Ste. Marie. Can anyone read the new proposition without seeing that it is made to meet his views in this respect, and that if it succeeded in bringing him into power, only that portion of it necessary to carry out his policy would be adopted, as all the rest is made optional with the Government of the day. Accept this proposition and reject the contract and you will have a road from the Rocky Mountains to Lake Superior, connecting with the American roads *via* Sault Ste. Marie, and you will postpone indefinitely if not forever the construction of a Canadian Pacific Railway on Canadian territory, connecting the Atlantic with the Pacific; for what company will ever undertake the construction of the other portion of it, which, in the nature of things, can never be made to pay when the only paying part is in the hands of another company? No; it appears to me that the thing is too transparent, and will not deceive any member of this House, and when thoroughly understood will not deceive the country, but will recoil upon the heads of those who concocted so transparent a political dodge. The great outcry and the greatest objection to the contract was that it was going to create a grinding monopoly that would seriously interfere with the development and settlement of the North-West Territory. This objection I think answers itself; for, as it would interfere with the development and settlement of that country, so it would interfere with and prevent the enterprise from being a paying and profitable one. No, Sir, the Syndicate, in order to make the enterprise a profitable one, must do all in their power to develop and settle the country, and with all they and the Government can do in that direction. It appears to me it will not be during this generation that they will take out of it the money they put into it. But if the contract creates a monopoly so does the offer, for, according to it the new Syndicate are to get and hold their lands in precisely the same way as under the contract, except that they are not free from taxation, and I do not think that amounts to much, for it will be very little of them that will be taxed during the first twenty years. So that I look upon that objection as a very frivolous one; and as to their holding their lands and not selling them at a fair price I think is sheer nonsense. It will be to their interest to sell their lands as soon as possible, for the profit they would make by holding them would not equal the profit they would make by the traffic they would create by selling them as soon as possible. The hon. member for Gloucester, this afternoon, and other members of the Opposition argued as if we were not going to have a first-class road under the contract, on account of the standard selected. This is mere assumption. The Union Pacific Railway, when completed in 1873, was pronounced a first-class road, and it was not completed till then. I went over it in 1869, three months after it was opened. Even then the road-bed was a good one, but there were many temporary bridges and station houses which were afterwards replaced by more substantial structures. It was then an incomplete and unfinished road, and could not be the standard referred to in the contract. In this respect, therefore, the offer and the contract are the same. With respect to tolls, I think that difficulty or objection is set aside by the statement of the hon. First Minister, that a clause will be inserted in the Consolidated Railway Act fixing the extent to which the ten per cent. profit goes. There is one objection taken by the Opposition to the contract, which, to my mind, has some weight, although inconsistent with their principles of free trade, and which the offer does not contain; that is, the admission of materials for the construction of the road free of duty. I think this is inconsistent with and opposed to the principle approved of by the country and attempted to be carried out by our National Policy. It strikes at the very root of the principle of Protection. If exemptions are to be made in this instance, how are they to be refused in others? If we have not the manufactories in operation to produce what is required for the construction of railways, we have at hand all that is necessary to put them into operation in a very short time, and I am pleased to see by the papers, that a company has been formed at Montreal to develop our iron mines and to manufacture steel rails and other appliances necessary for the construction of railroads. We have in the county I have the honor to represent, iron mines of the best quality in the world, and of unlimited extent, lying in close proximity to immense coal fields and lime beds, and all that is required to develop them is capital. From the information I have I believe they can be worked more cheaply than any mines on this continent, and from their natural position iron works can be carried on more cheaply in their neighborhood than at any mines in the world. They are situated alongside of the Intercolonial Railway, from Pictou to Truro, and only twenty-four miles from Pictou Harbor, one of the best in the Dominion. I therefore consider this section of the contract objectionable, but as the Government are going to give a bonus to manufacturers equal to what they grant to the Syndicate by this section, I am prepared to accept it with the rest, although I would prefer it was not there. Some hon. gentlemen opposite have endeavored to show what an immense burden this contract was going to entail on this Dominion, and the hon. member for Yarmouth (Mr. Killam) endeavored to show how much it was going to injure the Province he and I have the honor to come from. But I think his calculations, like a good many of his statements, were not well founded. I think these calculations are deduced from that fertile imagination of his, and do not rest upon true data. He thought he would have a fling at some of the members from Nova Scotia, and directed his artillery at the members from Halifax by endeavoring to show that the railway which was going to be built to Hudson's Bay, as an outlet for the North-West, would seriously interfere with Halifax as a winter port, ignoring the fact that while Halifax was open all the year round, Hudson's Bay was ice-bound during the winter. The hon. member for Gloucester said the lands, under the Mackenzie Act of 1874, were in blocks along the whole line, and were to be taken along the whole line of fair average quality. If I understand the geography aright, the Province of Ontario extends up to the west of Lake Superior; all the lands north of Lake Superior must belong to that Province, and therefore cannot be given under any contract made with the Government of the Dominion. The lands from Jasper House to Kamloops cannot be pretended to be of fair average value, for the nature of the country is such it must be land totally unfit for cultivation. Therefore no lands could be taken out of those two sections. Kamloops, I take it for granted, is in the Pro-

vince of British Columbia, and no land can be taken in that Province.

Mr. MILLS. Hear, hear.

Mr. DOULL. If I am wrong I beg to be corrected. The lands would therefore, under the Mackenzie Act, have to be taken out of the prairie section where they were found of fair average value. In this respect, therefore, the present contract is preferable to the terms of the Mackenzie Act. The hon. member for Gloucester went out of his way to attack the National Policy. I thought the question of the price of flour, which he stated had been raised by the National Policy, had been fully settled before, and that no member in this House would contend that any duty we could place on flour would raise its price. With respect to the price of coal, I do not know how the duty has affected the price in Ontario, but I have a statement compiled by a gentleman well acquainted in the coal business, showing the prices of coal in Quebec during the past three years imported from Great Britain, Nova Scotia and the United States. In 1878 we received for the coal we shipped to the Province of Quebec $3.60 per ton, in 1879 $3.50 per ton, and this was the year in which the duty of 50 cents per ton was imposed. In 1880, we got $3.35, showing in 1880 we got for Nova Scotia coal 15 cents less than in 1879 and 25 cents less than in 1878.

Mr. MILLS. Why not repeal the duty?

Mr. DOULL. With respect to the burden that is going to be entailed for the building of this Pacific Railway, I am perfectly satisfied that the country will, in a very short period of time, be recouped for all the money that it is giving under the contract if not by the sale of lands by the increased population that will be added to the Dominion. Had it not been for the means used by the Opposition to defeat the Allan contract, I believe that the road would not only now be built, but the increased population caused by it would now be sufficient to pay the annual interest on the money subsidy by their proportion of the taxes they would have to bear, and so, under the present contract, ten years hence the increased population caused by the building of this road will nearly if not altogether pay the interest of the money we are paying for its construction, and ultimately we will be recouped by the sale of lands, not only for the money we are paying but much more. By the contract we are saved the cost of upholding and running the road, which for many years to come is admitted would be a very heavy loss, at least on the portions of the road that would not be built under the new offer estimated at five or six millions. For these and other reasons I will vote for the ratification of the contract.

Mr. BUNSTER. It has been stated in this House that British Columbia has not been heard from. True, she has not been heard from much; she has been smarting under the injustice done her. The opposition to this Government scheme is designed to defeat the policy of building a national highway across the continent. But, reversing the case, would not the Opposition be right glad to lay such a proposition before the House were they again in power, and take pride and pleasure from the act. I venture to think they would. They had seven years to bring in a similar proposition, during which time the country suffered and the people were dissatisfied, not knowing whether to remain in it or not. Many only remained because they could not dispose of their property. To day, however, they are beginning to feel a sort of confidence that Canada will yet come out all right from the benefits of the National Policy, and the prospect of this Canadian Pacific Railway through the Syndicate that has been formed. However, I do not fully endorse the present scheme, because, in my opinion, it does not go far enough. A great injustice has been done British Columbia and Canada in not including Vancouver Island in the scheme. Why the leader of the Government and Minister of Railways should have left out that Island is more than I can account for, when they have paid so much attention to Manitoba, not one of the Ministers visiting it last season, though four visited Manitoba. The abuse that has been lavishly so heaped on British Columbia has done it and Canada no good. Emigrants reading the praises of Kansas and other States, in the speeches of Opposition members, have their thoughts directed towards the States. You never hear Americans saying the lands of the United States are good for nothing, and praising the lands of their neighbors. It has been stated that British Columbia has not been heard from in this matter, but she has taken an active interest in the Syndicate, and at a meeting held in one of the principal cities in Vancouver Island, Nanaimo, this motion was passed: "That this meeting accords the highest praise for the energetic manner in which they have commenced the construction of the Canadian Pacific Railway on the main land, and would respectfully urge upon the Dominion Government the obligation and expediency of immediately proceeding with the Island Railway from Nanaimo to Esquimalt, in fulfillment of the Carnarvon terms of 1874, that construction should not, in justice to this Province, be deferred beyond the spring of 1881; further, that the said railway should be built as a Dominion work, and the public lands should not be given into the possession of a private railway company." The object of this petition is the retention by the Government of the lands which are valuable enough to pay for three Island railways. The American Government capitalists or speculators would build a road all round and through it for the sake of the beds of coal on it. While we talk about building a railroad, the Americans would go in and build it. Though it was agreed ten years ago, when we entered the Confederation, that the railroad should be commenced immediately, it has scarcely yet begun in good faith, according to the terms. How much would the Americans give for British Columbia, for which the Canadians had only given a paltry promise? The Opposition would try to break this bargain for political purposes, but I do not believe that an honest Canadian who cares for his word would do so. If we have men in our Province smart enough to make a fair bargain, and you have not men in the other Provinces honorable enough to carry out that bargain, where does the blame lie? I claim it lies in Canada, where political tricksters who would like to ascend to the Treasury benches, and hoodwink the people at the expense of British Columbia, are to be found. I was proud enough to hear the leader of the Government state that that party respected the country's obligation, but what have we been told in and out of the House? In Montreal, not many weeks ago, I went to a meeting which I suppose was held on consecrated ground, because we were only admitted by tickets, and they rouge or bleu. The intention was to have hole and corner meetings and hoodwink the people. It was there said that British Columbia was an incubus on the Dominion. I was astonished that the member for West Durham should have stated that, but I think that before the Dominion gets through with him, it will find him a greater incubus, because he is deceiving it. He is not using his solid judgment, his great learning and statesmanship, in the right way. He has been doing not only the Dominion a great injustice, but British Columbia, by keeping people out of the country that would have made happy homes in it. Now, I desire to say that British Columbia has suffered more by joining Canada than would be paid for by all that she has ever received from it. Of course her lands have been locked up from settlement, and actual settlers turned away, but when our lands are locked up for want of settlement, when settlers are driven from our shores, when we are branded in the newspapers of the world

as being an incubus on the Dominion, as being an inhospitable country and "a sea of mountains," have we not a right to complain. Like Othello, we in British Columbia value our good name, and are entitled to compensation for the aspersions cast on us. Some few evenings ago when I was addressing this House the hon. member for West Durham (Mr. Blake) denied that he had made statements which I charged him with making. I will read an extract from that hon. gentleman's celebrated Aurora speech to prove my assertion, as I do not say anything in this House which I cannot substantiate. Here is what the hon. gentleman said:

"You will have observed that when the Government of which I was then a member undertook to deal with that question, their policy was enunciated in distinct terms to the electors before the late appeal, and that policy was most unequivocally approved, first at the polls and subsequently in Parliament. I see that a deputation has been sent to England; that the people of British Columbia—no, not the people of British Columbia, for I do not believe they as a body sympathize with these extreme views—that the Government of British Columbia has sent a deputation to England urging that some measure should be taken to force the Government and people of this country to do more than has been proposed with reference to that railway. We, last Session, took the unpleasant step of very largely increasing the rate of your taxation in order to provide funds towards the fulfilment, as far as practicable, of this and other obligations imposed on you by the late Government. * * * I think the chief advantage the British Columbians will derive from the enterprise will consist in the circulation of money, and the profits of mercantile operations attendant on the construction, and that Canada will be a frightful loser by the affair. Now, even under these circumstances, the fact that the population of British Columbia is only some 10,000 altogether, representing, perhaps, not so many householders as the audience I now see before me, ought not to disentitle them to say—'You shall fulfil your bargain or release us from our bonds.' It is their right to take such a course, if they think fit, but I deny that this is any reason why we should plunge this country into ruin by the attempt. I have some reason to believe that these people are sufficiently sensible and reasonable to recognize and act on the truth of the matter, unless, indeed, they are sustained by agitators in this country, who are willing for the sake of creating an embarrassment to the Government, to excite false and delusive hopes among them. The temper of Parliament you may judge from the fact that during last Session an amendment was moved by one of the British Columbia members insisting upon an early prosecution of the work in that Province, but he was sustained by five members only—two or three from his own Province, and a couple of those who my friend Mr. Mowat delights to call Ontario Tories. If, under all the circumstances, the Columbians were to say—'You must go on and finish this railway according to the terms or take the alternative of releasing us from the Confederation, I would—take the alternative.'"

I think, Sir, that that proves the statement I made on the floor of this House, and if the hon. gentleman has no more respect for treaty obligations than to say: "Let us break our solemnly-made compact and let British Columbia go; the treaty is not worth the paper it is written upon," he may expect the people of British Columbia to be surprised and grieved at the treatment she receives from the public men of Canada. If that should be the feeling of our public men generally with regard to the Province of British Columbia, the people of that Province would feel that they would rather be out of the Union; but I have confidence that the present Dominion Government will carry out their pledges to the Pacific Province. It has been stated in this House, but stated erroneously, that the country is going to give $50,000,000 to the Syndicate. Is there any gentleman in this Chamber or in this country who would pay even $1 per acre for the lands if the railway was not to be built? It is the railway which will give value to the lands and by the enhanced value of the lands and the increase of settlement will be more than recouped for the expenditure they are called upon to make.

An hon. MEMBER. Settle the lands with Chinese.

Mr. BUNSTER. I think I know more of the Chinese than the hon. gentleman, and I can assure him that the Chinese question will be the next great question to be considered in this country. The lands will be enhanced in value, so that the Government will in the long run be the gainers; for instead of the lands lying dormant and inhabited only by the buffalo, the elk and the savage, they will be populated with settlers. We should endeavor to develope our country as the Americans have, for their railway has crossed a desert country which has been settled and developed, while our lands are of a far better character. But here is the policy of the leader of the Opposition as proposed in an amendment last Session:

"That all the words after 'That,' to the end of the question, be left out, and the words 'the public interests require that the work of constructing the Pacific Railway in British Columbia should be postponed,' inserted instead thereof."

Mr. BLAKE. Hear hear.

Mr. BUNSTER. That shows the good feeling which the hon. gentleman bears towards British Columbia, and I am not surprised that he now says "hear hear." I have frequently invited the hon. gentleman to come to our Province and see for himself, instead of keeping up a hostile feeling towards it. The hon. Minister of Railways stated at Montreal that the hon. member for West Durham had offered a bait, $750,000 to British Columbia, and I was astonished that the hon. gentleman has not denied it. It seems to me that the American people have too much to say in the management of our affairs. If we would manage our own affairs instead of letting them get the start of us, as they did with regard to the Northern Pacific Railway, it would be much better for us. I wish to point out, however, the effect of the report that the building of the Canadian Pacific Railway was to kill off the Northern Pacific for a time. When the President and Directors of the latter road went to London to float their bonds, the capitalists said: "No; the road will not pay and we are going to support our own." The result was at that time that they were not able to float a dollar of their bonds. But in 1873, when the present Government was thrown from power, then, through hostility toward the Canadian Pacific Railway by the Government which succeeded them, the Northern Pacific began to pick up again, and they are now prosecuting work vigorously. If our road had been gone on with in 1873, the Northern Pacific would not have been built for twenty years, and we would have had all the carrying trade from the Pacific to the east. The advantage we have in the carrying trade between Asia and Liverpool is something like two days and nine hours, and by reason of this advantage British merchants would patronize our roads rather than the American roads. I will now exhibit to the House a small globe for the purpose of explaining the advantage I have referred to. Hon. gentlemen may laugh as much as they please, but I want to demonstrate to them the advantage British Columbia holds over the other parts of the world. Here we are right in the middle of the world, as far as commerce is concerned. You can start here from Vancouver's Island and go to any part of the world you please. You go to England, and you go to one side of the world; you go to Asia, and you go to another side of the world, but at Vancouver Island you are just in the centre of the world. Now the hon. member for West Durham (Mr. Blake) never took the trouble to inform himself upon the geography of Vancouver Island, otherwise he would not be so severe towards it. The hon. gentleman thinks that country is very inhospitable. I want to show him one of our little cities that does not look very inhospitable [The hon. gentleman exhibits a plan of the city of Victoria.] You will find just as happy homes in that city as in any other place in the civilized world. I deny that it is an inhospitable country. On the contrary, it is a country of great and varied resources—and a perfect paradise so far as regards the beauty of its scenery and the salubrity and healthfulness of its climate. Now, Mr. Speaker, it is a serious matter for us on Vancouver Island to be left out of the scheme under consideration. I have a resolution on the paper which I intend to move as a substantive motion; I do not intend to move it as an amendment because I would have the Government against it. But I hope when the proper time comes the Government will see fit to remedy the injustice

they have done to Vancouver Island. I cannot see why the Government should have left out that Island in their arrangements with the Syndicate. They evidently do not know the value of the land of that Island, where the most people live, where the largest amount of capital is invested, and where there is the greatest amount of industry of any part of the Province. It is not fair that it should be left out, particularly when it possesses the best harbors on the Pacific coast north of San Francisco, and where Her Majesty's naval authorities have seen fit to make it their head station. It is certainly not to be despised on that account. No place is to be despised where the flag of Britain floats. Her Majesty's squadron anchors in Esquimalt harbor because it is the best harbor on the coast. The hon. member for Victoria (Mr. DeCosmos) has exhibited a map corroborating the contention that the Government is bound to respect the route laid down on that map, and bound to respect the Carnarvon Award which makes Esquimalt the terminus. The late Government, I believe, intended to carry out the Carnarvon Award for the first year or two, until they were badly advised. The hon. member for Lambton transported 5,000 tons of steel rails to our shores with the intention of having that road built. He sent his Finance Minister to England to dispose of Canadian bonds, and mortgaged our country, and mortgaged British Columbia too. And what is the consequence? Some $35,000,000 of bonds were sold at 92 cents on the dollar, and to-day they are worth 104 cents, making a loss to the Dominion of $5,000,000, which would have built two railroads from Nanaimo to Esquimalt, and which would have made up all the difference between the new Syndicate and the old Syndicate. British Columbia would be bad enough off under either Syndicate, but a great deal worse under the new one. If some enterprising and enlightened individual proposed a Syndicate to build a road on Vancouver Island, and if he believed it genuine, I should be inclined to favor it, but there is nothing said about Vancouver Island. Neither have the Government said what they intend to do with the lands on Vancouver Island, which they have reserved and kept in their possession for railway purposes for the last ten years. They have kept back that Province when Manitoba has been going ahead, and hereafter some person may rise in this House and ask how it is that Manitoba is going ahead so fast when British Columbia is falling behind. My answer would be that it was because the lands in our Province had been reserved by the Government They have made no provision for the disposal of the land. They have land agents there, but if a settler applies to the land office he can get no satisfaction whatever. It has been stated erroneously that we have no good land in British Columbia. I deny it—we have more land in British Columbia than would be required to build the railway. But let them build it where they please, and eventually they will build the railway where the good lands are, from the nature of our climate immigrants will pour into British Columbia. Our cattle winter out without shelter, as they cannot do in Ontario, and that will be a great inducement to the immigrants to go there and raise cattle. Last season we exported more lumber than in any previous year. There are two mills at Burrard Inlet capable of cutting 500,000 feet a day; there is one large mill at Victoria, besides other mills throughout the Province. Then last, but not least, we have our own coal mines, which produce about a thousand tons of coal per day, and when we take into consideration that you have not provided for the construction of the Island railway and thus connecting the Mainland with the Island, we see that you have done a great injustice to the road in supplying the iron horse with fuel. Allow me to tell the Government that they cannot ignore the Carnarvon terms. The Carnarvon terms are in black and white, and when the Local Legislature meet I shall be surprised if they do not pass a resolution and send a delegate to England to see that the terms are carried out in their entirety. The Carnarvon terms and the Island Railway are not to be trifled with or sneered at. We know that we have a treaty obligation, and we are bound to stick to it. I will read a little of what Lord Dufferin stated about our country when he visited our shores. I believe three Canadian statesmen have visited British Columbia, and reported upon it, but always adversely to British Columbia; thinking that British Columbia had the best of the bargain, they never took into consideration the fact that the Dominion never paid one dollar for British Columbia. We know that the senior member for Victoria bought British Columbia with the promise to build the railway. I would ask him if he has built that railway? I believed if he had remained in power in 1873, through the fertility of his brain he would have succeeded in building the railway; and since the right hon. gentleman has ascended the throne again, I would like him to explain why he has so neglected his constituency as to leave Vancouver Island out of this contract. When the Dominion left him without his seat, Victoria paid him the handsomest tribute it could by electing him. Has he paid Victoria a handsome tribute by building the road to the Island? I claim that he has not done us justice, but I live in hopes that he will do us justice still. I would like him to explain why the Vancouver Island road was left out of the contract, when the Syndicate people would have had the best of the bargain by undertaking it, as they would have got to the coal beds and the good lands, as well as secured a good harbor? Suppose we adopted the doctrine of the hon. member for West Durham, and built the road to the Rocky Mountains, of what use would it be? What national commerce would it command? What Canadian would feel proud for having broken a solemn contract with British Columbia? On the contrary, every patriotic Canadian will feel proud when the statesmen of our country will vindicate the credit of the country by providing for the construction of the Canadian Pacific Railway from Winnipeg to Esquimalt. A great deal of the hard feeling in British Columbia was owing to what is called the "Pacific Scandal." We resented the bad faith exhibited by the late Government and the abuse we received from some members of that Government, who called our country an inhospitable country, a sea of mountains, and an incubus on this great Dominion. We sent to England and got the Carnarvon award in 1874. But the late Government did not carry it out. Hence they sent the Governor General out there. To do what? To hoodwink and soft-soap us; but they could not do that. Of the speech delivered by Lord Dufferin at Victoria I will read a few extracts:

"His Excellency has intimated, before proceeding on his voyage to the North from Victoria, that on his return he would meet the various committees who had attended him with addresses, and convey the impressions formed in his mind by the tour through the Province. As it was generally expected he would speak fully on the railway matter, and would perhaps announce some specific policy of the Dominion Government, the leading men of the country made it a point to attend at Government House on the morning of the 20th September. He then delivered before them what is known as his 'Great British Columbia Speech.' It occupied two hours and a quarter in its delivery. He said:

"'GENTLEMEN,—I am indeed very glad to have an opportunity before quitting British Columbia of thanking you, through you, the citizens of Victoria, not only for the general kindness and courtesy I have met with during my residence among you, but especially for the invitation to the banquet with which you proposed to have honored me. I regret that my engagements did not permit me to accept this additional proof of your hospitality; but my desire to see as much as possible of the country and my other engagements forced me most reluctantly to decline it. I shall, however, have a final opportunity of mingling with your citizens at the entertainment arranged for me at Beacon Hill, this afternoon, to which I am looking forward with the greatest pleasure. Perhaps, gentlemen, I may be permitted to take advantage of this occasion to express to you the satisfaction and enjoyment I have derived from my recent progress through such portions of the Province as I have been able to reach within the short period left at my disposal. I am well aware I have visited but a small proportion of your domains, and that there are important centres of population from which I have been kept aloof. More especially have I to regret my inability to reach Cariboo, the chief theatre of the young mining industry, and the home of a community with whose feelings, wishes and sentiments it would have been very advantageous for me to have become personally acquainted. Still, by

dint of considerable exertion, I have traversed the entire coast of British Columbia from its southern extremity to Alaska. I have penetrated to the head of Bute Inlet. I have examined the Seymour Narrows, and the other channels which intervene between the head of Bute Inlet and Vancouver Island.' "

I will not detain the House by reading the whole of the speech. I merely want to show the hon. member for West Durham that our country is not so inhospitable as it is reported to be:

"Of course, I well understand that the gravamen of the charge agains the Canadian Government is that it has failed to fulfil its treaty engagements. Those engagements were embodied in a solemn agreement which was ratified by the respective legislatures of the contracting parties, who were at the time perfectly independent of each other, and I admit they thus acquired all the characteristics of an international treaty. The terms of that treaty were (to omit the minor items) that Canada undertook to secure, within two years from the date of Union, the simultaneous commencement at either end of a railway which was to connect the seaboard of British Columbia with the railway system of the Dominion, and that such railway should be completed within ten years from the date of Union in 1871. We are now in 1876, five years have elapsed, and the work of construction even at one end can be said to have only just begun. Undoubtedly, under these circumstances, every one must allow that Canada has failed to fulfil her treaty obligations towards this province, but unfortunately Canada has been accused not only of failing to accomplish her undertakings, but of what is a very different thing—a wilful breach of faith in having neglected to do so."

He then goes on to describe the treatment we have received at the hands of Canada:

"It is quite true, in what I must admit to be a most generous spirit, you intimated in various ways that you did not desire to hold Canada too strictly to the letter of her engagements as to time. Your expectations in this respect were by your late Lieutenant-Governor, Mr. Trutch, very fairly and explicitly, though a very unfair use has been made of his words, and I have no doubt that if unforseen circumstances had not intervened you would have exhibited as much patience as could have been expected of you. But a serious crisis supervened in the political career of Canada. Sir John A. Macdonald resigned office, and Mr. Mackenzie acceded to power, and to all the responsibilities incurred by Canada in respect to you and your Province. Now it is asserted, and I imagine with truth, that Mr. Mackenzie and his political friends had always been opposed to many portions of Canada's bargain with British Columbia. It therefore came to be considered in this Province that the new Government was an enemy to the Pacific Railway. But I believe this to have been, and to be, a complete misapprehension. I believe the Pacific Railway has no better friend in Canada than Mr. Mackenzie, and that he was only opposed to the time terms in the bargain, because he believed them impossible of accomplishment, and that a conscientious endeavor to fulfil them would unnecessarily ruinously increase the financial expenditure of the country, and in both these opinions Mr. Mackenzie was undoubtedly right. With the experience we now possess, and of course it is easy to be wise after the event, no one would dream of saying that the railway could have been surveyed, located, and built within the period named, or that a company who might undertake to build the line within that period would not have required double and treble the bonus that would have been sufficient had construction been arranged for at a more leisurely rate; but surely it would be both ungenerous and unreasonable for British Columbia to entertain any hostile feelings towards Mr. Mackenzie on this account, nor is he to be blamed, in my opinion, if on entering office in so unexpected a manner he took time to consider the course which he would pursue in regard to his mode of dealing with a question of such enormous importance."

These hon. gentlemen sent out Mr. Edgar to buy us off for $750,000. We do not make contracts to compromise them afterwards. Some of our miners have taken that much gold out of some of the "seas of mountains" that have been spoken of and carried it back to Ontario. Lord Dufferin continued:

"The Province agreed to the Pacific Railway being completed in sixteen years from 1874, and to its being begun 'as soon as the surveys shall have been completed,' instead of a fixed date, while the Dominion Government undertook to construct at once a railway from Esquimalt to Nanaimo, to hurry forward the surveys with the utmost possible despatch and as soon as construction should have begun, to spend two millions a year in the prosecution of the work. I find that in this part of the world these arrangements have come to be known as the 'Carnarvon Terms.' It is a very convenient designation, and I am quite content to adopt it on condition, namely, that Lord Carnarvon is not to be saddled with any original responsibility."

Was Lord Carnarvon not to be saddled with the original responsibility? He certainly undertook it, and was very glad to try and adjust the differences, which were carried to the foot of the Throne. He saw plainly we had a good case, or he would not have undertaken the arbitration. Our people and the Canadian Government accepted his award, but the latter did not carry it out. They said: "Let British Columbia go, rather than we shall carry it out." That was not treating British Columbia properly. If British Columbia, as I said before, was not in the Union, what would Canada be to-day? She would be nothing. There is a future before her now. Seven or eight years ago Manitoba was not thought much of, but last year I find that four Ministers were only too glad to visit that Province on a tour of inspection and observation. They never thought, however, of coming to British Columbia. I am satisfied if they had they would have quite a different impression of the country from what they have to-day. We have only had the pleasure of receiving one Minister, the Minister of Public Works—that was in 1871, I think—but he is slow about returning. There are several public works there that require his attention; and if he were to pay us a visit, I am satisfied the Vancouver Island Railway would receive more attention than it does at present. If the Leader of the Government had forced this matter through the House instead of waiting for weeks, hon. members would have been able to have returned home much sooner.

Sir JOHN A. MACDONALD. I am afraid I would have been so hospitably treated I would never have got back again.

Mr. BUNSTER. If the right hon. gentleman thinks he would be inhospitably treated, he is laboring under a great error.

Sir JOHN A. MACDONALD. I did not say inhospitably, I said hospitably.

Mr. BUNSTER. I apologize; the word "inhospitable" is so often sounded in my ears that I cannot forget it. If the leader of the Opposition does justice to Vancouver Island I am satisfied he will be hospitably received. There are other petitions from Vancouver Island, principally from my constituents, endorsing the resolutions passed in Victoria. These were passed because the people felt an injustice had been done to the Island; and for fear that I might be accused of not having done justice to the whole of the resolutions, I will read the resolutions passed at a public meeting at Victoria:

"That while several of the eastern Provinces of the Dominion have obtained better terms than those under which they confederated, the western Province of British Columbia, under the Carnarvon settlement (in the language of Lord Carnarvon) 'will receive considerably less than was promised to her as the condition of entering the Dominion.'

"The first conditions of the said settlement, made in 1874, was the construction of the railway from Esquimalt to Nanamio.

"That al hough the people of this Province were justified in expecting the commencement of the Esquimalt-Nanaimo Railway in 1875, their generous recognition of the embarrassed condition of the Dominion induced them for years to refrain from emphatically insisting upon the immediate constructibn of the railway.

"That Lord Dufferin, in his official capacity of Governor General of the Dominion of Canada, in his speech delivered at Government House, Victoria, September 20th, 1876, pledged his word for the good faith of the Dominion to British Columbia, in the following impressive language: 'I would sooner,' said his Lordship, 'cut my right hand off than utter a single word that I do not know to be absolute truth. * * * Every single item of the Carnarvon terms is at this moment in the course of fulfillment."

Some hon. MEMBERS. Hear, hear.

Mr. BUNSTER. Hon. members say, "hear, hear;" but those terms have not been carried out, either by the late or the present Government. The resolution proceeds:

"That after five years of patient waiting, the only ac's of the Dominion in 1880 at all bearing upon the Esquimalt and Nanaimo Railway, have been the application to the Provincial Government for the conveyance to the Dominion of an additional twenty-mile belt of land between Esquimalt and Nanaimo, and the removal of the steel rails purchased for the Esquimalt and Nanaimo Railway from Nanaimo to near Yale, on the Fraser River, for the use of the Emory Bar and Savona Ferry section of the Canadian Pacific Railway on the mainland."

I question very much if the Government of the day have given that serious attention which they should have done in respect to the twenty-mile belt which has been reserved since 1873 at their request, some of which are worth $1,000

an acre. There is no poor land between Esquimalt and Nanaimo which would not be useful for pastoral purposes, and which was not worth more than $1 per acre, or more than the prairie lands, because the railway would soon bring them into the market. It goes on:

"That it is believed throughout the Dominion that arrangements have been recently made with a Syndicate of capitalists for the construction of the Canadian Pacific railroad by 1890, which includes about 500 miles of railway known as the Lake Superior section, and includes the 70 miles of railway between Esquimalt and Nanaimo.

"That under the Carnavon settlement the first portion of railway to be built was the Esquimalt and Nanaimo railway and the last the Lake Superior section, which was postponed indefinitely until after the completion by 1890 of the railway between the Pacific seaboard and Lake Superior.

"That it is evident that the Dominion of Canada has not kept faith with British Columbia in carrying out its railway obligations.

"That the inducement to British Columbia to confederate with the Dominion of Canada was the railway agreement which held out the prospect of rapidly opening up, settling and developing different portions of this Province.

"That, in consequence of the default of the Dominion, Confederation has inflicted irreparable injury upon Vancouver Island, a most important portion of British Columbia. So far from inducing settlement it has prevented it. From the 7th June, 1873 until now a belt of land along the east coast of Vancouver Island, over 180 miles in length by 20 miles in breadth, has been kept locked up by the Dominion, so that thousands who intended to settle in this valuable portion of the Province have been forced across the boundary into Washington Territory which, in consequence, has largely increased in population since last census greatly at the expense of British Columbia.

"That although under the terms of Union British Columbia was allowed to retain her own tariff until the date fixed for the completion of the Canadian Pacific Railway, she believing in the good faith of the Dominion as regards its railway obligations, accepted the Dominion Tariff. By this generous act the amount of revenue paid by British Columbia to the Dominion since Confederation has exceeded the expenditure out of revenue of the Dominion in British Columbia (much of which has been of no benefit to this Province), so that British Columbia has been a financial aid and not a burden to the Dominion.

"That in 1874, when the Carnarvon settlement was made, the customs duties collected in British Columbia amounted to $305,436, whilst in 1879 $517,261 were collected, although the railway construction had not been commenced in the Province.

"That since Confederation over $50,000,000 have been borrowed by the Dominion for public works and other purposes, and although British Columbia has been made to pay more in proportion than her fair share of interest thereon, no portion of the $50,000,000 has been expended by the Dominion in British Colombia in carrying out the Carnarvon terms.

"That the Dominion tariff, however beneficial it may be to the Eastern Provinces, is an injury to British Columbia, as it weighs heavily on the great producing interests of the Province and has destroyed the large trade previously done by Victoria in British goods with the adjoining States and territories of the United States, and has failed to create or encourage any new industry.

"That the only compensation possible for the many drawbacks of Confederation is, railway construction by the Dominion under the conditions of the Carnarvon settlement, and unless the Dominion is prepared to carry out the railway obligations with British Columbia, the Province would benefit largely by being placed in the same position to the British Crown as Newfoundland now occupies, having full control of her own resources and developments."

The whole position has been reversed. The road from Esquimalt to Nanaimo, which was to be built first, is not even included in the Pacific Railway contract. Some very bad advice has been given to the Government about the Esquimalt and Nanaimo road. If the Government had announced they were not going to build it, and had adopted the declaration of the hon. member for West Durham (Mr. Blake): "Let Vancouver Island go," and had said they would repay damage done, our people would probably have taken it into consideration. But we have such faith in the Government that we believe they will do us justice. These resolutions I have read were adopted by the people of that section, because they believed injustice had been done them. Both Victoria and Nanaimo, the two principal cities of the Island, had adopted them, and they had also been passed by Sandwich and Cowichan, all of which were entrusted to me to represent to the Government. And I hope the Government will give their favorable consideration, and place the road in such a shape that it can be pushed to completion. I have seen a statement of facts and figures from a responsible engineer in the Dominion, showing the difference between the proposition made by the late Government to build the road—I mean the road across the continent—and that of the present Government. The proposal of the Mackenzie Government was for $104,000,000, that of the present Government for $78,000,000, showing a saving of $26,000,000, a very small portion of which would build the Esquimalt and Nanaimo Railway. I have some opinions here of the press, copied into our own papers, and setting forth the injustice done to Vancouver Island. Far different is the tone of the Montreal *Gazette* and the Toronto *Mail*. The first-named journal says:

"The resolutions (of the Victoria meeting) undoubtedly make out a very strong case, and they appeal, therefore, with much force to the honor and good faith of the Dominion at large. They afford another illustration of the unfortunate legacy which Mr. Mackenzie's bungling has brought upon the country. The Carnarvon terms are what are insisted upon. These terms were agreed to by Mr. Mackenzie, and when; owing to the vote in the Senate, he was unable to carry out that portion of them involving the construction of the Esquimalt and Nanaimo Railway, he offered three-quarters of a million dollars as compensation to the Island for its disappointment, thus acknowledging in the most formal manner, the claim which the island had to the construction of the railway."

My hon. friend beside me asks what the Island is good for? The Island is good for a great deal more than he has any idea of; but we have treaty obligations with the Government to appeal to. But taking it for granted that the Island is good for nothing, and that the railroad would not pay, is that any reason why the railroad should not be built? No. Why is it that British statesmen have always got on so, much better than any others, and that England is to-day the "pawn-shop" of the world? Because she has always carried out her obligations. That is why she commands the commerce of the world. There is no reason why Canada should not similarly carry out her obligations with British Columbia. I will read the instructions that Mr. Mackenzie gave Mr. Edgar when he sent him as agent to British Columbia:

"(Confidential—Copy 3,494.)

"OTTAWA, February 19th, 1874.

"*Mr. Mackenzie to Mr. Edgar.*

"MY DEAR SIR,—In your conversations with leading men in and out of the Government, in Columbia, it will be well to let them understand that in proposing to take longer time than is provided in constructing the railway, we are actuated solely by an urgent necessity. That we are as anxious as possible to reach the object sought by all—the early construction of the road. * * *

"It will be well not to confine yourself to the vicinity of the Government offices or Victoria, but to cross to the mainland to meet with the people at Westminster and other towns and villages on the lower reaches of the Fraser.

"It may be that you will find there is a disposition manifested to negotiate at Ottawa, in which case you will advise us of the existence of such a desire.

"You will take special care not to admit in any way that we are bound to build the railway to Esquimalt, or any other place on the Island; and while you do not at all threaten not to build there, to let them understand that this is wholly and purely a concession, and that its construction must be contingent on a reasonable course being pursued regarding other parts of the scheme."

I question very much if he should have given any such instruction to that agent, or have offered $750,000 to that Province for the surrender of her rights. He had no authority from Parliament to tamper with treaty obligations and offer that amount to escape them. I will read some remarks upon the Union Pacific Railroad from Crofutt's "New Overland Tourist," as follows:—

"Though but little faith was at first felt in the successful completion of this great railway, no one, at the present day, can fail to appreciate the enterprise which characterized the progress and final completion of this road, its immense value to the Government, our own people, and the world at large.

"By the Act of 1862, the time for the completion of the road was specified. The utmost limit was July 1, 1876.

"The first contract for construction was made in August, 1863, but various conflicting interests connected with the location of the line delayed its progress, and it was not until the 5th day of November, 1865, that the ceremony of breaking ground was enacted at a point on the Missouri River, near Omaha, Neb.

"The enthusiast, Mr. Train, in his speech on the occasion of breaking ground, said the road would be completed in five years. Old Fogy could not yet understand Young America, and, as usual, he was ridiculed for

the remark, classed as a dreamer and visionary enthusiast; the greater portion of the people believing that the limited time would find the road unfinished. But it was completed in three years, six months, and ten days."

Now let us hope the same energy and spirit of progress will be manifested by the people of Canada in building our road across the continent in half the time fixed for it. The same authority goes on to say:

"Most Americans are familiar with the history of the road, yet but few are aware of the vast amount of labor performed in obtaining the material with which to construct the first portion. There was no railroad nearer Omaha than 150 miles eastward, and over this space all the material purchased in the eastern cities had to be transported by freight-teams at ruinous prices. The laborers were, in most cases, transported to the railroad by the same route and means. Even the engine, of 70 horse power, which drives the machinery at the company's works at Omaha, was conveyed in wagons from Des Moines, Iowa, that being the only available means of transportation at the time.

"For five hundred miles west of Omaha, the country was bare of lumber save a limited supply of cottonwood on the islands in and along the Platte River, wholly unfit for railroad purposes. East of the river, the same aspect was presented, so that the company were compelled to purchase ties cut in Michigan, Pennsylvania and New York, which cost, delivered at Omaha, $2.50 per tie."

Now the ties upon our road, instead of costing $2 50 per tie will cost not more than 25 cents a tie—12½ cents as the original cost, and the balance for transportation. This, I maintain, is a most important element in the construction of a road through a "sea of mountains" as it has been called. When you consider the great natural advantages which our road will have over the American road in this and other respects, I think you will come to the conclusion, that instead of one road burdening the country, it will be the means of making it the great country it is destined to be. Already an impetus has been given to trade in this country by the construction of the road, and in the long run the increase in trade will more than pay for building it. The Government will never feel that they have paid out a dollar, for the $25,000,000 will roll into the Custom House over and over again, in the shape of duties, before the road is completed. Under the National Policy which the hon. Finance Minister has brought down, every man who buys a barrel of sugar will have to pay so much into the Public Treasury, so with every man who buys a blanket, so with every man who buys a gallon of spirits, notwithstanding the predilections of the hon. Finance Minister. All this which we have heard about the $25,000,000 and the 25,000,000 acres of land is mere political buncombe, contrary to the spirit of the statesmen and the young Canadians of the day. Every young Canadian will feel proud of what the right hon. member for Victoria (Sir John A Macdonald) has done for the country. Of course he left Victoria out in the cold, but if he is not going to bring her in the people have their remedy, and they will make their appeal with success if their wants are not attended to on the floor of this House. They will say to their representatives: "Unless you do your duty in this matter, you cannot come back." There is another matter to which I shall advert briefly. Some years ago I brought up a resolution before this House to debar Chinamen from participating in the benefits of constructing this road across the continent. If we had known when we joined the Union that these people were to receive such benefits from the building of this railway we would have had a clause inserted in the articles of Confederation excluding them from any benefits arising from the construction of the road and that for more reasons than one. The principal reason is that they are not settlers on the soil; that they do not populate our country, and that white labor deteriorates by working alongside Chinamen. I hope therefore the Government will see to it that they will be prohibited from working on the construction of the Canadian Pacific Railway. They will thus be able to sell the lands for a great deal more money. The question of the Chinese ever getting hold of portions of our domain will yet be a serious one, if the evil is not promptly repressed at its inception, and one may yet contemplate the sight of Chinamen working as servants for whitemen. I see that a new treaty has been made between the United States and China, by which China gives to the American Government the right to exclude these people from United States territory, and I think our Government should imitate the example of their neighbors in that respect, and thus do justice to British Columbia and the Dominion. Having a rather friendly feeling towards my co-representative from British Columbia, the member for Victoria (Sir John A. Macdonald) I would hope that that hon. gentleman would do us justice in respect to the Esquimalt and Nanaimo Branch. If he does not I fear I shall have to tell his constituents when I return to British Columbia.

Mr. FISET. At this advanced stage of the discussion, I admit that it is fatiguing for this honorable House to be obliged to listen to more speeches, especially when those speeches are not to throw any new light on the contract and the amendment now submitted. But some of our hon. opponents, especially from the Province of Quebec, represent us under such false colors, with ideas so far removed from those we really entertain; that we are obliged to defend ourselves, unless we are willing to admit by our silence that what they said is true. Thus, from the fact that we demand that the offers of the new Syndicate should be taken into consideration, these gentlemen conclude that we are opposed to the construction of the entire line of the Pacific Railway, that we want to favor American commerce at the expense of Canadian commerce, that we are wanting in patriotism, and all that because the new company offers to construct either the Sault Ste. Marie Branch or the line to the north of Lake Superior, at the option of the Government. Can they thus act towards us in good faith? It is more than doubtful. It is true that we are in favor of the Sault Ste. Marie Branch. Why? Because, by means of this branch, in three years we will have direct communication with the North-West by availing ourselves of the navigation on Lake Superior; because in three years we will be able to divert to the Canadian roads, the commerce of the western States; because in three years our immigrants could go to the fertile plains of the west by an all-Canadian route, seeing that the immigrants only arrive during the season of navigation. Such are the principal reasons that induce us to ask for the immediate construction of the Sault Ste. Marie Branch. Is it thence to be concluded that we are opposed to the building of the line to the north of Lake Superior? No; but seeing that the building of this line will take ten years, it is whilst it is being built that we want the Sault Ste. Marie Branch. And which of the two political parties is now wanting in patriotism? Is it the party that wishes to draw American commerce here in three years, or is it the party that wants to allow the Americans to control the trade of the Canadian North-West during ten years? Evidently on this occasion we are more patriotic than our opponents; and that is not all. In the preamble of the Bill passed on the 14th of June, 1872, to incorporate the Intercolonial Railway Company of Canada, we read as follows:—

"And whereas it is highly expedient that a great national inter-oceanic railway, aided and subsidized by Parliament, should be managed, controlled and worked in the interest of the Dominion, and as far as possible by persons who are residents of Canada and subjects of Her Majesty."

A little further on, at clause 17, we again read:

"The election of Directors shall be by ballot, and the persons so elected shall form the Board of Directors; provided that the President of the Company and a majority of the Directors shall reside in Canada and be subjects of Her Majesty."

Moreover, in the Act of incorporation of the Canada Pacific Railway Company, assented to on the 14th June, 1872, we find the same words:

"Provided always that the President of the Company and a majority of the Directors reside in Canada and are subjects of Her Majesty."

What do we see to-day? On the one hand there is a Syndicate composed of honorable men, I have no doubt, but where are they from? Who are they? Are they persons residing in Canada? Are they subjects of Her Majesty? Some are Canadians, some are Americans, others are English, others French, and the rest? Others could not be found; but if Germans, Italians, Spanish, Russians, Chinese had presented themselves, provided they had funds, they would have been accepted. This Syndicate is the Government's Syndicate; it is the Syndicate of the same men who, in the month of June, 1872, said: "That this inter-ocean railway should be managed, controlled and worked as much as possible by persons residing in Canada and subjects of Her Majesty, the President of which Company and a majority of the Directors should reside in Canada and be subjects of Her Majesty." On the other hand, here is a new Syndicate, composed like the first, of honorable men; but on examining it closer, we are inclined to ask whether it is not the Syndicate that the Government wanted in 1872. Indeed, all the members of this second Syndicate reside in Canada and are subjects of Her Majesty. Why then refuse to take their offer into consideration? That is what we will look into further on. But we see that the patriotism of hon. Ministers in 1872 is quite different from the patriotism of to-day. In 1872 this road was only to be built by a Canadian company; to-day they want men of all nations, and the Syndicate is to have the preference over an exclusively Canadian company, the members of which are subjects of Her Majesty. Evidently, Sir, if we take the same ground that our opponents take, it is they who are wanting in patriotism and not us, who are fighting for the true interest of the people. Why, then, do they endeavor to represent us as enemies of the public welfare, I will not say of the Church, although our opponents have found the means of bringing in the New Brunswick School question into this debate. Why do they try to make the country believe that we are in favor of American interests, rather than in favor of those of Canada, when the contrary is the case? We admire the Americans, as do all the nations of the world, but not to the extent of adopting their policy, as our opponents have done, and calling it "national." I have just stated, Sir, that the Government refuses to take the offer of the new Syndicate into consideration; and what is the reason of this refusal? Hon. members opposite pretend that this offer comes too late; that it should have been made at the time that the former Syndicate's offer was made; that, coming so late, it cannot be serious; that it is in order to embarrass the Government, &c. Let us see whether these objections are well grounded. The offer of the new Syndicate comes too late. Could it come sooner? Three hon. Ministers went to England; before they started did they make known the object of their voyage? Did they ask for tenders for the construction of part or the whole of the Canadian Pacific Railway? No. If the Government wanted to have tenders for the construction of the road, was it not their duty to ask for them before going to England? And can we believe, for instance, that in the call for tenders it had been stated that the Government would undertake to build the portions of the road under contract, and that no duties would be levied on the materials entering into the construction of the road; can we believe, I say, that the Government would not have received tenders more advantageous, than the terms entered into with the Syndicate? For my part, I have no doubt about the matter, and the new company that has just been formed is, for me, the strongest proof of it. After that, it is difficult to pity those who come and tell us: "We would have preferred not to see such and such clauses in the contract, but we were not the only contracting parties." But, far from asking for tenders, the Government endeavor to keep the transaction in the profoundest secrecy. Hon. Ministers come back, and what news do they bring us?

We learn that the contract has been given for $25,000,000 and 25,000,000 acres of land, and until the 10th December, 1880, we are entirely ignorant of the sixty-three clauses that the contract contains, and which, besides the $25,000,000 and 25,000,000 acres of land, grant to the Syndicate $28,000,000 in work, without mentioning the extraordinary privileges that are given to the Company. Why this silence, why this secrecy? If the contract was good, you should not have feared to make it known; it was, therefore, because it was bad that you kept it secret. And it is after having arranged everything in the dark, after having prevented by this means any other company from making any offer whatever, what do they tell us: It is too late to receive this new tender, when Parliament has not yet come to a decision, and they add that, being so late, it cannot be serious. On hearing hon. gentlemen opposite speak thus, I asked myself whether these hon. members could be serious themselves in putting forth such an opinion, and I humbly admit that with respect to this question I have doubts as to their sincerity. What! here is a company that deposits $1,300,000 as security for their tender, and hon. gentlemen pretend to say that this tender is not serious? The respectability of these persons, their pecuniary resources, all that is admitted; their respectability is unquestionable, their pecuniary means exceed those of the first Syndicate. What more is required? No, it is not the tender that is not serious, but those who pretend that it is not are not serious. It is said that this offer is made merely to embarrass the Government. I admit that such a tender, so much better than the first Syndicate's offer, made in good faith by honorable and wealthy men capable of carrying out the undertaking—I admit that such a tender is not calculated to put the Government on a bed of roses, especially since the Government has so awkwardly committed themselves by accepting the extraordinary contract that we have been discussing since the beginning of the Session. It is not now, however, that the Government will find themselves the most embarrassed; their followers are well trained and they will go where their leader takes them. I do not say that as a reproach; we have not the right to reproach them with their conduct; everybody is free, thanks to our constitution; everybody is free to quote as he pleases; but we can say that on our side that partizanship never prevailed over the interests of the country. I very much doubt whether, on the present occasion, our hon. opponents can say as much. But it is when an account will have to be rendered to the country for the fifteen or twenty millions that the Government will have squandered, millions that they might have saved, but which they preferred to sacrifice as a free gift to their Syndicate—it is then that the embarrassment will be at its height, and that hon. gentleman will have to go farther than British Columbia to get elected. Yes, Sir; by refusing to take into consideration the offer of the new Syndicate, the Government refuse thereby to save the country a sum of at least fifteen millions. And in what a singular position will the Government find themselves if, on the day following the vote ratifying the contract passed with the first Syndicate, the latter were to accept from the second Syndicate the offer that the Government now refuses. Before everything they are business men; they have not undertaken to carry out this contract merely to please the Government, but in order to make money. Finding a perfectly responsible company ready to take the contract, by leaving them a net profit of over $15,000,000, and that without their having done a stroke of work, is it not natural to suppose that the first Syndicate will accept the new company's offer? There is nothing in the contract to prevent them from doing it. If they do not accept it it will be because they expect to realize even greater profits, and in the space of a few hours, of a few days, the Government will have run the risk of making the country lose this enormous amount, and of seeing the Company whose offer

was refused taking possession of the contract entered into with the first Syndicate. As I said in the beginning, I will not discuss at length the question now before us. I admit that this honorable House must be tired of the long speeches that have been made upon this subject, which I consider exhausted. For my part, I will content myself with these few remarks, and I resume my seat saying that I will vote for the amendment moved by the hon. leader of the Opposition.

Mr. McINNES. Mr. Speaker, I look upon the question before the House as one of the greatest importance to this Dominion that has occupied the attention of Parliament for the last ten years, or that is likely to engage the attention of Parliament or the people of this country for many years to come. The people have pronounced upon it in the general elections of 1872, 1874 and 1878, and upon each of those occasions the verdict has been in favor of the construction of the Canadian Pacific Railway. The Bill now before the House providing for the construction of this road by a Syndicate has been already so exhaustively discussed that I shall not dwell upon it, for there is scarcely a school-boy throughout the country who is not more or less familiar with this question. I shall confine myself chiefly to an endeavor to show the House and the country that British Columbia is not the inhospitable country, the incubus and the excrescence that gentlemen on the Opposition benches in this House have described it. I shall endeavor to show that British Columbia has contributed more to the revenue of Canada then she has drawn from it. I shall not draw upon my imagination but shall gives figures from the Public Accounts and the report of the Customs Department. In order to make the comparison I desire, I shall have to make an estimate of the existing population of the several Provinces. I will give Ontario a population of 2,000,000, Quebec 1,500,000, Nova Scotia 400,000, New Brunswick 350,000, Prince Edward Island 125,000, Manitoba 60,000, and British Columbia 25,000, making in all 4,460,000, and I have every reason to believe the forthcoming census will show our population to exceed that number. You will observe that I credit British Columbia with a population double that which the hon. leader of the Opposition estimated it in that extraordinary speech that he delivered here last year; extraordinary for its length; extraordinary for its special pleading, from beginning to end; and extraordinary for its lack of patriotism. He only gave us 10,000, or 12,000 of population, but I will estimate it at double that number, in order to make his case better, and mine worse. I will take the Customs returns as shown in the report of 1879. I am sorry I have not a later one, because it would show a much larger increase in the revenue of British Columbia. In that year Ontario imported $34,260,205 worth of goods free and dutiable, upon which she paid $4,955,476. British Columbia, with her population of 25,000, imported free and dutiable goods to the amount of $2,476,933, upon which she paid Customs duty to the amount of $516,216, I may here remark that for the year ending 30th of June, 1880, she paid $521,000; and for the year ending 30th of last month, she paid $554,773. I find that last December alone the port of Victoria collected no less than $50,317.57, or $20,000 more than the corresponding month of 1879. It will, therefore, be seen that Ontario, with her population eighty times that of British Columbia, imported not quite fourteen times more dutiable and free goods than British Columbia, and paid only nine and one-half times more than British Columbia in revenues; or, to put it in another form, British Columbia paid in Custom duties one dollar for every $9.75 that Ontario paid. I find that the Province of Quebec imported the same year $29,172,722 worth of goods, upon which she paid duties to the amount $4,733,259. She imported not quite the eleven and one-half time as British Columbia, and paid only nine times as much revenue as British Columbia; or to be strictly accurate for every dollar that British Columbia paid Quebec only paid $9.55. Nova Scotia with her population of 400,000, sixteen times that of British Columbia, imported merchandizes to the amount of $6,828,733, upon which she paid duties to the amount of $1,183,492, or not quite three times as much as British Columbia imported, and paid only $2.75 for every dollar that British Columbia paid into the Treasury of Canada. New Brunswick, with a population of 350,000, or fourteen times greater than British Columbia, imported to the amount of $5,376,022, upon which she paid duties to the amount of $,044,807. She imported only twice as much as British Columbia and paid only $2.03 for every dollar paid by British Columbia. Prince Edward Island, with a population of 125,000, or five times greater than that of British Columbia imported goods to the amount of $910,987, upon which she paid duty to the amount of $206,245. She imported only a little over one-third as much as British Columbia with a population of only 25,000, and only paid one dollar for every $2.50 that British Columbia paid into the Treasury of Canada. With a population of 60,000 or 70,000, three times greater than that of British Columbia, Manitoba imported in the same year $1,196,334 worth of goods, or considerably less than one-half of the amount imported by British Columbia, and only paid $274,235 in Customs duties. British Columbia it will be seen, imported nearly double the amount of goods and paid more than twice the amount of revenue paid by Manitoba and Prince Edward Island together, with a combined population of nearly 200,000. Some hon. gentlemen may wonder at these statements, but if they turn to the Public Accounts or the Trade Returns, they will find that they are strictly correct. It will, therefore, be seen that of the $80,345,608 worth of goods imported into Canada during the year, British Columbia imported $2,476,900 worth or within a fraction of $\frac{1}{34}$th of the whole; of the $12,939,540 in Customs duties collected in the entire Dominion, British Columbia paid within a fraction of $\frac{1}{26}$th of the whole. British Columbia, with her 25,000 people, or $\frac{1}{175}$ of the entire population of Canada, paid $1 for every $26 paid by the entire Dominion. The people of British Columbia pay per capita no less than $20, whereas the balance of the country pays only a little over $3 per capita. Or, to put it in a different form, one British Columbian is worth to the Dominion exchequer six Prince Edward Islanders, six Nova Scotians, six Quebecers, or six Ontarians—on the average six taxpayers in any of the Eastern Provinces. If such is the case, with a population of only 25,000, how much more might we not reasonably expect to pay into the treasury of Canada with the Canadian Pacific Railway to attract a large population to develope the untold resources of that Province. The Pacific Province with a population of 100,000,—which I do not think is an extravagant estimate of the population we are likely to have by 1891, when the Pacific Railway is built,—British Columbia will pay, even if she does not pay at a ratio equal to what she does now, at least from $1,000,000 and $1,250,000 of customs and excise duties a year. I shall carry this illustration a little further, and give the total amount of goods that have been imported and the duties paid thereon since 1871, when British Columbia became part of the Dominion:

	Amount imported.	Duty paid.
In 1872	$1,767,0 8	$342,400
" 1873	2,076,476	302,147
" 1874	2,048,336	336,494
" 1875	2,493,593	413,991
" 1876	2,944,975	483,384
" 1877	2,166,793	40 ,520
" 1878	2,276,073	426,126
" 1879	2,476,903	516,261
" 1880	3,172,000	521,076
Total	$21,132,217	$3,749,394

Although this appears to show our imports to be very large, our exports from 1858, when the country was first settled, have exceeded our exports by from a quarter to a half million. In 1879 British Columbia imported six times more per capita than Prince Edward Island, above three times per capita more than Ontario, Nova Scotia or New Brunswick, and considerably above twice per capita more than Quebec or Manitoba. Let us see what our exports have been as compared to the other Provinces. I find they were five times more per capita than those of Ontario or Manitoba, and more than three times those of Quebec, Nova Scotia, New Brunswick and Prince Edward Island. As far as the excise duties are concerned, it is true we do not pay in the same proportion, yet we paid more in 1879 than either Nova Scotia or Prince Edward Island. Hon. gentlemen say, and very naturally, while you have paid into the Dominion Treasury nearly $4,000,000, or over $4,000,000, including this last year, you have extracted from it a good deal more than that. I am at a loss to know in what way British Columbia has taken within 50 per cent. of the amount she has paid into the Treasury out of it —unless you charge the surveys of the Canadian Pacific Railway to her—and certainly I do not think there is an hon. gentleman who would be so unfair as to make that charge solely against British Columbia I do not wish to boast of the vast resources and the great interest to the Dominion of British Columbia being a part of it, as some others that preceded me have done, but it will be admitted that the Dominion can never be a perfect and consolidated nation unless it has an outlet and an inlet on the Pacific as well as on the Atlantic. I contend, therefore, that the $3,000,000 for surveys in British Columbia are certainly not a just and fair charge to be made against that Province, and when you leave that out, there is nothing but a few public buildings to represent the expenditure of the Dominion there. When British Columbia became part of the Dominion in 1871, our tariff was only 12½ per cent. In the agreement with British Columbia it was left conditional with her to retain this tariff or adopt that of Canada. The Legislature of British Columbia, having confidence in the faith, integrity and ability of Canada to fulfil her obligations and to show her willingness to bear a share of the extra taxation necessary, went to work and adopted the Canadian tariff. In the Sessional Papers of 1871, the liabilities of Canada was $115,492,000 which increased in nine years—1880 – to $183,774,753, an increase of not less than $68,482,000, and the net debt from $77,706,517 in 1871, to $147,484,070 in 1879. Now it must be remembered that one of the principal clauses in the terms of Union with British Columbia was that the road should be built within ten years and commenced within two years, and that the construction should commence simultaneously at both ends. Subsequently, it is true the late Administration passed a resolution providing that the Canadian Pacific Railway should not be constructed any faster than the resources of the country would permit, and that the British Columbia section in particular should not be commenced if it necessitated increase of taxation. During these seven years, not only the national debt but the taxation materially increased, yet the Government took shelter behind this resolution to deprive British Columbia of what she was justly entitled to, the commencement of railway construction there some years ago. In this connection, the hon. member for West Durham said the other day that the statement, that he was in favor of abandoning British Columbia, was not true; that he had never wanted anything more than that British Columbia should be reasonable in her demands, that she should not demand that the ruinous terms be carried out to the letter, but should be content in having the railway built in a reasonable time. I would like to know what he considers a reasonable delay. I would like to know if the people of British Columbia have not been reasonable. I believe there is not a community that would have so patiently borne with the insults heaped upon her by the provoking policy pursued by the member for West Durham and his former leader, during their five years' tenure of office. Yet we are asked to be reasonable in our demands. I think there is not a Province in the Dominion but would have taken a different course from that of British Columbia, had it been dealt with in the same manner. I speak for the district I have the honor to represent, and the main land, as a whole, in saying that from the time it entered the Dominion till the present not an annexation sentiment has been mooted, or a resolution passed, not a meeting has been called for that purpose of embarrassing the previous or present Governments. If it was not that British Columbia was a remarkably healthy, strong, vigorous child, the life would have been crushed out of her long ago by the treatment of the member for West Durham. If it had not been for her great recuperative powers, she would have been crushed to death, and the member for West Durham would have been placed on his trial not only for assault and battery, but for infanticide. I will refer here to a few remarks made by the member for Charlton two Sessions ago. When the National Policy was under discussion he made use of the following, in my humble opinion, unparliamentary and unjustifiable language:

"Who undertook the Prince Edward Island Railway, which involved a large expenditure, and entailed an obligation against the Dominion of Canada? No one but the hon. gentleman and his associates. Who undertook the Nova Scotia and New Brunswick Railways, and also increased the financial obligation of this country? Who undertook the enlargement of the St. Lawrence Canals, but his hon. friend and his associates? Who undertook the Welland Canal, but those hon. gentlemen? Who undertook the public works at Ottawa, and the public buildings of the Dominion, but his hon. friend and his associates? Who undertook the building of the Pacific Railway, the most destructive and the most ruinous of all? Who undertook to fix upon this Dominion that incubus of British Columbia, that cancer, financially, of British Columbia, that was eating into our vitals and entailing a heavy financial burden upon the country for all time to come? Who undertook that, but the hon. Finance Minister and his associates?"

I appeal to the House if that is the language we ought to expect from an hon. gentleman hailing from a different Province. What would be said of hon. gentlemen from British Columbia if they used such vile language as that towards the other Provinces? I hope that such language as that towards a sister Province will never be heard in this House again. I believe we are here to legislate for the whole Dominion and not for our own particular constituencies or Provinces. We are here to build up a great nation, and unless the Canadian Pacific Railway is built, and I believe it will be constructed, we can never expect to have that great nation we so fondly look forward to, or to build up a great British power on this continent, and such without British Columbia would be incomplete. A few evenings ago I was very much amazed to hear some remarks that fell from the member for Central Huron (Sir Richard Cartwright). In order to show how much the late Government did to save the tax payers of the Dominion, he referred to its abandoning the Bute Inlet route and adopting that of Burrard Inlet, the one selected by the present Government. Now, instead of such being the case, up to 1877 the hon. gentleman and his colleagues were strongly in favor of the Bute Inlet route, that was to cost $20,000,000 extra, and we find that the member for Lambton, in the Session of 1879, admitted it to the hon. Minister of Railways. He used the following language, to be found on page 1904 of the *Hansard* for 1879, as follows:—

"From the head of Bute Inlet to Frederic Harbour is 51 miles, from which point to Vancouver Island is 15 miles, over which an expensive ferry would have to maintained. Now, Mr. Marcus Smith admitted himself in his reports that from Waddington Harbour to Esquimalt would take $27,000,000, including bridging, and we know it could not take less than from $15,000,000 to $20,000,000 to construct the remainder of the route, including bridging. These reasons seemed to me so conclusive against the Bute Inlet route that we could not for a moment hesitate, and

I will say this to the House that up to two years ago my mind was wholly biassed in favour of Bute Inlet. * * * If the hon. gentleman is proceeding on the hypothesis that in Canada alone is there any land available, he will find himself greatly mistaken. We have found it very difficult indeed in Canada to promote settlement, even where the land was given away by the Government. It is still more difficult to send settlers to the far-off western country, where they have the initial difficulties of a new country to contend with, not less in amount, though different in kind, than the settlers of our own wooden districts. They have a long winter, absence of lumber and building materials and difficulties of transportation. We must, therefore, make up our minds, if we are to settle that country, that it will be be done only at the expenditure of a large amount of money to aid settlers in going in and giving them land free after they get in. That is my conviction."

It was not until the late Governor General, Earl Dufferin, honored us with a visit in 1876, that the late Government turned their attention seriously in making surveys in the Fraser Valley. Notwithstanding that my predecessor, and the late member for Yale, on many occasions brought the attention of this matter before the House, they lent a deaf ear to it; and it was not till the exercise of influence of the late Governor General that the late Government thought fit to order a survey of the Fraser Valley. The following year a surveying force was placed there, and it was found beyond a question that that route was the best in every sense of the word. So that the late Government need not take to themselves any credit in that respect, for any credit that was due was due to the late Governor General of Canada. There is another subject of a local nature to which I now wish to call the attention of the Minister of Railways, and that is, that there is no fixed time given other than 1891 for the construction of the Emory and Burrard Inlet section. I believe that the Government will find it necessary to put that section under contract at as early a day as possible, and certainly not later than a year from next summer.

Mr. BLAKE. Hear, hear.

Mr. McINNES. That "hear, hear" is I believe uttered by an hon. gentleman who wished the work postponed until he gets a seat on the Treasury Benches, but it is to be hoped, in the interests of British Columbia, as well as of the Dominion at large, that the hon gentlemen will long remain on the benches he adorns so well and ably fills. My reasons for urging that the section to which I refer should be promptly put under contract is, that it will be impossible to get supplies into the mountainous section of the road between Jasper House and Kamloops, unless the road is extended to the seaboard. Some hon. gentlemen may have the idea that the entire road can be constructed from the east end. I entirely disagree with that opinion, because it would be utterly impossible for the Syndicate to take their supplies from the Atlantic up to the Rocky Mountains, anything like as cheaply as from the Pacific. The cost would be more than treble what it would be if they were landed at Burrard Inlet and sent out by rail into the region of construction. The Onderdonk contract is to be completed, I believe, in 1885. I therefore say it would be the duty of the Government to place the section I refer to under contract in 1882, certainly not later than 1883, so that it might be completed by the time of the completion of the Onderdonk contract, so that the Syndicate would be able to get in their supplies from the Pacific to the Rocky Mountain section. There is another reason for the early construction of that section. A great many have the idea that that section of the road will never pay. I have no hesitation in saying, after considering the matter very carefully, that that section of the road will pay almost equally with the prairie section, for the following reasons: In the first place, without the construction of that section, we can never command the Asiatic trade. In the second place, the trade for a distance of 1,000 or 1,200 miles east of the Pacific Ocean—in fact right into the centre of the prairies of the North-West—that beautiful wheat growing country will find its way down to the Pacific and not to the Atlantic. The cars which carry this produce would have for return freights, our beautiful and valuable timber and lumber, our coal, fish, and mineral products. I believe that a large interprovincial trade will arise between the North-West and our Province in this way. The hon. Member for Vancouver (Mr. Bunster) referred to the resolutions which were passed at a mass meeting held in Victoria in December last. The 15th resolution reads:

"That the only compensation possible for the many drawbacks of Confederation is railway construction by the Dominion under conditions of the Carnavon settlement, and unless the Dominion is prepared to carry out the railway obligations with British Columbia, the Province would benefit largely by being placed in the same position to the British Crown as Newfoundland now occupies, having full control of her own resources and developments."

I have only to say that the people of Victoria have no right to speak for the people of British Columbia as a whole, and certainly not for the mainland of the Province. They certainly have no authority to do so. The mainland, as I have already stated, never held a meeting censuring the late Government even in those dark and gloomy days, when everything appeared in confusion, when it was semi-officially announced in the *Globe* in 1876 that the Bute Inlet route was adopted. Even in those days we did not pass resolutions that could be construed as meaning secession or annexation, or anything approaching either of these constitutional changes. When the people of the mainland have a grievance, they will doubtless make it known, but they have no sympathy whatever with the resolutions passed at the Victoria meeting. I believe, however, that the people of the Island have a strong claim on the Dominion Government for the construction of their road, and I have no doubt that if they exercise patience as we did, they will get the road. Now, Sir, I will just call the attention of the House to a couple of clauses in the political Syndicate, that was presented to the House a few days ago, the bogus Syndicate, the counterfeit Syndicate—the political Syndicate, I think, is perhaps the best name I can give it. I find that in the 21st clause it states that:

"In the event of the Government deciding to postpone or withdraw from the construction of the western section of the said Pacific Railway extending from Kamloops to Port Moody, they shall be at liberty to do so, and in that event, the Government shall not be bound to complete and hand over to the Company the said western section under the 6th and 7th clauses hereof."

Then again, I find in the 22nd clause:

In the event of the Government desiring to postpone or withdraw from construction by the Company hereunder the westerly portion of the central section of said railway, being the westerly 450 miles thereof, as mentioned in the 9th clause of this proposal, the Company offers to reduce the subsidy in money and land by the amount apportioned to the said westerly 450 miles of the central section under the said 9th clause thereof—that is to say $5,400,000 and 6,750,000 acres of land."

Now, Sir, if that means anything, it means that if the present Government and the present House were foolish enough to abandon the bargain they have made with the *bona fide* Syndicate and accept the spurious one, the Government would have no alternative but to place their resignation in the hands of the Governor General, and the hon. member for West Durham would then ascend the political throne of Canada. He would go, no doubt, to the Governor General and say: "I have not a majority in this House, consequently I advise you to dissolve the House and appeal to the country." The hon. gentleman would hope through representations and misrepresentations to attain to the Treasury benches. If he and his friends were successful, what would be the result? The hon. gentleman would say to this new Syndicate: "We release you from that western section; we release you from this 450 miles through the Rocky Mountains; we release you from the British Columbia section"—the very course that the hon. gentleman recommended last year, that is, trying to insert the thin end of the wedge between the different Provinces of this Dominion which has already cost us so much to consolidate, and the result would be that the Dominion would be dismembered

and fall back into the state in which it was in 1866. I consider that if the hon. gentlemen who occupy the Treasury benches to-day yielded for one moment to the sophistries of the hon. member for West Durham, they would not be worthy to occupy the place they now hold. I have only to say, in conclusion, that I hope the hon. member for West Durham will live long enough to go over the Canadian Pacific Railway on British territory from here to the Pacific, and I can assure him that, whatever else we may refuse him, we will give him a welcome and a hospitality equal to anything he would find in any other part of the Dominion. We will extend to that hon. gentleman the right hand of fellowship, and I am fully convinced that when he makes that visit he will confess that his opposition to the construction of the Canadian Pacific Railway was the greatest political blunder of his life. But until he learns to treat every Province of this Dominion with even-handed justice, and rise above party, looking only to the interest of the whole country, I hope he will long remain, Mr. Speaker, to occupy a seat on your left.

Mr. GILLMOR. Before I enter upon the question under discussion I wish to correct an error I made in a few remarks I delivered a few nights ago. I said then that two papers published in New Brunswick, in the Conservative interest, had published the great speech of the Minister of Railways, but they had not published the contract. Since then I have learned that one of those papers did publish the contract on the 23rd of December. I take this first opportunity to correct the error I then made. It was a mistake I regret to have made. I would like also to refer for a moment to the manner in which this question has been discussed. You have given, Mr. Speaker, a good deal of latitude to this discussion. I do not object to that at all, but the epithets which have been applied to the members of the Opposition have been, some of them, very offensive. I took notes of the speeches, and I find these epithets thrown across the House: "guilty traitors," "factious demagogues," "quibbling pettifoggers," "proud of the audacity of their trickery," "they hang their heads in shame because their leader has so degraded the country," "unpatriotic and disloyal," "a put up job," "an incendiary fire," "conceived without honor or honesty," "a fraud," "a villainous fraud," "outcast," "not fit for heaven." This is evidence rather of a weak case. It occurs to me that hon. gentlemen having so good a cause as they profess might discuss it without descending to such language as this. On Friday evening the hon. and venerable member for Glengarry (Mr. McLennan) undertook to read the Opposition a lecture and to indulge in a little sarcasm. I thought he was going to attempt to reply to the hon. member for North Brant (Mr. Flemming), and he did give a little attention to that hon. member, while he devoted the rest of his remarks to advising the Liberal party as to the qualifications of their leaders. We cannot expect perfection in any human institution; but I would like to inform that hon. gentleman that one of the most important qualifications we require in our leaders is purity of heart and life, and no man, however exalted his talents or position, can aspire to lead the Liberal party unless he has those qualifications in a very high degree. With regard to the powers of intellect or the ability of our leaders—and I am not here to flatter them—the members of the Reform party will not follow any man blindly. They cannot lead the Reform party unless the Reform party believes their policy to be beneficial to the country. It is an evidence of the weakness of their cause that hon. gentlemen opposite have taken up most of their time by rehearsing the speeches made by the hon. member for Norfolk, the hon. member for Lambton and the hon. and learned leader of the Opposition. This plan was adopted in the first instance by the hon. Minister of Railways. On looking over his speech I find that he quoted fifty-seven paragraphs from those speeches. Those speeches have not been perused for the purpose of admiring their logic, their eloquence, or their argument. They have been criticised for the purpose of finding out defects and blemishes. They have been read with the instinct of birds of prey, who are above the earth and look down on the green fields and flowery meads, and all the beauty of the landscape below, but are not attracted by anything beautiful there. They have no taste for the beautiful. But if a vulture can see a dead horse, if he can get his eye on carrion of any kind, or on something that is corrupt, he will pounce immediately to the earth and stick his bill in it. I wish to make no comparisons, but if hon. gentlemen on the other side want to find corruption they need not go far from home. I was glad to hear my hon. friend the Finance Minister speaking on this question. He ought to speak on this question. He is the sole representative of New Brunswick in the Government. He has been placed there by the suffrage of the people. He is the arbiter of the destinies of New Brunswick at present. He has not, it is true, any more of a following now than he had when he led the people of his Province into the adoption of the great Pacific Railway scheme. It is true he does not represent the majority of the people, or the opinions or wishes of the people of New Brunswick. Yet I had fain hope to hear him undertake to prove that, in addition to all the other burdens he had heaped upon the people, this burden would be to their advantage; that this additional debt of five or six millions that is to be heaped on them is going to produce some sort of compensation. He failed, in my opinion, to show anything of the kind. I hope my hon. friend will give a reason why he should not save to the people of New Brunswick at least a million dollars between the two offers now before us. I took some notes of the hon. gentleman's speech. First, he says:

"We are bound to carry out the conditions entered into with British Columbia."

Mr. Speaker, I have never heard a member of the Reform party dissent from that proposition. There was no necessity of dealing with that question. It is a settled fact that the Dominion of Canada have entered into an obligation to build the Pacific Railway. The only question is as to the time and the abilities of the Dominion to undertake that work. That obligation is accepted by the leader and all the members of the Opposition, and I have never heard any intimation on this side of the House of a desire or intention to repudiate it, because, however earnestly they may have reasoned against that obligation, yet they regard it as imposed upon this country by the gentlemen now on the Treasury Benches. When they were defeated, and the Reform party came in power, did the Reform party undertake to repudiate that obligation? As much as they disapproved of it, they never expressed a sentiment that could be construed into a repudiation of it. The question they asked themselves was, how soon can we, with the resources of this country, carry out in good faith our obligations with British Columbia? Did not the hon. member for Lambton do as much in the five years of his administration as hon. gentlemen opposite would have done if they had been in his place? And have they not approved for the most part of the manner in which he did his work during that time? The nearest approach to repudiation I have seen was made by the hon. Minister of Railways in a speech, a small portion of which I will take the liberty of reading. In a speech made by that hon. gentleman in the Session of 1880, he said:

"Now, I think, we must all admit that successive Governments must pay great deference to, and must hold themselves to a large extent responsible for carrying out the policy of their predecessors. I am satisfied we all agree in the opinion that it is only under the gravest circumstances that a new Administration is in a position to repudiate, if I may so speak, the engagements in relation to a great public question, to which their predecessors have committed the country under the authority of Parlia-

ment. But I quite admit it was in the power of the hon. gentleman, who was then called upon to form an Administration, to say that since, in Parliament, he has opposed the policy of attempting to construct the Canadian Pacific Railway, that he believed this country could not engage in a work of such gigantic magnitude without seriously injuring the financial position of the country—that, under those circumstances, he must decline to hold himself responsible for the engagement into which his predecessors had entered. The hon. gentleman had that course open to him, because, Parliament, having declared that the work should only be constructed, provided a company could be found, aided to the extent before stated, to accomplsh it as a private undertaking, and the effort to obtain the construction of the work under the terms sanctioned by Parliament having failed, it was open to him, I say, frankly to state to the House, that he was unable to carry out the policy to which his predecessors had committed the country. The hon. gentleman did not adopt that course."

I do not mean to say that that speech implies repudiation, but it implied that under certain circumstances we might repudiate the bargain. That was not the opinion of the then Government. The Reform party, notwithstanding their strong Opposition to the ruinous scheme, have done all that British Columbia could reasonably expect, all that our resources could justify. If they have erred in one thing it has been going beyond the resources of the country; they increased the public debt to an enormous extent, and burdened the people by going on with the work, yet I do not know how they could honorably or reasonably have avoided it. The Finance Minister said: "It is very strange that gentlemen included in this new Syndicate, who were known to be opposed to the building of the Canadian Pacific Railway, are now willing to become parties to the contract." I know of no reason why gentlemen having the disposition and the ability to become parties to a contract to build the Canadian Pacific Railway should not do so, notwithstanding in their opinion, the work in the public interest should not be gone on with. He says: "The Reform Government should have gone on with the work in 1875, 1876 and 1877, during the great depression of trade, and thus have prevented the depression and ushered in good times." I am not surprised to hear this from the Finance Minister, whose political policy it is to bring about good times, by getting the country into debt, by undertaking a large amount of unproductive work and increasing taxation. He says: "Leading Liberal papers were encouraged to prejudice the case previous to the meeting of Parliament, and before the contract was made known." That is not my experience. I believe that leading Liberal papers, in the Lower Provinces at least, were very careful of what they said in reference to this contract before the meeting of Parliament. They knew nothing of the details and were nowhere prejudiced against the contract. He said: "The new Syndicate had no intention of building any but the central section." If the hon. gentleman read the offer and interpreted it correctly, he would see that the Syndicate agreed to build the whole section from end to end. The alternative rests with the Government. But to whom is this proposition made? It is not made to the Reform Government, but to the gentlemen now in power, who, under that new offer, have power to compel the parties to build the road from end to end, as in the contract under discussion. He says: "The country finds great relief, now that it knows the extent of its liabilities." There is uncertainty under this contract, with regard to the extent of our liabilities. The Government have become contractors with the Syndicate to build 706 miles of railways, and the Syndicate have contracted with the Government to build the balance of the road. The country knows what they agreed to give the Syndicate, but does not know what it will have to pay for the road to be built by the Government. He pretends that tenders had been asked by the Government, that the country were notified, and tenders could have been received if presented. He gave as his reason for stating that they were prepared to receive tenders, that the leader of the Government had given notice to this effect in his speech at Bath. Whoever heard of a notice being given to the country in that way, when great public works were about to be let? That is not the way in which a Government should proceed. If a lighthouse, or a post office, or any public work is to be let, public notice is to be given and tenders are not solicited in that way. I am sure the country were entirely ignorant of the intention of the Government to let the work in this manner. He said: "The old Syndicate could not abandon the eastern and western section, but the new one could." The hon. gentleman knows very well the new Syndicate could not abandon the eastern or western section. He said: "Any proposal that falls short of building from ocean to ocean, I would not support." The new Syndicate does not propose to do less than that. Those lands, one-third to be granted under the Act of 1874, were taken possession of by the Government for the purpose of preventing their being held and being disposed of by a monopoly. They desired to dispose of them as rapidly as possible, to prevent a company from holding them at the expense of the settlers, and of the Government lands. With regard to the building of this great, and expensive, and gigantic undertaking, I will state, not the policy and opinion of the Reform Party, but simply my own. I think the Dominion has done enough and been liberal with regard to their expenditure of the Pacific Railway, in the opening up and making accessible lands for settlement in the North-West, and that they have gone to the extreme of their abilities in this matter. When they have completed the sections of the railway under construction, they will have spent for the railway $35,000,000; purchase of Hudson's Bay Territory, $1,500,000; compensation to the Indians, $600,000 per annum, which, if capitalized, makes the sum equal to $15,000,000; expenditure on Dominion lands, Surveys, Mounted Police, Indian payments, Red River expedition, and minor items, $11,183,000—Total $62,683,000. This the people will have to expend to open up the North-West, for those who are there, and those who may be induced to go there in the future. I contend that that enormous sum is more than we could have been properly called upon to expend for this object—that we have done our whole duty to the North West in this respect. I would not, if I had the power, build more than 50 or 100 miles a year of this road, just enough to keep in advance of the settlements in the North-West. This is all we should do, or are able to do without grinding down the energies of the people who have to furnish this money. The road from Thunder Bay to Selkirk will be completed in a year or two, when those who are too loyal to cross American territory to get to our North-West will have seven months in the year for the journey by a Canadian route; in addition we have the Pembina Branch, and those who want to go to the North-West, and are not so doubtful about their loyalty, or are afraid to be weaned from it by travelling over American soil, can go through the States and use that branch. I do not think that the interests of the North-West or the Dominion require our proceeding faster with this work. We ought not to forget the people who are struggling hard for a living throughout the Dominion, the large majority of whom though not in want are comparatively poor; these millions have little to expend over and above the payments for their necessary wants. With regard to this great work there have been five distinct proposals. First, the Allan contract, which, with all its defects, was preferable to the arrangement on the Table; next, came the famous Mackenzie Act of 1874, under which no offers were made or contracts given. The Government had the alternative in that case of going on with the work themselves, and they did go on with it slowly, but as fast as the interests of the country demanded, and its resources were justified, completing certain portions before they left office. The next proposition was that of the present Minister of Railways, to appropriate 100,000,000 acres for the comple-

tion of this railway. That was a great scheme, and he made a great speech introducing it. We were led to believe Government would succeed; they were going to make a co-partnership with the British Government, and persuade them it was for our mutual advantage, and that our Government could find homes for their surplus population of the Mother Country in the North-West; our Ministers went home and did their best but did not succeed, on their coming back we found the whole scheme had collapsed. The Government then undertook this railway as a Government work, and we were told that tenders had been received for the construction of 127 miles in the Rocky Mountains, proving the Government had decided to proceed with it. That proposal was met by a motion of the leader of the Opposition, which was defeated, and the Government went on with the construction of the road as a Government work. The next, last and worst proposition that has been made is the one now before Parliament. With regard to this last and worst proposal ever made to Parliament, we know little about it until we came here on the 10th of December. All that we knew before Parliament met was that $25,000,000 and 25,000,000 acres of land were to be given to build the Pacific Railway. I freely admit that that proposal struck me favorably, and I so expressed myself to my constituents. I consulted some of those best qualified to give me advice on this matter, and they told me I could form no opinion about it until I had seen the terms and conditions, as everything depended on them. I came to Parliament impressed with the idea that if they suited me, if I considered that they embodied the best means of building the road, I would vote for them honestly and independently. They were laid on the Table of Parliament on the 10th December, for, of course, they could not be placed before us before that date, according to the opinion of one of the best parliamentarians in the Dominion, the leader of the Government. The dignity of Parliament, he told us, prevented him from making known to the people the terms of the contract. Of course, I did not know much about this question of the dignity of Parliament, but I could not see how it could be offended in the least degree by taking the people into the confidence of the Government and letting them know what terms and obligations the Government was imposing upon those who are the masters of Parliament and the Government, those at whose will the members of the Government and of the House hold their seats. The contract was placed before Parliament on the 10th of December, and I know I am expressing the opinion of every intelligent man on both sides who read the contract, when I say that one and all condemned it. I think I am some judge of countenance, and can tell by a man's face when he is pleased and when he is displeased—when he is satisfied and when he is disappointed. The first impression of every man when he read the contract was against it, and as is generally the case, in matters of right or wrong, the first impressions were the best. And if the friends of the Government had stuck to their first impressions, if they had only been true to their honest conviction, they would have saved themselves many a sorrowful moment, and would have saved their country from burdens which this contract will lay on it—burdens which will crush all down the ages to its ruin and destruction. I think my hon. friend from Niagara (Mr. Plumb) was about the only bright particular star—his face the only one which did not immediately go under a cloud. Nothing the Government could do, could change the smiling face of the hon. member for Niagara who seems always anointed with the oil of gladness. But I knew by the faces of other hon. gentlemen how they felt; and I knew by the faces of the Government that they, too, were blue. And what was the remedy for the terrible shock which hon. gentlemen received? A caucus was summoned and the whips were told to give the order: "To-morrow we are to hold a caucus and see what is to pay?" The deuce was to pay, and no pitch hot. And next day, let us look at them. Young men in the vigor of youth, and grey hairs of age, with their heads bowed like bulrushes; they passed through these doors, they trailed along the corridors, through the lobbies and up the stairs like slaves chained to their dungeons, cursing the man who led them to their fate. They may tell me that they approved of the contract; but I know better. They marched into room No. 29 to the tune of the "Dead March" in *Saul*. Much as they esteem their gallant leader they would rather have followed him to his grave than to that caucus. Do you think they went to glorify and laud and magnify the leader of the Government on that occasion. By no means; it took them a good while before they began to magnify and glorify him. He had to pass the magic wand a great many times over their heads before they were reconciled. I can imagine the hon. Minister of Railways being there to examine them before they went out. He said, "Show me your tongue" and he said to them: "Of course you are not dangerously ill; if you only hold your tongue—keep quiet and be very careful, you will pull through." To another: "Let me feel your pulse; you are certainly a little feverish, but you will be all right." So they went out, and they have since been recovering, until now nearly the last man has made up his mind to bow the knee to Baal and let the country go to the dogs. The Minister of Railways said that the line north of Lake Superior was necessary to the maintenance of British institutions in this country. That is a poser; when they come to that, there is no meeting that argument. That hon. gentleman seems to be superloyal. I do not know much about him personally; but I fancy he is not much more loyal than other people, or that he is much more attached to British institutions. He is remarkably attached to British institutions, when it suits his purpose and political exigencies require it. I warn my friends from Quebec to watch the hon. gentleman. He is so loyal, I would not be surprised if he introduced a resolution declaring that only Anglo-Saxon should be spoken here. He is very loyal, when it may effect his own purposes. He now wants to adopt British institutions, and he is so remarkably loyal that he wishes people to travel round the north shore of Lake Superior to reach the North-West. How did these hon. gentlemen deal with the question of loyalty and love of British institutions formerly? They condemned one set of British institutions. They were not loyal with regard to free trade. They did not desire to adopt British institutions in that particular, and give the people cheap bread. It was Canada for the Canadians then, and they almost insulted Britain and British statesmen. They did not want to follow Britain's good example and adopt their trade policy—the best part of their institutions, that policy which would give the people cheap food and clothing—but they wanted to adopt that part of British policy which has been fixed upon the British constitution in ages past, and which was now shaking Britain to its very centre. They desired to adopt that part of the constitution which the best minds in Britain are trying to remove; they wanted to tack that part of the British constitution on the constitution of this country. It suits the policy of hon. gentlemen now to point out British institutions which we should adopt; but last year, on introducing the National Policy, they pointed us to the United States for our institutions and invited us to follow them. I have no patience with that kind of sentiment; it does not amount to anything; it is folly to talk about it. With respect to this contract, I can say in all seriousness that it was in the public interest that tenders should have been asked for the construction of the Central Pacific Railway. The Government owed that to the tax-payers who will have to meet the expenses. It was their duty under the Act of 1874 that was then upon the Statute-book, because

an Act passed by Parliament should not be violated by the Government, for it was placed there for a purpose, to have called for tenders under that Act. I think they failed very much in their duty in not having observed the law and asked for tenders, so that the public and capitalists might have known not only that the Government wanted tenders, but that they were to make concessions such as they have made, secretly and clandestinely to this Syndicate, so that all contractors might intelligently have sent in tenders. Now, what are these enormous concessions made to the Company? The contractors have to select the choicest lands. The line is to be free from taxation for twenty years or until settled. All the lands required for stations and docks are a free gift in addition to the land subsidy. The material for the construction of the road is to be admitted duty free. Should the Company choose Indian lands, the Government have to extinguish the title. The Company may to some extent change the route of the road, taking it even further down to that terrible parallel, forty-nine. The right of way and road-bed are given free to the Company. The railway and all property of the Company will be free from taxation for ever. The Company have the right to construct all branch lines, and the Government must give the road-bed and all lands required by the Syndicate for building ground, yard, etc. For twenty years the Government shall not charter companies to construct its lines within fifteen miles of the boundary line, except such lines as shall run south-west or west of south. This is a very objectionable feature in the contract. I cannot conceive why the people of the North-West should be prohibited from associating with the people on the south side of the boundary line. Who are they? Are they Hottentots, savages, or cannibals, a race with whom it would be dangerous to associate. No; they are English, Irish, Scotch, French and Canadians, of the same flesh and blood, and speaking the same language as ourselves. If it is to the interest of the people of the North-West to associate with those across the line, why should we prevent them by law? If it is to their interest to build a railway south of the point specified, why should we legislate that for 20 years no such road shall be built, except by the Syndicate. No other line should go there, according to the Government's proposal, however much the commercial condition requires it. The Government had inaugurated a policy which cannot succeed. You may make laws to that effect, but you cannot overturn the laws of commerce, and of nature, and the laws of God. You venture upon a policy that, instead of perpetuating British institutions in Canada, will have the effect of making the people dissatisfied, driving them from the country, and producing confusion and anarchy in the future. You played upon the loyalty of the people, you played upon their prejudices, till you carried out your purposes. I am astonished that in this enlightened age, among people so intelligent as ours, you should have ventured in this nineteenth century to enter into such a policy as you now propose. It will be a signal failure, and the dissatisfaction and evil that will follow will not tend to make the people loyal. The policy of the present Government has been to prevent us from doing that which it was our interest to do. They have undertaken to do away with all natural law, to make us go the longest way round, to make us travel as far as they can to get to any part of the Dominion, to make us trade with people that it is contrary to our interest to trade with, and they tax us if we go where it is our interest to trade. They are acting contrary to all reason, to all common sense, and contrary to sound political principle. Coming back to this Syndicate bargain, I find that the 11th clause provides that the property of the Company, the road and lands, are to be freed from municipal, provincial, and Dominion taxation for ever. I need not comment upon that, it speaks for itself. It is the most absurd thing that could have been imagined. In fact, none of these propositions could have been thought of by the Government; they must have been suggested one and all by the Syndicate, and the Government did not resist them. For some reasons of which I cannot conceive the Government yielded all these concessions: the Government must construct the line from Thunder Bay to Selkirk, from Kamloops to Yale, from Yale to Port Moody, more than 700 miles of the hardest part of the line, and hand it over to this Syndicate for ever. That is getting this Pacific Railway built with a vengeance. That is giving the road to a Company by contract with a vengeance. The Government have got ten years to do it in, and the people that were to be delivered from corruption by the Government giving the work to a Company have got to suffer for ten years longer. If it is expensive for the Government to build the railways, the people have got to bear that expense for ten years longer. As long as the Syndicate works at it the Government work at it. They are in partnership. They have entered into partnership, not only to build the Pacific Railway, but to take charge of this country in the future. What the Government cannot do the Syndicate will help them to do, and what the Syndicate wants the Government can help them to it. This superloyal Government—what have they done now? They have allowed the Company to fix their head offices either in the Dominion of Canada or in the United States. That is Canada for the Canadians! The whole length of this road I find to be 2,689 miles. The Government are to build 704 miles at an estimated cost of $35,369,000. The Company are to build 1,985 miles which, according to Mr. Fleming's estimate, will cost $48,500,000. The Government subsidy to this Company is $25,000,000 in cash, $25,000,000 acres of land, and it is certainly not an over-estimate to call the land worth $2 an acre. The land and cash subsidy, then, would make $75,000,000 which the Government propose to give to the Syndicate to build a road which their own engineer estimated would cost $48,500,000. Take $48,500,000 from $75,000,000 and it leaves $26,500,000 that you propose to give the Syndicate more than the Government engineer estimated this work would cost. I have never heard the Government explain, nor any of their supporters explain, how they can justify giving the Company $26,500,000 more than their Engineer has estimated that that 1,985 miles were going to cost. I do not know how they are going to satisfy the people. They go back and tell us that the Act of 1874 would have given more under the Allan contract. We have nothing to do with what is passed. No one ever undertook to build the road under that Act. But how did the hon. gentlemen opposite reconcile with their duty the fact of giving so much more for the construction of this road than the estimated cost of it? Of course they will hand this all over in ten years to the Syndicate to be theirs in fee simple forever. But the most remarkable thing in this whole contract is the 5th clause. That is more unaccountable than any other feature of it. It refers to the 100 mile section west of Winnipeg. This 100 mile section west of Selkirk was commenced as a Government work, and the contract was for $6,000 a mile, exclusive of rails, making the cost $600,000; the rails would cost $300,000; so that if the Government had gone on and constructed that 100 miles as a Government work, its total cost would have been $900,000. Why did they not go on and construct that, as they did the British Columbia and Thunder Bay sections, and hand it over to the Syndicate? Why did they adopt another plan with regard to this particular 100 miles? That section, I believe, is now completed for some 60 or 70 miles, and the whole could be completed very early next season. The Government not only propose to complete it at a cost of $900,000, but to give the Company a subsidy of $10,000 a mile for this very section, which is equal to $1,000,000, as well as 1,250,000 acres which are there worth at least $5 an acre, or $6,250,000; in other

words, they give the Company $7,250,000, and they take back $900,000 for what they expended on the road, leaving a clear balance in favor of the Syndicate of $6,250,000. This is, to my mind, one of the most remarkable features of this contract, and one which I have never heard explained by the Government. I think the Dominion of Canada has contributed very liberally towards the interests of the settlers in the North-West. When we consider the trials and hardships endured by the pioneer settlers of the older Provinces, we must, I think, conclude that the Dominion has done all for the North-West they are entitled to do. We are spending all we can grind out of the people for this North-West, and I hope the people of the North-West will repay the Dominion to some extent for what it has done. But if this contract is passed, they will be crippled, burdened and oppressed—they will be unable to support themselves, to say nothing of making any return for the millions we have expended in order to help them. Our debt has been increasing enormously. It has increased from $77,500,000 in 1871 to $147,000,000, 1879, nearly double. We are dealing in such large figures that it is almost impossible to realize their full import. With regard to this idea of millions, I will read a short article from one of our papers published in St. John:

"The Conservative press treat the giving away of 25,000,000 acres of land in the North-West as a very small matter; they have grown so accustomed to talk in millions that their sense of proportion has become quite lost. They do not realize what 25,000,000 acres of selected land really means. That is a larger piece of territory than the cultivated area of England. After two thousand years of tillage the whole cultivated area of England is but 24,596,266 acres, including lands in pasture as well as under crop, or more than 400,000 acres less than the Syndicate are to receive.

"The whole cultivated area of Ireland, including permanent pasture, is but 15,337,856 acres, or nearly 10,000,000 acres less than the enormous land grant which the Syndicate are to receive for building the Pacific Railway.

"The whole cultivated area of Scotland is 4,738,127 acres, or less than one-fifth of the Syndicate's land grant. In fact, the whole area of Scotland, including islands, rocks, mountains and moors, is 5,500,000 acres less than the Syndicate's land grant.

"According to the last census the total area of improved land in Canada was as follows:—

	Acres.
Ontario	8,833,626
Quebec	5,703,944
New Brunswick	1,171,157
Nova Scotia	1,627,091
P. E. Island	445,103
	17,780,921

"The Syndicate's land grant will therefore be upwards of 7,000,000 acres larger than the whole cultivated area of the Dominion in 1871, and even, after making a large allowance for increase since the last census, much larger than its present cultivated area; and yet Sir Charles thinks that any one who objects to him giving away to railway monopolists a territory fifteen times as large as all the cultivated land in his native Province, is only indulging in 'paste-board indignation.'

"To carry the comparison a little further: in 1870, the last census of which we have complete returns the acreage of improved land in the six New England States was as follows:—

	Acres.
Maine	2,917,793
New Hampshire	2,334,487
Vermont	3,073,257
Massachusetts	1,736,221
Connecticut	1,646,752
Rhode Island	289,030
	11,997,540

"It will be seen from the above statement that the improved area of the six New England States combined is considerably less than one-half the size of the Syndicate's enormous land grant. As a matter of fact there is not a State in the Union with as large an area of improved land as the Syndicate's land grant. The improved acreage of the six largest States in the Union was as follows at the last census:—

	Acres.
Illinois	19,319,952
New York	15,627,206
Ohio	14,469,133
Pennsylvania	11,515,965
Indiana	10,104,279
Iowa	9,396,467

"It follows then from the above that the Syndicate's land grant is more than twice as large as the improved acreage of either Pennsylvania, Indiana, or Iowa, nearly 10,000,000 acres larger than the improved area of the great State of New York, and upwards of 5,000,000 acres in excess of the area of the first agricultural state in the Union, Illinois. These are figures worth pondering over by all true Canadians, notwithstanding Sir Charles' sneers and Sir John's eager haste to hand over to private parties and place beyond the reach of taxation a tract of fertile territory larger than the cultivated area of his native country and his adopted country combined."

The Government purpose to take over $100,000,000 for the benefit of no class of the people, but solely for the benefit of the Syndicate. We are expending these vast sums for a people who do not now exist. If emigration does not come in any more rapidly than at present we are making an expenditure far in advance of our resources. Now I would just say, that the Opposition are not responsible for this new offer. It is not made to the Opposition, but made to the Government, although hon. gentlemen opposite take it for granted that if we were to go to the country the new documents would be placed before a Reform Government after the elections. Why suppose that if we went to the country that a Liberal Government must of necessity come in. If you have the people with you what need you fear. You admit by that argument if you go to the country you are sure of defeat. If it is a choice between those two offers there is no comparison between them. I believe the gentlemen of the second Syndicate are unworthy of the political motive attributed to them. I have it from the lips of an important member of that Syndicate, from my own Province, that he knew nothing about the matter until he took up the paper. He telegraphed at once to Sir Wm. Howland to count him in. He could, he said, build the prairie section for less than $8,000 a mile. He believed a road could be built on the prairie for $8,000 a mile. He was aware a road was nearly completed from St. John to St. Stephen in New Brunswick, through a difficult country, which would not cost more than $10,000 a mile. That gentleman told me also he would have no hesitation in making a road very much cheaper than that proposed by the last offer. Had he been present he would have undertaken to build the road for $20,000,000 and 20,000,000 acres of land. This contract was made entirely without the authority of the law. The only Act under which this work could be done was that of 1874; but it gave no authority to the Government to bind this country to complete 706 miles of road in ten years, which would cost the country nearly $53,000,000, and hand it over to the Syndicate. The Act of 1874 only authorized the Government to give a company $10,000 a mile, or $27,000,000, without making any exemptions from duty or taxation, or giving of the concessions which make this contract so ruinous to the country. That Act did not prevent other companies from building railways wherever and whenever they please. The result at present is a foregone conclusion. The hon. gentlemen opposite have one after another fallen into line. They have made up their minds to sacrifice this country and to stifle their convictions. I cannot understand, how in this free country with its religious and educational advantages, and freedom of thought and action, hon. gentlemen could, in this age of the world, make up their minds to adopt this contract. I can understand how the heathen in his blindness bows down to wood and stone, and how the swarthy Hindoos, in order to appease their imaginary gods and satisfy a guilty conscience, can cast their infants to the cruel jaws of the monsters of the deep. I can understand how the heathen can prostrate themselves before the car of Juggernaut; but I cannot understand how men in Canada, this free land, can sacrifice not only their convictions, not only their judgments, but can sacrifice the millions of the people in this Dominion, and the interest of the country, to support a Government that has illegally brought before the country a contract ruinous to the best interest of the people, and which will in the end ruin the men who adopt it.

Mr. ELLIOTT. Mr. Speaker, the subject now under discussion by this House is admitted to be, by both political parties, of the utmost importance to the welfare and prosperity of this Dominion. It is a subject the vast importance of which cannot be estimated, hence the necessity for the most careful consideration is apparent to every one of us. Now, this great work—the building of the Canadian Pacific Railway—being as it is a great national work, and one of which the hon. the ex-Premier very properly said: "The Government is morally as well as legally bound to construct," should be viewed apart altogether from mere party feeling. If this work is necessary to the building up and consolidating this wide Dominion of ours—and it is admitted to be such by hon. members on each side—then no matter which party submits a measure for performing and carrying out the same, it should have the cordial and hearty support of all hon. members, in so far as the same is consistent, and in the interests of the country at large. It has long been a recognized fact, that the building of this road is a necessity which cannot be gainsaied. Here we have a vast Dominion, made up of a confederation of different Provinces, reaching from ocean to ocean, a distance of 4,000 miles, and the only means of communication at present between the eastern and western portions is for the most part through a foreign country. If we wish to bring into use the vast extent of rich and fertile lands situated in the North-West, and to give them a real instead of a mere nominal value, the only way to do so is by building this or some such contemplated railway, and so supply a means of advancing settlement. The only question, therefore, is the course to be pursued in the construction of such a road, whether it shall be done by the Government or by a private company. Now, I think all hon. members will agree with me, without question, when I say that it has been demonstrated, time and again, that a private company can construct a railway far cheaper than can be done by a Government; therefore the course adopted for building this great Canadian highway by the present Government should meet with the approbation of every hon. member who has the good of the country at heart, and not only that of party. The Government, in giving the construction of this line to a Syndicate, relieved itself of vast responsibilities, yet retains to itself the controlling influence, and is only following in principle that course which it proposed in 1873, and which was unsuccessfully proposed by the late Government under hon. Mr. Mackenzie in 1876. In 1873, the then Government under Sir John Macdonald, proposed to build the line through a company, of which Sir Hugh Allan was the President, by paying a cash subsidy of $30,000,000 and 50,000,000 acres of land. This scheme unfortunately fell through. I say unfortunately, because had such scheme been carried on, we should by this time, according to the charter, have had the road nearly completed. In 1876 the ex-Premier, under the Railway Act of 1874, advertised for a company to build the road, proposing to pay $10,000 cash, and 20,000 acres of land per mile, making approximately $27,000,000 cash and 54,000,000 acres of land; and in addition, to pay four per cent for 25 years on the cost above $10,000 per mile. To this proposal no company was found willing to concede. In 1879 Parliament passed an Act setting aside 100,000,000 acres of land; from the proceeds of the sale of which the present Government was to have construction performed. From this Act the present proposed contract now before the House originated.

Sir JOHN A. MACDONALD. I rise to a point of order. I see that some hon gentlemen are indulging in the habit of throwing papers in the House. That is a custom which must be put down. In England, if such conduct were carried on in the presence of the Speaker, not only would the offending member be compelled to remove from the House, but he would be named by the Speaker, and would likely be fined £100.

Mr. MACDONNELL (Inverness). I wish to point out that while an hon. member on this side of the House was speaking there was not a single remonstrance from the hon. gentleman when some hon. members were acting in the same way.

Sir JOHN A. MACDONALD. I do not allude to hon. members on either side. I do not care who they are who indulge in the habit; it is a most reprehensible one.

Mr. ELLIOTT. Now, Mr. Speaker, before going into the details of this contract, I would like to briefly contrast the present scheme with those before proposed, but in order to arrive at any satisfactory conclusion it is necessary to say a few words in respect to the value to be placed on the lands. It has been very variously estimated to be worth from *nil* to $4 and $5 per acre; indeed, it has been argued by members in the Opposition, that the money realized from the sale would hardly cover the expense of settling; and further still, that they could not be given away; yet now what do we find? Hon. members opposite placing them from $2.00 to $4.00 per acre. What, may I ask, has given them the incentive, and caused them during the last few years to suddenly spring up from nothing to the higher value? Certainly nothing performed by my hon. friends opposite; it must be, therefore, the contemplated construction of the road by the present company; for certainly the lands in 1878, without a road, were worth just as much as the same lands without a road are in 1881. If such be not the case, I can only account for the increased value put upon them in the fact that hon. members in Opposition are beginning to awaken to the knowledge that the "bright side of the shield" has at last been turned upon them. Now, the higher the value placed upon them (and we must recollect that the hon. members opposite have not shown us that they are more valuable now than under their administration) the greater will the contrast be between the contract now before the House, and that proposed by the Mackenzie Government. Now, let us take, in thus contracting, the value put upon them by the ex-Premier in 1878; viz., $1 per acre. This will make the proposal in 1873 to equal:

Cash Subsidy	$ 30,000,000
50,000,000 acres at $1 per acre	50,000,000
	$ 80,000,000

The proposed scheme of ex-Premier Mackenzie:

Cash Subsidy	$ 27,000,000
54,000,000 acres at $1 per acre	54,000,000
Interest 4 per cent. for 25 years on cost above $10,000 per mile	40,000,000
	$121,000,000

The proposed contract now under discussion:

Cash Subsidy	$ 25,000,000
25,000,000 acres at $1 per acre	25,000,000
Sections completed and to be completed	28,000,000
	$ 78,000,000

Now, by viewing the totals we see that the present contract is $2,000,000 better at least than the Allan Company undertook to build it for, and $43,000,000 better than the sum which Mr. Mackenzie proposed to pay. But my hon. friends in Opposition will say, there are other privileges to be granted the Company which will bring up the total; of that I will speak presently. Now, Sir, having thus briefly spoken on the contract before the House as a whole, allow me further to make a few remarks on the details, to some of which objections have been raised by hon. members opposite. In the first place, then, Sir, I would remark upon the great stress that has been placed upon the words in clause 9, section B: "So as to admit of the running of regular trains." Our friends in the Opposition argue from this that the Company will merely bring the completion of

the line to this point in order to be able to claim the subsidy in land and money allotted to that 20-mile section. Now, Sir, I take this to mean that we should consider the words to mean what is expressed in clause 7, and again in clause 8. To my mind one clause cannot be properly understood unless it corresponds with what is gone before; and in clause 7 and clause 8 we find that directly any completed section comes into the hands of the Company, they shall "efficiently maintain, work and run it;" and again clause 8, they "shall thereafter maintain, and efficiently operate the same." Efficiently operate—this is to be done by them as soon as any section is completed, and they cannot claim any subsidy in land or money until the section claimed for is completed; consequently, I draw the conclusion that the Company must efficiently operate any completed section as soon as the subsidy for that section is paid over to them. Now, Sir, the only thing to decide is what will constitute "efficiently operating," and "regular trains." One hon. gentleman the other night raised the objection that the Company might please themselves as to what the term "regular" might mean; he said they might run one train a week, or one a month, or one a year. Now, it is quite true they might run that one train efficiently, but would that hon. member, or would any hon. members say that that would be "running and operating the line efficiently?" Another objection raised, and a great deal has been said about it, although in my opinion the thing is simple and amounts to but little, is, that all the best lands will be locked up in the hands of the Syndicate, and so create an immense land monopoly; and that the Syndicate will continue to hold them until they rise to a very high value, thus netting to themselves immense profits, and that the advancement and settlement of the country will be retarded instead of being fostered and encouraged. Well, Sir, I do not intend to take up much of the time of this House on this point; but may I ask, is it reasonable to suppose that the land which forms the principal part of the price paid for the construction of the road will be thus treated by the Company? Is it to be supposed that any company, undertaking to build and operate such a road as the one we are considering, in order to develop the resources of the country it passes through, will counteract such development by locking up, as it were, the lands from settlers. We must also remember that every alternate section of land is in the possession of the Government, and this alone, in my opinion, would in a great measure prevent such a system from being followed. It is said, Sir, that a second "Canada Company" will thus be formed, by giving this Syndicate control of so vast an area. Mr. Speaker, did these same hon. members think about a second "Canada Company" when they were ready to support the Mackenzie proposition of 1876, when the company would have had control of more than double the area now given, had such a company been found. In my opinion, Mr. Speaker, considering the financial success of this contemplated road depends altogether upon the rapid development of the country, the company will do all they possibly can do to assist in pouring rapidly into that vast country that class of settlers upon whose labor the resources alone can be developed. Still another point I would say a few words on, Mr. Speaker. Hon. gentlemen opposite say that "every dollar of duty taken off articles imported for the construction of the road, is so much added to the burdens of the people;" and yet these same hon. gentlemen, the other night, reproached the Government for not continuing the construction as a Government work. How, I ask, can these two be reconciled? Now, suppose that the Government had continued the construction, how much duty would have been paid on imported articles used? Would that then be adding burdens upon the people? Having thus offered these few remarks on the proposed contract, I would, in conclusion, like to say, that in my opinion the contract now before us is by far the best that has yet been before this House. In such a great work as this, where the difficulties, at first sight, appears almost insurmountable, it will be found utterly impossible to conceive of a plan for executing it which will not in some points have objectionable features; but the objections against this Syndicate contract which hon. members opposite urge, are most, I fear, raised more on account of party bias than for the general welfare of the country. The greater part of the criticisms offered by the opposing party, recall to my mind the words of Earl Beaconsfield respecting critics: "those who make them are generally those who have failed as authors themselves." And so I think respecting the opposing party of this contract, those that talk most against it are those who have failed in proposing a better one. The same gentlemen would oppose any scheme, however advantageous, if it were presented to this House by the present Government. Did they not, Mr. Speaker, oppose the hon. Minister of Railways when he made the proposal to build the line from the sale of the lands in the North-West? Did they not oppose the Allan contract? And yet the same Oppositionists supported the proposed Mackenzie contract, which contrasts unfavorably with either that they opposed by many millions of dollars. Mr. Speaker, the reason why is not far to seek, and so long as these hon. members place party before country, so long will they continue to strenuously oppose any proposition emanating from this side of the House.

Mr. SCOTT. Mr. Speaker, I certainly did not wish to address the House at this late hour of the evening, and a few days ago I had no intent on of doing so during this my first Session in the Dominion Parliament. But a few circumstances which have taken place during the past few weeks make it necessary for me to offer a few observations. As a young member of the House, I naturally feel a certain diffidence in addressing those who are old soldiers in the camp, who have served their country well and truly on both sides of the House. My attention was directed to a little paragraph in the telegraphic correspondence of the Toronto *Globe*, dated the 13th of January, as follows:—

"Mr. Scott, of Manitoba, neglected to vote yea, and then tried to leave the Chamber before the nays on his row were recorded, but was prevented by boisterous cries of order."

I feel that I would not be serving either myself or those who sent me here if I should ever attempt to shirk a vote. It does not form a part of the Irish character to shirk a responsibility. As a representative of Manitoba, a Province more directly interested in the construction of the Canadian Pacific Railway than perhaps any other Province of the Dominion, I feel that it is my duty to give my views on the contract now under discussion; and I must crave the indulgence of hon. members while I give my unbiased, my unprejudiced opinions in reference to the contract and in reference to the second Syndicate offer put forward by the leader of the Opposition. In 1869, when the gentlemen now on the Treasury benches were in power, it was thought advisable that the North-West country should be made a portion of the Dominion. It was felt that the surplus population of Ontario and Quebec, who were going to the Western States, should be encouraged to migrate to our own prairie country. Previous to that time the country was comparatively unknown, not only on this side of the Atlantic but also on the other side. The country was purchased for $1,500,000, 1,400,000 acres of land being set aside to extinguish the Indian titles. Since then a very large amount of money has been expended in exploring the country and in surveying the various projected lines of railway. Now that we have secured possession of the country, it is the duty of every loyal man, it is the duty of every statesman, it is the duty of every man who has the slightest spark of patriotism about him to make

it truly a British possession, and to build up a country which we know will, within the next fifty years at least, vie with that of our neighbors south of us in its wealth, its population, its industry, and its loyalty to the flag to which it owes allegiance. Some ten years ago the Government of the day thought it was necessary to construct a line of road from the Eastern Provinces to the West. Unfortunately the gentlemen who then formed the Government did not succeed. They were defeated through the force of circumstances. An election, brought about by a little deflection of a few members, was the cause of the right hon. gentleman who now leads the Government, resigning. A general election ensued, and the Reform party was returned by an overwhelming majority. During the five years they were in power, they did little if anything to develop the fairest and best portion of the Dominion. The Reform party again lost office at the general election of 1878, and the right hon. member for Victoria was again called on to lead the Government. He has submitted a contract to this House which, he believes, when properly carried out, will be sufficient to justify all his endeavors during the past ten years. The hon. gentleman is now approaching the close of his brilliant and useful career, and I believe is most anxious, before he is compelled to terminate his labors, to see that great highway completed from the Atlantic to the Pacific. Many objections have been made to this contract. The first is the exemption from taxation of the road-bed, station buildings, &c. We know that the municipalities in the Province of Ontario and other sections of the Dominion, are only too glad to exempt the road-beds of railways, and give bonuses to them provided they shall build stations at different projective points in the various municipalities. That is a wise practice, founded on the simple fact that gentlemen who invest their money in a public enterprise for the public benefit are entitled to public assistance in carrying it out. The little city of Winnipeg, which I call my native town, has given a bridge to this road which will cost about a quarter of a million of dollars, and offered this Syndicate a few weeks before I left a grant of thirty acres of land, free from taxation, for all time to come; and thirty acres of land in Winnipeg means a larger amount than it would in this little Province of Ontario I cannot see any objection whatever in exempting the road-bed from taxation. Objection has been raised to the exemption of lands. On the line every second section is reserved to the Government, and the lands to-day are worth nothing outside the limits of actual settlement. I cannot see any reason why this objection should be raised seeing that the railway Company can settle the lands much more rapidly than any Government can do, and the lands of the Company will be sold rapidly as they want to secure traffic. The cost and the land grants are said to be excessive. The second Syndicate which was formed a few days ago, proposed to build the road for $3,000,000 and 3,000,000 acres less than the first one. With regard to the cash and land grants, allow me to read an extract from the Manitoba *Free Press*, the *Globe* of the North-West:

"When the details of the Syndicate bargain were first made public we expressed the belief that, in consideration of the amount and nature of the work imposed upon the Company by the Government, the bonus of $25,000,000 and 25,000,000 acres was not excessive. * * * We decidedly hold that, though some of the details of the present bargain might be advantageously modified, the Syndicate were perfectly justified, under the circumstances, in requiring a money and land bonus as large as that to which Parliament is now asked to give its assent."

I am glad to know gentlemen on the Opposition benches value the lands of the North-West so high. I am rejoiced to know that our lands are worth $3 an acre. I trust it may be so, and that we shall meet people prepared to invest their wealth in those lands at that price. I believe that the lands in the country will be worth more; but that outside the limits of actual settlements, they have really not advanced in value during the last four years. True, in Manitoba, and any country that is to become filled up with people, property will advance to a certain extent; but Manitoba forms only a very small portion of the North-West, the lands outside of that Province have not increased in value during the past four years. Another objection has been taken as to the selection of the Company's land anywhere. Now, only some ten or twelve million acres can be taken in the fertile belt from Red River to Jasper House; the balance of the 25,00 ,000 must be taken back of the twenty-four miles limit on the railroad line. I fail to see any objection in this, or why the Company should not be allowed, outside of the alternate sections, to select their lands wherever they pleased; and in the selection of lands now ly ng useless they must construct branch lines that would be feeders to the main line, along which branch lines the Government lands, now worthless, will be rendered of considerable value. As I understand the contract for the branch lines, the Government does not promise to give the Syndicate either a dollar or one acre for a mile of the road to be constructed. I understand it is to be constructed entirely at the cost of the Company, and that all the Government promises is the right of way. With regard to the freight rates, the people of my section felt that they would be placed at some little disadvantage. They have been suffering from a monopoly for several years, which included some members of the present Syndicate, and a very warm feeling existed in consequence; and they feared that the clause preventing any other company from running a road south-east of the main line for twenty years would place them at the mercy of this Company for that time. I am now aware the Governor in Council has the power of fixing the rates of freight.

Sir JOHN A. MACDONALD. Hear, hear.

Mr. SCOTT. I know the present Ministers have the best interests of the country at heart, and I am perfectly willing to leave the matter in their hands. I will now read the remarks of a Grit paper in Manitoba, the *Free Press*, on this subject:

"Neither do we attach any importance to the dread entertained by some that such freight rates would be charged under the management of Messrs. Stephen, Hill and Angus as would operate prejudicially to the interests of the settlers in the North-West. Their advantage would necessarily lie in encouraging the settler to produce as much grain as possible. Grinding rates would not conduce to that result, and, as has been shown on the St. Paul and Manitoba Railway, these men are too shrewd to sacrifice the future to the present."

That is the opinion of the Grit organ, and if the editor of that journal is satisfied, I see very little reason to be dissatisfied with the clause in question. I have no doubt that a few weeks ago many hon. members, and perhaps I might be numbered among them, was a little disposed to raise objections to the first Syndicate; but when the Opposition with great *eclat* submitted their second proposition, which bears anything but honesty on its face, had I been disposed to oppose the first, I certainly could not support the second. I notice that the eastern and western sections were to be expunged; the North-West was to be an isolated community; the new Syndicate were going to take advantage of the American system of railways; that we in the North-West had no interest in common with the people of the Dominion, although we are all Canadians in the North-West. When I noticed these facts I made up my mind at once how I would cast my vote and use my influence hereafter. I regret that hon. members for the eastern portions of the Dominion, who no doubt have the interest of the country at heart—but they have a strange way of showing it—should be so anxious to utilize the American system of railways. Why did they do so? Why, because there are 650 miles of country which would not supply sufficient local traffic to maintain the road, should the people of the North-West be shut off from buying goods in Ontario and Quebec. Why do you

wish us to submit to the obnoxious and expensive bonding system of the United States, to which we have been compelled to submit for ten years? When the present Government inaugurated the National Policy it was felt, I have no doubt, by many persons in the east, that the country would suffer. In Manitoba it was believed it would ruin the country, for the simple reason that we were importers, and had to bring all our manufactured goods from the east; but, strange to say, very soon after that policy was inaugurated, the merchants of Manitoba opened up new channels of trade. Where did they find them? In Ontario and Quebec. Hundreds of thousands of dollars, which were formerly sent to the United States, have since been passed over to our Grit friends in Ontario and Quebec. And stranger still, the price of goods has not advanced; rather they have been reduced. An hon. member on the Opposition side claimed that the road from Thunder Bay to Lake Nipissing will be an expensive road to construct, and that it will be a most expensive road to run. I admit that. The country is a rough one; there is very little to assist in paying expenses across that line of road, but I look upon it in this way: that it is necessary if we are to maintain the integrity of the Dominion to have a line running through Canadian territory; that we should not allow ourselves to be placed at the mercy of certain gentlemen at Washington, who should have it in their power to say whether an article should go over their road or not. We all know that in 1870 a little difficulty took place in the Red River territory, and it was necessary to send a force to that country. And what was the result of not having a line of road through our own territory? The result was in the first place two months' delay, with all the accompanying expenses amounting to $2,000,000, chiefly incurred by unloading vessels at Sault Ste. Marie, by carrying the articles on wagons over the Portage, then two miles on the lake, and loading them again on steamers. Then, in 1871, we had a Fenian Raid, when a few wild Irishmen like myself—though I had the honor of commanding a company against them—invaded the country, and when, if we had had our men in uniform, we would not have been allowed to go through the Sault, and could not, therefore, have reached Fort Garry that fall. I for one hope the day may never come when we shall have trouble with the people south of the line; but if you look back to the Trent affair, you will remember that at that time we slept in security; we thought we were living alongside an honest and inoffensive people; we thought they would not interfere with us. At that time the regular force from England had to march over 300 miles of snow from Halifax to Quebec. This went to show our leading men that the first thing to be done was to build the Intercolonial Railway. That road was not built in the first place as a commercial enterprise, because—if my Eastern friends will forgive me for saying so—it goes through a country that, in a speculative point of view, was a very poor one. But it was necessary for political and national purposes that the road should be built. The North-West is worth more than all you have in the east, and why should we object to spend a few millions of money for the purpose of building a road to run through our own territory and to our own people in the North-West? Now, a comparison has been drawn between the *personnel* of the first Syndicate and the second Syndicate. The second Syndicate was formed in a hurry and sprung upon the House at the moment least expected; but, at the same time, I believe that the majority of the members of that Syndicate are well known to members of the House. I happen to know some of the members of the first Syndicate who reside on this side of the Atlantic. They are experienced railroad men who have made money by building railways across the prairie, and in making money they have benefitted the country tenfold through which the roads pass. I am also aware that there are a number of European capitalists on this Syndicate. What we most want in the North-West is immigration, and these European capitalists will have a direct interest in settling their lands by European emigrants. We know that English capitalists own three-fourths of the railways in the Western States, and they have encouraged immigration in their own interests. Nine-tenths of the English immigrants in this country have settled through their influence in the Western States during the past 20 years. With regard to this first Syndicate, I must again read from the great organ of the North-West, the *Free Press*:

"To the people of the North-West there is one consideration which weighs more heavily than the number of dollars and acres given for the construction of the railway. Our interests are completely bound up with the progress and development of immigration and settlement. The company or system most likely to prosecute that great work with vigor and success is obviously the one which, *mutatis mutandis*, should be preferred. We regard the presence of the St. Paul and Manitoba Railway proprietors on the Syndicate as an excellent guarantee for the speedy settlement of the North-West lands upon liberal terms. They have experience, knowledge, intimate acquaintance with the country and with the methods best adapted to further colonization. We question if, in all Canada, any set of men could be found as well qualified to undertake the vast work of populating our fertile prairies. We have seen no names mentioned in connection with any rival scheme which inspire us with the same confidence on this most important point. The question then arises whether, keeping in mind the proposed postponement of the Lake Superior section, there is any such difference between the two propositions as would counterbalance the absolutely certain difference in colonization which must result, for some years at least, from inexperienced and untrained management. There is no graver point involved in the whole matter, so far as the people of the North-West are concerned. A few thousand settlers more or less each year will have a greater effect upon the future of the North-West than the granting of a few million dollars or acres more or less to a Syndicate."

That is the opinion of a man who is one of the most pronounced men on the opposite side. Now, during the recess, a great number of meetings were held, particularly through the Province of Ontario. I have had the pleasure of reading the addresses delivered at those meetings by some of the leading members of the Opposition. I noticed, among other things, that it was frequently stated that this arrangement would cost the country an immense sum of money—that each county would have to pay its hundreds of thousands, and so forth, for the construction of this railway. I must take exception to that statement; for I do not believe that in the end that road will cost this country one cent. I hold that the value of the land, when increased by the construction of the railway, will be sufficient in itself to pay all that the Dominion of Canada has expended or will expend in the construction of that railway, and I do not care, as a Western man, to hear it stated that we of the west are looking for assistance from the east. Within ten years we shall see the Eastern people looking to the North-West for assistance. We will endeavor to build them up, as we have done in giving employment—thanks to the National Policy—to thousands in supplying us with agricultural implements, which hitherto had been imported from the United States. Now, it is, in my opinion, almost unanimously felt throughout the Dominion, that we should have a line of railway from the Atlantic to the Pacific through Canadian territory. If the contract which the Government have entered into will do this, it is the duty of every lover of his country to support the scheme, and the statesmen who have submitted it. I believe it will redound to the best interests of the country, and that the very gentlemen who are now opposed to it, are not really opposed to it in heart and spirit, but simply because it is necessary they should give it a certain opposition, with a view of making political capital and using it at the elections two years hence. Had the Government three months ago made their scheme public, the opposition to it would have been infinitely less than it is, as it required time for people to form a decided opinion. In Ontario and Manitoba to-day all opposition to the contract is fast dying out, and the only place in which we hear any opposition is that tight little Island which has sent here a petition bearing 4,000 signatures against the Syndicate. It is easy to get up petitions. People will sign petitions without knowing correctly what they are signing. Hon. gentlemen

of the Opposition benches will find, in prolonging this debate, they are playing the worst card they can possibly play. They are doing their best to maintain, in his present exalted position, the right hon. gentleman whose life has been spent in promoting the material advancement of Canada, and who is destined to add this achievement to the many which have contributed so largely to our national prosperity.

Mr. HOUDE moved the adjournment of the debate.

Motion agreed to; and (at 2:05 o'clock, a.m.,) the House adjourned.

HOUSE OF COMMONS,

TUESDAY, 25th January, 1881.

The SPEAKER took the Chair at Three o'clock.

PRAYERS.

BILL INTRODUCED.

The following Bill was introduced and read the first time:—

Bill (No. 36) further to amend the Act incorporating the Canada Guarantee Company and to change the name of the said Company to "The International Guarantee Association."—(Mr. Gault.)

CANADIAN PACIFIC RAILWAY.

The House resumed adjourned debate on the proposed motion of Sir Charles Tupper for the second reading of the resolutions reported from the Committee of the Whole on the 14th January instant, granting certain moneys and lands for the construction of the Canadian Pacific Railway, and the motion of Mr. Blake in amendment thereto.

Mr. HOUDE. Mr. Speaker, after the able and exhaustive speeches made by hon members on this side of the House, in defence of the contract submitted for our ratification, I had not intended to address the House on this question, especially as I did not feel well; but having read in the local organ of the Opposition, the Ottawa *Free Press*, an editorial evidently showing an intention on the part of its author to prejudice public opinion in general, and this Parliament in particular, against the French-Canadian Conservative party, of which I have the honor to be a humble member, I cannot help asking the kind indulgence of the House for a few minutes, in order to show how unfair are the strictures passed on us by that paper. The *Free Press* calls itself a Liberal and Reform journal; but its dealings prove that, if it be Liberal it is only so in diffusing what is the antipodes of truth, and if it be Reform at all, it should first reform itself from the bad habit of misrepresenting others, and doing unto them what it would not like others to do unto itself. In order to show the spirit which pervades the utterances of that organ, I shall read the following paragraph which appeared in last evening's edition:

"The St. Paul Syndicate have, it is said, spent nearly $500, 00 at Ottawa, and consider the money well invested."

Those connected with the editorial staff of the *Free Press*, or its inspirers, are, perhaps, amiable gentlemen—I suppose they are but I must say when they allow themselves to be carried away so far from the sense of dignity, as they too often do, while speaking of their opponents, that they do not reflect much credit upon the party whose interests they pretend thereby to serve. It seems impossible for them to believe that their political opponents can be actuated by honest motives. How is that? Perhaps it is because they judge others by what they see when they look into the mirror of their own consciences. At all events, they remind me of a famous personage mentioned in the Scriptures, who was found in the temple of Jerusalem proclaiming himself much better than one of his neighbors. He modestly attributed to himself all possible virtues, and charitably charged his neighbor, who happened to be behind him, with all kinds of vices; but, in spite of all the great qualities he boasted of, I am sure he had not the faculty of forseeing that in the distant future, in the northern part of a continent then unknown, there would live some of his direct descendants so worthy of their ancestor. Among all the organs of the Opposition the *Free Press* is the most unfair towards the Conservative party, and it is especially so towards the French-Canadian Conservatives. When it has exhausted all imaginary charges against Conservatives in general, its hatred still furnishes it with pretences to misrepresent the French-Canadian Conservatives in particular. Why is this, Mr. Speaker? I can see no other reason than the origin of my fellow countrymen, and this is a fact to which I dare call the attention of my hon. friends opposite of the same race as myself. In support of what I have just said, I shall read another extract from the editorial columns of the *Free Press*. It says:

"Sir John Macdonald was quite aware that he would have to reckon with his Quebec supporters, and though in reality they had no claim on the Federal Treasury, he was not unwilling to secure their wavering allegiance by promises to assist the Provincial Government out of its difficulties. It was consequently agreed in caucus before the Christmas adjournment, that provided the Dominion Government purchased the Quebec, Montreal, Ottawa and Occidental Railway, the Quebec contingent should vote for the Syndicate. While faith was strong in this compact, the Premier made another effort to force the resolutions through Committee and obtain a vote in concurrence, but he was foiled by the superior tactics of the Opposition. Soon it transpired that, with his usual trickiness, Sir John was only playing with his *Bleu* friends to get their vote first and settle the local question afterwards. Then Mr. Chapleau appeared on the scene and remained at Ottawa some days endeavoring to bring the hieftain to a proper sense of his obligations. Meantime Ministerial orators who had been held in leash were allowed to spout to their heart's content. With the chance of a French Conservative bolt the Government were now as anxious to stave off the division as before they were eager to bring it on. Finally, Mr. Chapleau left Ottawa grumbling and dissatisfied; then his organ, *La Minerve*, came out with a four-column attack on the Syndicate terms, and urging the Dominion Government to modify them in several important particulars. Such is the present situation. The sticking point, we believe, is the amount asked for the Quebec, Montreal, Ottawa and Occidental Railway. Mr. Chapleau says it cost twelve and is worth fourteen million dollars, but Sir John, acting for the Minnesota Syndicate, can only offer seven and a half."

This editorial reminds me of an anecdote related by the right hon. leader of the present Government after the battle of the 17th September, 1878. A political friend of the *Free Press* went to his barber to be shaved and was charged double the ordinary price for the reason that his face had become twice as long as usual. The extract I have just read leads me to believe that the gentlemen of the *Free Press* have not ceased yet paying that double price to their barbers. And it strikes me also, Sir, that such an extraordinary development of the outside of their thinking portion, seems to have been detrimental to the inside of it, if we are to judge by their still increased narrow-mindedness. No fair-minded person will see anything extraordinary in the fact that the hon. Premier of Quebec has made a visit to Ottawa. That gentleman and his colleagues are devoted to the welfare of their Province with whose administration they are charged, and they saw at once that the interest of the great provincial railway which they administer would perhaps be affected by the contract which we are now discussing, and they came here, not with the intention of doing what the *Free Press* gratuitously insinuates, but legitimately and wisely to look after the interests of their Province. So far from their having sought to influence hon. members from the Province of Quebec, never have they been so long in Ottawa when we have seen so little of them. The Conservatives in this House from the Province of Quebec are all friends of the local Government of which the Hon. Mr. Chapleau is the worthy Premier. We helped him when we could, and we shall be

glad to do it again when occasion offers. But if it were true, as pretended, that that hon. gentleman and his colleagues came here to dictate to us what line of conduct we should follow on this question, which affects the whole Dominion, he would find a decided opposition to submit to his dictation. We are quite able to do alone the business for which we have been elected. The charge that the Premier of Quebec is attempting to dictate to the members from that Province, is utterly groundless and absurd. That hon. gentleman respects us too much, as we respect him, for him to attempt to play such a *rôle*. As I said a moment ago, he has come here to look after the interests of the railway of his own Province. I do not know whether his fears, or whether the fears of the *Minerve*, so ably edited by the hon. and distinguished member for Ottawa, were well founded, but they were legitimate. They thought, as several hon. members of this House thought, that some of the clauses in this contract were not clear enough, and the hon. member for Halton (Mr. Macdougall) took the same view in reference to one clause especially, namely, that relating to the tolls which the Syndicate could charge. I think that the *Minerve* would be the last paper to oppose the policy of this Government. It had fears, perhaps legitimate, and perhaps unfounded, lest the Syndicate might charge such rates as they pleased in connection with our Provincial railways, and so jeopardize the interests of the Province of Quebec. The declaration of the right hon. First Minister the other night must have dissipated these fears. I am not ashamed to avow that I had some fears in this direction; but now, after the explanation of the right hon. gentleman that a clause will be put in the general Railway Act to remove all doubt on that point, I am glad to be able to say that those fears were not founded in fact. I ask all fair-minded members—even our hon. colleagues from the Province of Ontario—why they should regard with jealousy the presence of the Premier of Quebec in Ottawa to guard the interests of the Quebec, Montreal, Ottawa and Occidental Railway? That railway is destined soon to carry through freight to the Intercolonial Railway and through the Maritime Provinces; consequently, the interests of the Lower Provinces are identical with those of Quebec. I ask hon. gentlemen from the Province of Ontario, themselves, what interest they can have contrary to the interests of the Province of Quebec on this question. They have none. They may speak of the interests of Toronto; but the freight destined for the markets of Europe cannot stay at Toronto; it cannot be put on board the Atlantic steamers there. Consequently we, from the Province of Quebec, have not any cause of jealousy towards Toronto. We see that great commercial centre prospering more and more; we wish to see her derive her share of the benefit from the great enterprise of the Pacific Railway; and we have no doubt she will have it, and having it, she will contribute at the same time to our prosperity, because the freight from there must come to the Ports of Montreal, Quebec, Halifax and St. John. I believe, therefore, that it is very impolitic on the part of journalists to try to excite sectional feelings and prejudices on a question like this, on which we should rather all unite for the good of our country. Sir, the Conservatives of the Province of Quebec need not be bought to support this contract. If there is a wing in the Conservative party which has always been strongly in favor of that great enterprise, it is the Quebec wing. All the principal points we asked in the past we find to-day in the contract so carefully drawn; and I must tell the editors of the *Free Press* that they are very unjust to the Conservatives of the Province of Quebec. Whether in power or in Opposition, we have for many years formed the great majority of the right hon. leader of the Government, and I ask them and the members of this House if they can point to a single instance where the French-Canadian Conservatives asked a privilege or a law which they were not prepared to grant to their other fellow-countrymen of whatever origin or creed they might be. Sir, while we have always been loyal to our leaders, we never sacrificed our principles, or what we thought to be the public interest, to that attachment. The best proof that I can give of our sincerity and honesty in supporting the measure now submitted by the Government for our ratification, is the fact that the Conservatives have already supported a policy much less advantageous to the country, and that policy was offered by our opponents. After having helped their opponents to pass the Act of 1874, a measure certainly less advantageous to the country than the present contract, they must be believed to be sincere and honest when they give their support to that contract. With the kind permission of the House, I will continue for a few moments, in order to answer certain parts of the speeches of my hon. friends, the Liberals of the Province of Quebec I will now speak in French, as that language comes easier to me, and because I desire to be as short as possible. I listened yesterday, with much interest to the speech of my hon. friend from Rimouski (Mr. Fiset) as I had listened before to the other Liberal members. Since the beginning of this debate I have also read attentively the articles published by the organs of the Opposition, in order to form a fair and impartial opinion upon this great question. After mature reflection, Mr. Speaker, I have come to the conclusion that the objections raised by hon. gentlemen opposite are either groundless or greatly exaggerated, and at all events they ought not to prevent Parliament from ratifying the contract in the interest of the country. The principal objection raised by our hon. friends from the Province of Quebec—by the hon. member for Quebec East (Mr. Laurier) and the hon. member for Iberville (Mr. Béchard)—is that we have failed in our duty towards the people in not appealing to their judgment on this question; in not submitting the question to them. I will remark to my hon. friends that if, and during the general election that we have had since 1872, they have failed to discuss this matter before the people they have failed to do that which they ought to have done, and at all events they have failed to do that which we, on this side of the House, have done. It was in 1872, it was in 1874, it was in 1878, that we ought to have discussed, before the people, this great question of the Pacific Railway. It was the principal question of the hour in 1872, it was the principal question of the hour in 1874, it was the second question of the hour in 1878. For one, I am nowise embarrassed in endorsing the policy of the Government upon this question, for, after the National Policy, the policy of protection, the question of the building of the Pacific Railway is the one that I discussed at the greatest length and in the most detailed manner with my electors in 1878. I desired a change of Government, and I thought that it would be in the interest of the country, but I did not know that hon. gentlemen opposite would have power; nevertheless, I promised my electors to support, with regard to this question, a policy such as we have to-day; even had the present contract been brought down by hon. gentlemen opposite, I could not but vote in favor of it. So much the more so when it is brought down by my own hon. friends ought I to give it my hearty support, and that is what I am going to do. I admit with hon. gentlemen opposite that this question is of the highest importance, of capital importance, and that the people had the right to be consulted upon the cost of the road and as to the principal features of the question. But, Sir, that is what we have done; and if some, through negligence, have not done so, that is not a reason for reversing the judgment of a majority of the electors of this country. I maintain that the people, in three different elections, have approved of the building of the Pacific Railway. Now, there are some details that were not foreseen, it is true, but so it is with all matters of legislation. It is impossible to foresee, during an election, what will be the details of all the questions that are to come before Parliament. We

can come to an understanding upon general principles, upon the great outlines of a policy, but we can go no farther. By asking to return to the country, hon. gentlemen are trying to introduce an impossible system into the country; it might as well be said that at every stage of the legislation, the electors should be consulted, which would be an impossibility; and moreover it could not be properly done, and the people would not have the benefit of an enlightened discussion; they would render judgments less favorable to their interests, than we, who are here to take the place of the people, can do for their own advantage. Indeed, why are we here, 206 members instead of the whole people of Canada, to legislate in their name and in their interest. It is because it is impossible to get the people to pronounce upon all the details of a policy, upon all the details of legislation. It is for that reason that the representative system was invented, a system that hon. gentlemen opposite would not wish to put aside for an impracticable one. It is true, Sir, that the Act of 1872 was never directly submitted to the people, but I maintain that the principal features of that law were known beforehand and were discussed. I very well remember having met at Montreal my hon. friends opposite, and having heard them reproach Sir George Etienne Cartier with not giving a guarantee that the eastern terminus would be located so as to protect the interests of the Province of Quebec. On one occassion I left Quebec for Montreal on purpose to be present at a great public meeting held on St. James' Square; Sir George Cartier had brought Sir Hugh Allan, the future president of the company that was then being formed, so that he might declare that it was the intention of the Company to locate the terminus of the railway near Lake Nipissing; and I heard the Liberals say then that the people were being deceived. They said: "Give us the proof, show us the charter, and we will believe you if you; do not, we will not believe you. And I am of opinion that if hon. gentlemen would refer to the *National* of the 12th, or 13th or 15th of August, 1872, they would find the proof of what I state; they would find that the proof that the paper I speak of reported the words of Sir George E. Cartier and of Sir Hugh Allan, stating that the terminus of the railway would be near Lake Nipissing, and the Liberals said: It is all very fine and all very well if we were only certain of it." Well, my hon. friends have the proof now that we are not endeavoring to deceive them; they have the proof that this road secures to our Province, as well as to the other Provinces, a fair and advantageous terminus, and that the terminus is near Lake Nipissing. Are they satisfied to-day in the possession of that which they demanded in 1872, and for which they defeated Sir George in Montreal East? No, Sir; now that they have this terminus they do not want it; they laugh at the section north of Lake Superior; they want a line partly built on American territory. Our hon. friends opposite endeavor to make us contradict ourselves, but they cannot do so, for they contradict themselves on this very point; they cannot deny that they do not repudiate what they asked for in 1872. The building of the road is not only advantageous to the Province of Quebec, but it is indispensable to its prosperity, and it is in accordance with the fairness with which they wished to see all the Provinces, and their own among others, treated with regard to the construction of the Pacific Railway. For my part, I am not opposed to the construction of the Sault Ste. Marie Branch when the time comes. I believe that this line will be built, and it is going to carry only a fifth part of the trade that the hon. leader of the Opposition foresees in the near future. I say that we have no need of troubling ourselves about it, for it is indispensable to the Company of the Northern Pacific Railway, and this Company will build it without having to spend a cent. I think, indeed, that this branch is destined to bring in a part of the trade of the American North-West, but if we do not take the precaution of building the section to the north of Lake Superior, these advantages would soon be taken away by the disadvantages that we would experience by the abandonment of the Lake Superior section. I remember—the fact has been mentioned before, but it cannot be too often repeated—that in 1870, when, unfortunately, in a territory lately annexed to the Dominion, trouble arose, the Americans prevented our Government from sending arms, munitions, and soldiers through the Sault Ste. Marie Canal. I heard the hon. member for North Norfolk (Mr. Charlton) say that the first American Pacific railway was built at the beginning of the Civil War because the people felt the immediate and urgent necessity of uniting the Pacific States with the Central States. Well, Sir, I hope and trust that the same painful circumstances will not again present themselves in our country, yet it is better to prevent the evil than to remedy it. If, in a few years, and it is not impossible after all, the Mother Country should be involved in war with that umbrageous and hostile power, Russia—and it is well known that not long since the relations between these two countries were on the breaking point, a part of the Russian fleet having made suspicious movements off the coast of our Pacific Province—if we could not send help to this Province, or if trouble were to arise in the North-West, and if we were obliged to send by land troops, munitions, and arms, and were the Americans to refuse to allow munitions of war and soldiers to pass over their territory, in what an awkward position we would find ourselves. That is why it is our duty, imposed upon us by patriotism, without mentioning our material interests, to construct the section to the north of Lake Superior, so as to have an iron band uniting all the Provinces from one end of the Dominion to the other. And this section to the north of Lake Superior is advantageous to all the Provinces; it is advantageous to the Province of Manitoba, it is advantageous to the future Provinces of the west, in ordert hat immigrants who in future will go to the North-West should not be obliged to pass over American territory, and there be exposed to the solicitations of railway and American land companies' agents, who keep up such a disastrous and hurtful competition with respect to immigration. It will also be advantageous to the Province of Ontario, for this section will be built on the territory of Ontario. At the same time it is advantageous to the Province of Quebec and the Maritime Provinces, and also to the Province of Ontario in this new respect, because it saves us from the danger of seeing a part of our trade diverted from our ports to the benefit of American ports. Sir, I would be the last man in this House to entertain hostile feelings—feelings of hatred toward our American neighbors. They are a great people that I esteem, and whose great practical qualities and intelligence I admire. But they are a selfish people; and when I heard an honorable member going into ecstacies over the American people who seemed to be so dear to him, even dearer than the Mother Country, when I heard him say that they are the most amiable people in the world, I must say that they are not very amiable, at least, towards the Mother Country. If ever England has experienced and does yet experience the bad will of a nation it is that of the United States, however astonishing that may seem. I believe that the American people will always have the good sense to understand that it is not their interest, nor would it redound to their glory, to pick unjust and useless quarrels with us. Yet often a Government obliges the people to do that which they fain would not do. We have before now seen nations plunged into war by the fault of their Governments. Once the fault committed, national pride prevents from going back. It is, therefore, possible that evil-disposed politicians may some day endeavor to persuade the American people to make war on Canada and England. Now, one of the means of avoiding that is to make ourselves as independent as possible from our neighbors. I very well remember, although my experience is not long, that the United States,

about ten years ago, came near going to war with England, and threatened to invade Canada in a fortnight and take it in a month. When we saw the powerful Senator Sumner, when we saw General Butler and Senator Chandler, three prominent men of the Republican party, endeavor to get their country into a war with England on account of the Alabama claims, I say, and everybody knows, that we came very near to a breaking off of friendly relations between England and the United States, and that there is one man who prevented this evil from happening, and that man was President Grant. He had in all likelihood seen enough horrors during the Civil War; he was satisfied with that, and he understood that a nation that wages a bloody war is always the loser even though she be victorious in the end; and I am not at all surprised that General Grant should have been so well received when he went to England, for he had rendered service not only to his own country, but he had also, at the same time, rendered a great service to humanity. Sir, the hon. members of the Opposition have endeavored to make the people believe that we are supporting a policy that will be the ruin of the country, amusing themselves with increasing, by fancy calculations, the value of the lands that the Government is granting to the Syndicate. On hearing them, this year, estimating these lands at three, four, and even five dollars an acre, I said to myself that it was much to be regretted that these hon. gentlemen had not praised our lands in the North-West sooner, for, if they had done so, these lands would have had more value in the eyes of strangers than they have to-day. Last year they did not think that with 100,000,000 acres of land we would be able to build the Pacific Railway, because they did not consider these lands worth enough for that, and this year they increase the value of them in a wonderful manner. But these hon. gentlemen do not observe that by thus running up the price of the land, they are placing themselves in a very awkward position, for they show that the bargain they had made, and that they could not carry out, but which they would fain have carried out, was a great deal more disadvantageous than the one we are now going to carry through. For, Sir, if we estimate the lands at $2 an acre we find that the bargain proposed by hon. gentlemen opposite, in 1874, when they were in power, would have cost over $50,000,000 more than the present contract. Now, if our hon. friends put the price up to $3 an acre, the difference is still greater; if they raise the price to $4 or $5 an acre, the difference increases by $28,000,000 or $29,000,000 with each dollar that they add to the value of the land per acre; so that they place themselves in an illogical position and in direct contradiction with their past statements. I will not dwell at length on this subject, which has already been discussed. I only wish to draw attention to the contradiction in which our hon. friends place themselves; and it is certainly not for them to reproach us with giving too much for the construction of the road, when, according to their own calculations, they were willing to give some $50,000,000 more than we are giving by the present contract. The greater part of the objections they have raised against the first contract are to be found in the second contract that they have themselves hatched, and which contains all the ideas they have put forth during the debate on this question. Now that they see the child is not legitimate in the eyes of the public, now that they see that it is not well received by the public, they do not want to own it. But, Sir, the paternity of this child belongs to them; it is they who have hatched this second Syndicate; it is their ideas that we find in that contract. It is what we, on this side of the House, could have most wished to happen, in order to answer hon. gentlemen concerning the objections they raise and the reproaches we receive from them. There are, Sir, in the contract certain clauses that I would have liked not to see there, and that hon. Ministers, I am sure, would have preferred not to include in it, but in every contract, as it has already been remarked, there are two parties, and the whole may be advantageous, although some details are not as pleasing as others. The principal objection that I had, and that some of my colleagues perhaps had against this contract, was the doubt that seems to exist as to the meaning of the words "capital expended" before the Government can interfere in order to reduce the Company's rates, if these rates are exorbitant and unreasonable, when the Company has realized a net profit, working expenses being paid, of ten per cent. I read in the amendment moved by the leader of the Opposition that the new Syndicate will be content in this respect with the General Railway Act. But, Sir, the Railway Act protects much less the public interests and protects much more the interests of the Company than the clause that the Government has had inserted in the first contract, for, according to the General Railway Act, the Company will have the right to realize fifteen per cent. of net profits, whilst according to the contract it would only have the right of realizing ten per cent.; and yet we see the hon. leader of the Opposition, contradicting himself in a manner which surprises me, and compares the two Acts, whilst this comparison is altogether unfavorable to the pretension and to the ideas that he wishes should prevail. It is about the same thing with all the objections raised by these hon. gentlemen. This contract is to be taken as a whole, and it is thus by considering it as a whole that I can support the Government measure, for I consider it as highly advantageous to the interests of the country. As to the exemption from taxation, it is a trifle as has already been remarked. I have heard it stated by hon members opposite that we were ruining the older Provinces for the benefit of the future inhabitants of the North-West Territories. Well, do not hon. gentlemen understand that this exemption from taxation that we are imposing on the people of the North-West is a slight contribution that we are obliging them to pay for the construction of the Pacific Railway. Is it exorbitant, Sir? Certainly not. Other parts of the country would have been only too happy to have their territory crossed by railways at such a trifling expense. Now, I am willing to believe that if hon. gentlemen opposite had been in power and had had to negotiate with the Syndicate, that they would have sought to obtain better terms. I give them enough patriotism for that; but is it taxing their impartiality too much to ask them to suppose that our friends have endeavored to obtain the same thing, that they endeavored to obtain better terms than those that we have, although they are very advantageous for the country. And, Sir, I do think that the Government could have obtained better terms for the country had it not been for the imprudent, not to say unpatriotic, policy of our opponents. If these hon. gentlemen had not tried by every means to belittle the resources of the North-West, to belittle the value of our public lands, to make the world believe that this railway for twenty, twenty-five or fifty years to come would not earn enough by the freight it would have to carry to pay for the wheel-grease, I think, indeed, that hon. Ministers would have been able to obtain better terms. But whose fault is it? If we have not better terms it is the fault of hon. gentlemen opposite. They ought not therefore to cast blame on the Government, but they should rather say: *mea culpa*. Now, I do not wish to be too long, and I will conclude, because I understand that it is the desire of the House to reach the vote to-night, and I wish so myself. But I must add, since the hon. member for Quebec East (Mr. Laurier) has made a special appeal to the Conservatives of Quebec in favor of his views on this question, that if I had more authority to speak in the names of my hon. colleagues from the Province of Quebec, that it would rather be for us to appeal to his patriotism and to the devotedness of his followers from the Province of Quebec, and to ask them to support the Government on this

question, seeing that the Ministerial policy is more to the advantage of the country than the scheme brought down by hon. gentlemen opposite when they were in power. I regret, Sir, to see, on this great question, as on many other kindred questions, our hon. friends of the Liberal party in the Province of Quebec trying to prevent us from carrying out this undertaking, as they opposed the building of the Grand Trunk and nearly all the undertakings initiated by the Conservative party. I say to my hon. friend from Quebec East (Mr. Laurier) and his followers, that I exceedingly regret to see them entering into a future that is too like the line of conduct followed by their party in the past, and which prevented that party from ever doing anything in the interest of the country. I regret to see my hon. friends still persistently identifying themselves with a party that should be dead—a party between which and themselves they should have drawn a sharp line of demarcation. They should have begun this Parliament with a new policy—they who should be the men of the future of the Liberal party in the Province of Quebec, and who persist in being the men of a past who have been so often and so justly condemned by the great majority of the people in the Province of Quebec. Sir, there are a great many reasons to be given in favor of ratifying the Government policy, considering the circumstances in which not only this country, but also the neighboring country is placed The United States are making such efforts to keep the lead in the way of national progress—in the way of railroads especially—that we should, as far as we are able, endeavor to imitate them, if we do not wish to remain in a position quite unfavorable with regard to the European countries that are going to send to America a large number of emigrants, who, if they come here, will enable us to build up an important nation in this part of the American continent. We must strive to draw to our territory European immigration, composed of Irish, English, French, Scotch, and Germans, and prevent them from taking the direction of the United States. Those are particular circumstances which we should take into consideration now that we have to decide such a question. Sir, I have often met, and quite lately, during the election of my hon. friend from Joliette (Mr. McConville)—I have met Liberal speakers from the Province of Quebec, who reproached us with working against the interest of our Province and of our race by our Pacific Railway policy, by our policy in favor of European immigration. I will not state, Sir, that the speaker I met in the county of Joliette, although he is one of the best speakers of the Liberal party, represented exactly the feelings of my hon. friends who are sitting on the other side of the House. I will be generous enough towards them not to hold them responsible for the narrow ideas of this Radical to whom I have just alludod, yet this example, with many others that I could mention, goes to show that certain papers, such as the *Witness* and the *Free Press*, &c., are wrong in trying to make the people believe that the more a French Canadian is an advanced Liberal, a Radical, the more his views are large and favorable to the progress of the country. The advanced Liberals in this country have ideas and principles as hostile to the harmony and good understanding that should exist in our midst as the Radical with which they sympathize, and which is now bringing humiliation and grief on France, our former mother-country. For my part, I have no objection to having Irish, French, English, Germans, and Scotch brought here to help us to build up a great nation on this continent. When we look upon the condition of France to-day we have the proof of the truth of what I state. Can a country be found that is more homogeneous than France? And yet is there a people more unhappily divided among themselves than the French people? That proves, Sir, that the same language does not suffice to form a united people, a people of brothers. What is wanted is a communion of ideas, of principles and aspirations. We had the proof of it in France when those unhappy Alsatians, who for the greater part did not speak French, were being killed for the protection of France, whilst a great number of Parisians, who pretend to be the most French of all, were tearing their mother's bosom instead of marching against the enemy. Well, Sir, I say that in this country one can be of Irish extraction, of English extraction, of German extraction, or of French extraction, and yet form a united people, a people of brothers, understanding one another and treating one another well though speaking different languages. It is sufficient that there should be between us a communion of ideas, of social principles, of aspirations that we should all tend towards the same object, that we should all have in view the aggrandizement and the prosperity of our common country. I shall not probably see that myself although I am yet young, but perhaps others will see in twenty or thirty years hence, French Canadians representing in this House the provinces of the West, together with their colleagues of other nationalities. It is from this liberal standpoint that I look upon the question, and it is for these reasons that I shall support the Government measure. This Government has given us the National Policy for our national industries, and I expect from them another kind of protection against the prejudices, against the narrow ideas, against the mean ideas, and the divisions that the *Free Press* and other badly inspired papers are endeavoring to propagate amongst us. I trust that not only in our party but also in the party opposite there will be found men of large enough minds to batter down these unhappy prejudices so that we may form a united people of brothers, having in view the common good, the prosperity and aggrandizement of this Canada of ours.

Mr. ROBERTSON (Shelburne). Since I have had the honor of a seat in Parliament, I have been called on to give two votes in connection with the question of constructing the Canadian Pacific Railway. In 1879, I placed on record my vote against the policy brought down by the hon. Minister of Railways, and last Session I felt it my duty to vote in favor of the amendment of the hon. member for West Durham, opposing the present construction of the road in British Columbia. Ten years ago, when the Province of British Columbia was admitted to the Union, the terms on which it was admitted were altogether to its advantage, and when the Liberal Government came into power, they found themselves bound hand and foot to build the road across the continent in ten years. The leader of the Conservative party seems to be carried away by the national sentiment of building a road across the continent, utterly regardless of cost. This appears to me to be Canadian jingoism, akin to the jingo policy of the Conservative party in Great Britain, which aimed at making her great by annexing territories and carrying on foreign wars at no matter what cost. During recess, I watched with considerable interest the steps taken by the Government for securing the building of this railway by a company. The announcement made by the right hon. Premier at Hochelaga, that he had succeeded in securing a company to build the line for $25,000,000 and 25,000,000 acres, was received with joy by all political parties. The First Minister then took good care to conceal the objectionable features of the contract from the public. We were told when the House opened that the contract must be passed at once, but although they have a large majority at their back, the Government failed to force it through, and the Opposition may congratulate themselves that they not only obtained time to consider the contract, but secured two important modifications one being a more stringent definition of the character of the road to be built by the company, and the other the amendment promised by the hon. the First Minister, in answer to the hon. member for Halton last night, in order to cover freight rates. One of the reasons why I am opposed to this contract, is that we are called on to contribute too largely

in the shape of subsidies to the Syndicate. Not only do we give $25,000,000 and 25,000,000 acres, but we bind ourselves to complete the most difficult portions of the road and to build an additional section in British Columbia, besides giving other important concessions. Hon. gentlemen opposite have laid great stress on the assumption that the lands are only worth $1 an acre; but no later than last year the hon. Premier estimated them as ranging in value as high as $4, and averaging $3.18 per acre, and I can see no reason why that statement should not be accepted now, especially by hon. gentlemen opposite, in estimating the amount of subsidy given to the Syndicate. I have no objection to the Government proceeding with the prairie section, as that would open up that country; and when a population has settled there, sufficient to warrant the continuance of the work through British Columbia, we can then complete the road from the Atlantic to the Pacific through Canadian territory. We have had an example of the evil of too great dread of the United States, in the locating of the Intercolonial, at an enormous cost, along the north shore of New Brunswick lest it should be too near the American border. The consequence is, that that portion of the road, instead of being profitable, will entail a serious loss to the country for all time to come. I opposed last year the building of the road through the mountains of British Columbia, because I saw no necessity for that road—while there is no population in the North-West, and when the cost of running must necessarily be very heavy. Last year the hon. Minister of Railways advocated the building of the line to Sault Ste. Marie, which he now denounces as an unpatriotic idea, although this road would give us, at a comparatively small expenditure, connections in a year or two with the north-western States and our North-West Territories, and enable us to defer the great expenditure which the section north of Lake Superior will entail. The hon. member for Annapolis expressed himself, the other night, prepared to swallow the contract. He took particular pains to point out that it was the best ever submitted to the country, and quoted a number of figures, and made calculations, to prove the correctness of his statement. The people of Nova Scotia, and even the gentlemen on the Treasury benches, have hitherto placed but little dependence in that hon. gentleman's calculations I find that the hon. gentleman, in 1869, he being then Commissioner of Government Railways in Nova Scotia, furnished statistics and estimates for the management of that road, which afterwards proved strangely incorrect. I also find in the public records that these statistics submitted by him to the Government led by the present First Minister were so incorrect that the hon. member for Halton (Mr. Macdougall) then Minister of Public Works appointed a Commission to enquire into the cause of the incorrect statistics, and upon the recommendation of that hon. gentleman removed him (Mr. Longley) from that position. The hon. member for Lunenberg (Mr. Kaulbach) during his speech raised many objections to the contract. He objects to the admission of steel rails free of duty; to the transfer of the Pembina Branch; he thought the Government should have the power to purchase and assume control of the road when built; he was opposed to the provisions exempting the lands from taxation; but on "calm reflection" he changed his mind on these points. Another of his objections was allayed by the announcement of the First Minister that the Government would introduce an amendment to the General Railway Act—we are yet in the dark as to what it is—but it was sufficient to satisfy the hon. member. Those are objections which should deter any hon. member from voting in favor of the contract, but I was satisfied that no matter what his objections were, he was prepared to support the Government. The hon. member for Pictou (Mr. Doull) last night adduced very serious objections to the contract. He pointed out how the coal and iron interests of Pictou would be seriously affected, but it seems the Minister of Finance has given him an assurance that the manufacturers of steel and the coal interests will be protected. He referred to the statement made by the hon. member for Yarmouth (Mr. Killam) and attributed to him the possession of a "fertile imagination," because he had said there might possibly be a port on Hudson's Bay by which the grain which it was expected would be brought down to Halifax for shipment might be exported to Europe. If he had paid particular attention to the debates, or to speeches delivered outside of the House, he would be aware that that suggestion originated in the fertile brain of the Minister of Railways. The other evening, in the course of the discussion, the hon. member for East York (Mr. Boultbee), who has been styled "the fighting man" of the Government party, rose with a burst of triumph and read a telegram addressed to the Minister of Finance, pointing out that the Municipal Council of Gloucester, represented in this House by a member of the Opposition, had passed a resolution condoning the Syndicate agreement, and hon. gentlemen opposite thereupon asked the hon. gentleman to support the contract. There is a county in Nova Scotia represented in this House by an hon. gentleman occupying a high position in the Ministry—a Conservative stronghold where the Liberals are hardly able to secure a majority in any polling section—I refer to the county of Cumberland represented by the Minister of Railways — which has passed a resolution condemning the Syndicate bargain. It is hardly worth while to read the resolutions which have been placed in my hands, as I do not wish to deprive the Minister of Railways the pleasure of doing so. A copy has been forwarded to him, and no doubt he will submit them to the House and act on the wishes of his constituents. I do not think I can add anything to what has already been said in opposition to the contract now on the Table, and I will simply state my objections to it, and the reasons why I feel called upon to support the amendment of the hon. member for West Durham. One objection is this: That the Government have another offer in their hand from responsible capitalists, by the acceptance of which the whole road may be built for many millions less than it will cost under the Syndicate bargain. Hon. gentlemen on the Government side of the House do not believe that this is a genuine offer, but when we look at the names attached to it, and recognize the fact that those gentlemen have placed in the hands of the Government upwards of $1,000,000 surety for carrying out the whole of the contract, either for the completion of the road or any portion of it, it will be difficult for them to make the people believe that the second Syndicate are not in earnest. Another objection I have to the contract is, that the subsidies proposed to be granted are altogether too large, and that the monopoly which would be created is not in the interest of the country. Another objection is, that the completion of the Lake Superior section will not be required for ten or fifteen years, at the end of which time the people in the North-West may be in a position to contribute themselves towards the building of the road. Another objection is, that the expense of carrying out the terms of the contract, at the present time, will be borne only by the older Provinces, because there is no population in the North-West Territories to contribute to it. From the action of hon. gentlemen opposite, we must assume that this contract will be ratified by Parliament. I believe that in expressing the views I have placed before the House, and in giving the vote I propose to give, I am acting in the interest of the Province of Nova Scotia and of the constituents I represent, and for the Dominion at large, and for that reason I feel compelled to support the amendment moved by the hon. member for West Durham.

Mr. RYKERT. Mr. Speaker, having already spoken at great length upon this question, I am not disposed to occupy the time of the House for any considerable time, but I desire to explain one or two matters that have cropped up during the debate, and correct some

mis-statements made by hon. gentlemen opposite. I find that almost immediately after I had spoken, and had dealt with the question of taxation, the organ of the Reform party altogether ignored what I adduced before the House at that time, and placed the question of taxation in an entirely different light before the people. Several hon. gentlemen, who, in debate, are accustomed to take their inspiration from the *Globe*, have followed in the same wake; others have, upon the floor of the House, exaggerated the charges that were made respecting exemption from taxation. The member for South Perth (Mr. Trow) a few nights ago, after complimenting me upon my industry in the House, said I had not properly discussed this question; but I notice that neither he nor any other hon. member on that side have answered my statements with reference to the amount of taxation which this Company will save as regards the road. The hon. member for West Durham (Mr. Blake) placed the amount of exemption on account of the road at $21,000,000; the hon. member for South Huron (Mr. Cameron) placed the amount at $15,000,000, while the *Globe*, the organ of these hon. gentlemen, makes the amount $6,278,950. I think it would be a very fortunate thing if these hon. gentlemen and their organ could come at least a little nearer reconciling their estimates, but for my part I am prepared to show that these exemptions so far from amounting to the least of these estimates, will amount to a little more than $6,000. My hon. friend from South Perth (Mr. Trow) was quite mistaken as to the assessed value of property in his own county when he said it was valued at $50 per acre. I have before me the assessment for last year, and the other night I quoted from the assessment of 1874. I find that the assessed value of property in Perth last year was $27, and in 1872 only $13 per acre. I took the year 1874 in my former estimate, because I thought when we considered how long Ontario had been settled it was but right and fair to take what might be considered a medium amount, and I, therefore, took the year 1874. In order to satisfy the hon. gentleman, I shall take the assessment of ten counties in the Province of Ontario, embracing the richest and some of the poorest, and I find that their average is $12.14 an acre. I shall take the following counties in making the calculation: Grey, Lanark, Middlesex, Norfolk, Perth, Prescott and Russell, Renfrew, Simcoe, Stormont and Dundas and Glengary, and the very old county of Welland. I find that there are 6,740,000 acres in those ten counties, and that they are assessed at $81,945,000 or $12.14 per acre. Now, at the very most there are not more than 1,000 miles of railway in the North-West which we can exempt from taxation. I believe there are only 854 miles, but I wish to give the hon. gentlemen the benefit of every doubt. Taking 1,000 miles at 12 acres to the mile, we have 12,000 acres, and allowing one-fourth for the sidings we have 3,000 acres more, or 15,000 acres altogether. If we assess that at $12.14 per acre, we get $182,100. Taking 100 stations at $1,500 each, which I think is a very liberal estimate, we have $150,000 more. I will place the workshops at $100,000, though we heard from the hon. member for Selkirk (Mr. Scott) last night that the city of Winnipeg was willing to give no less than 30 acres of land and perpetual exemption from taxation if workshops were located in that city; but I will forego that exemption so as to give the hon. gentleman every possible advantage in the calculation. This would make a total assessment of $432,100. When I say that I will take the rate of assessment at 1½ cents on the dollar, I think the hon. gentleman will admit, that I am stretching the point amazingly in his favor, for the average rate of assessment in Ontario is little beyond ¾ of a cent. I venture to say that the assessment of this city, or of almost any other city in the Dominion, does not exceed one and a half cents. But taking the figure which I named, and taking also the very liberal allowance I made for the value of the property, I find that the total exemption amounts to just $6,481.50, instead of the large and conflicting estimates made by the leader of the Opposition, the hon. member for South Huron (Mr. Cameron), and their organ the *Globe*, respectively. I think I am, therefore, justified in saying that my statements the other evening cannot be contradicted by hon. gentlemen opposite, and I am quite certain if they had been able to contradict them they would have done so long ago. I think, however, they ought to have candor enough to admit that they were mistaken. There is another bubble which I wish to prick for hon. gentlemen opposite. We have been told repeatedly, and with a great flourish of trumpets, that the amount of the exemption on the lands, if a comparison were made with the Union Pacific, would amount to an enormous sum of money. We have had the statement repeated over and over again that the amount of that taxation on account of the lands was, annually, $835,023. I will read to these hon. gentlemen what their organ says, in order that the public may see how determined they are to exaggerate the figures and treat the question unfairly. When I first heard it stated by the Opposition that the hon. the Minister of Railways had deliberately thrown away $23,000,000 of our money to the Syndicate, in the way of exemption, I felt it my duty to examine into the question. I heard hon. gentlemen say that the Union Pacific had paid $835,023 last year in taxes, but I knew that was incorrect. However, I took the trouble to write the Secretary-Treasurer of that Company—and I also addressed a letter to Mr. Poor, the gentleman who is so celebrated in railway matters and whose works have been so frequently quoted during this discussion. I will read the replies which I received——

Mr. TROW. I wish to say in reply to what has been stated by the hon. gentleman, that I took a period of ten years, from 1869 to 1879.

Mr. RYKERT. The hon. member for Huron ought to correct the organ of his party. That is what I wish to correct before I get through. The amount stated, viz.: $835,023, was the whole amount paid in seventeen years by the Company. The *Globe* said a few days ago it was only one year. I have a letter from Mr. Poor, the gentleman who wrote that Manual, and he says:

"NEW YORK, 19th January, 1881.

"DEAR SIR,—I have yours of the 17th. I send herewith a copy of the last report of the Union Pacific Railway Company. The taxes $835,023 are for the whole period of the grant. The amount of taxes the past year was $108,437.

(Signed) "H. V. POOR."

That is confirmed again by the following letter:—

"BOSTON, 19th January, 1881.

"DEAR SIR,—The sum of taxes paid in lands which you quote from Poor's Manual, is the total of taxes in land from the beginning.

(Signed) "H. MCFARLAND,
"Secretary-Treasurer, Union Pacific Railway."

Mr. CAMERON (South Huron). Is that taxes on land?

Mr. RYKERT. Yes.

Mr. CAMERON. Mr. Poor does not say anything of the kind in his Manual.

Mr. RYKERT. Mr. Poor gives a summary of the expenses of the Land Commission, and he gives a summary of the taxes on land. If the hon. gentleman will turn to the last number of Poor's Manual he will find that the land grant altogether was 12,085,227 acres. Up to December, 1879, they had sold 1,568,438 acres, leaving unsold on the 1st January, 1880, 10,514,789 acres. The expenses of the land department, the taxes on the land, expenses of town lots, and the discount and commission amounted altogether to $1,889,877 from the commencement of the land operations. The hon. gentleman stated that the amount paid last year was $835,023. Now, we will go to a higher

authority—to their political creator, the man that makes and unmakes them. We will take the *Globe* of December 15th, 1880, and hear what it says:

"Still more light can be thrown upon the vastness of this gift by adducing the amount of taxation paid by the Union Pacific Road. In one year, 1879, the Union Pacific paid taxes on 1,597 miles of road, amounting to $279,158; and in the same year the same Company paid taxes on its land grant amounting to $835,023."

Mr. CAMERON. I never stated that the Union Pacific paid last year $835,023. If my hon. friend will turn to the report he will find that I said four years, and so Mr. Poor laid it down in his Manual of this year.

Mr. RYKERT. I notice that the hon. gentleman has summarized the amount at $835,023 a year for four years. They could not have paid that large amount, because the land they had on hand in December 1879, was 10,500,000 acres. I do not suppose the speeches of hon. gentlemen are much read throughout the country, but their organ is, and I am quoting from that, and I want to show the public what a political humbug they have to direct the opinion of the hon. gentlemen opposite:

"This land grant is infinitely more valuable than that of the Union Pacific. Therefore the least value that can be put upon the exemption from taxation of the Canadian Pacific land grant is twenty times $835,923, or $16 700,460. The exemption from taxes of the railway itself is worth at least as much to the Company as the liability to taxes costs the Union Pacific, namely, $279,158 per annum. Capitalizing that sum at 4 per cent, we arrive at the value of the exemption from taxes of the railway. It is ..... $ 6,978,950
Add value of twenty years' exemption from taxes on land grant 16,700,460

Total value of exemption from taxes $23,679,410

Now, Sir, the Company has had this land for seventeen years—I call it twelve years, making an average of $69,585 a year—if we take the 20,000,000 acres which we gave to the Company, having retained 5,000,000 acres for security, and estimate the taxes at the same rate as the Union Pacific, it would make an annual payment of $139,170. Multiply that by 20, assuming that not an acre of land is sold for 20 years, and we find that the total of taxes paid by the Syndicate would be $2,783,400, or a difference between the *Globe's* calculation and mine upon the land alone of $13,917,060. Now, I go still further. I will give them the benefit of last year's taxation. Mr. Poor says that the taxes last year were $10 ,437. I will double that, which will make $216,874 a year, multiply that by 20, allowing one-third off for sales only, and I find the total amount would be $2,891,654, or a difference of $13,808,806. It does seem to me that the hon. gentlemen ought certainly to withdraw that statement upon the floor of this House or admit that the organ was incorrect or misinformed. It is an unfortunate thing that these statements should go about the country in order to mislead the public mind with a view of getting a snap verdict against the hon. gentlemen on this side of the House.

Mr. TROW. If the hon. gentleman will refer to the *Hansard* of Thursday last, and read my remarks, he will see that I put it at ten years.

Mr. RYKERT. I find you reported in the *Hansard* as stating the taxes commenced in 1859. The Company was not incorporated at that time, it had not an acre of land then, so the hon. gentleman is mistaken, though I accept the explanation that he means ten years. The hon. member for South Huron says four years, while the organ of the party says it is $835,023 a year, so that there was only a trifling mistake of over $13,000,000 on that point alone as regards the land, and a mistake of $6,000,000 as regards the taxation of the road bed. I also want to discuss the question which arose in the early part of this debate as to the new Syndicate abandoning the eastern section of this road. I have taken the trouble to hunt up the authorities on that point, knowing that I was right; during the twenty years I have been in Parliament, I have always made it a point never to advance a statement in the House that I could not corroborate. I then stated that no company could perform a portion of a contract and abandon the balance, as it would be contrary to the principles of law and equity. The section to which I referred is very plain and distinct, and its meaning admits of no doubt. Section 4 of the contract says:

"The work of construction shall be commenced at the eastern extremity of the eastern section not later than the first day of July next, and the work upon the central section shall be commenced by the Company at such point towards the eastern end thereof on the portion of the line now under construction as shall be found convenient and as shall be approved by the Government, at a date not later than the first May next. And the work upon the eastern and central sections shall be vigorously and continuously carried on at such rate of annual progress on each section as shall enable the Company to complete and equip the same and each of them, in running order, on or before the first day of May, 1891."

I then stated that if the Company choose to abandon the eastern section, this Government could invoke the power of the Court of Chancery, and compel them to carry out their contract in its entirety, and I say that is the law to-day, in spite of the opinion of the leader of the Opposition. That hon. gentleman, in that modest, kind, genial manner to which he is so addicted in this House, said: "No such thing, there is no such law." Well, standing in the presence of the recognized leader of the Chancery Bar, I hesitated to say that he was wrong; but I thought I would hunt up the authorities. When I found a distinguished lawyer in this House quoting a case, and refusing to give the name of the case, or to state where the case is to be found, I suspected that that hon. gentleman was not stating the law correctly. When in a court of law a learned gentleman states that such and such is the law of the land, and the judge asks him to say where the case is to be found, and he cannot, he is told quietly to sit down and mind his own business. Well, the hon. gentleman chose to take me to book, and cited the case of the South Wales Railway Company *vs.* Wythes, which I found after a little trouble reported in I. K. and J. Chancery. Reports, 186. I am prepared to show that that case has not been cited but once for twenty-four years, and then only to be commented on by the Court as a case which, from the fragmentary nature of the contract, the relief asked could not be granted. My contention is that no individual or body of men can take advantage of a portion of a contract and abandon the balance—that such an act would be contrary to all the principles of law and equity; and what I complain of the hon. gentleman is, that he, a lawyer, should have cited a case twenty-four or twenty-five years old, when he has only to turn to his own docket and find two cases argued by his own firm within the last two years, to confirm my view of the law. The following case, which was carried to the Court of Appeal and affirmed there, supports my contention:—

EDWARDS *vs.* GRAND JUNCTION RAILWAY CO.—7 SIMMONS, 337, and MYLNE & CRAIG, 650—"Case decided on the principle that the Court would not allow them to exercise powers acquired by means of such contract without carrying it into full effect: and in the absence of any adoption of the contract of such a party by the incorporated company, or of any attempt to exercise the powers thereby acquired, or of any part performance, the Court might refuse to enforce specific performance of such a contract against the incorporated company: but if they adopt or avail themselves of the contract, or exercise the powers acquired by its means, the Court will, in that case, not only negatively but positively interpose and compel the performance by them of every portion of the contract."

I do not accuse the hon. gentleman of being so ignorant of the law as not to know where he can find the law, but I never knew a lawyer to cite a case of twenty-five years ago without searching for subsequent cases to see if it was still recognized as an authority. That is what the hon. gentleman would do if his opinions and actions were not warped by political bias. The hon. gentleman cites a case to show that the Court cannot compel a party to carry out a contract when the other party can get adequate damages at law. I deny that is the law; but there is a class of cases where,

from the nature of the agreement, the Court of Chancery will not allow its machinery to be used from time to time to carry on expensive works. But I will come to a later case, the case of Greene *vs.* West Cheshire Railway Co., reported in 13 Equity Reports, page forty-four, which was tried in 1871, seventeen years after the case referred to by my hon. friend the other night:

"GREENE *vs.* WEST CHESHIRE RAILWAY COMPANY, where it was decided: "The Court will not refuse to decree specific performance of an agreement, although the plaintiff may have a concurrent remedy in damages, or may have entered into a negotiation for a money compensation which has failed. The facts of this case were as follows:—An agreement was entered into between a railway company and a land-owner, part of whose land had been, under another agreement, taken by the company, whereby in consideration of the previous withdrawal by the land-owner of a petition to Parliament against the company's Bill, the company agreed to construct and for ever maintain at their expense, a siding of specified length alongside the line upon land belonging to the land-owner, and to be provided by him for that purpose for the use and to the reasonable satisfaction of the owner."

Sir James Bacon, V.C., in giving judgment, says:

"I wholly disclaim the notion that a railway company is to be dealt with by this Court upon any other principles than those which would and ought to be applied to individuals. Their contracts are to be considered just as any other contracts; their rights and their obligations are in all respects the same as those of any members of the community. They possess certain privileges different from, and in some respects beyond those of individuals; but while it is the duty of the Court to respect and to secure the enjoyment of those privileges, it is no less an imperative duty to take care that the powers with which the Legislature has entrusted them, and which are inherent in their constitution, are not so exercised as to protect them in doing wrong, or in escaping from the fulfilment of their lawful engagements. * * * A more direct, wilful, and determined violation of a plain contract cannot be suggested. No excuse is offered for it, but what they say is, that the plaintiff may, by an action at law, recover against them in money such amount of damages as a jury may think he has sustained by their wilful breach of their contract, and that therefore a Court of Equity will not entertain the complaint. I do not understand that the law as administered in this Court, countenances any such defence. * * * It would be a total departure from all principles by which the administration of this branch of the law has hitherto been guided, to hold that it is at the option of a man who has persuaded another to part with his rights upon a specific condition to say: 'I can, but I will not perform the obligations I have entered into; and instead of keeping faith and honestly fulfilling my promise, I will leave you to take the chances of an action for damages, and to reserve to myself the power of endeavoring to defeat your claim; and instead of acknowledging your just rights, will compel you to receive, instead of them, such a sum as I may be able to persuade a jury will compensate you for the loss, and injury, and disappointment, which my wilful wrong-doing may have occasioned to you.' If this were said or done by an individual, the injustice would be too glaring to be endured; can it be less when it is done by a corporation? I am as unwilling as any one can be to enforce against a company obligations to which private persons are not subject; but I should be acting in direct opposition to what I am satisfied, is not less the plain law than it is the plain honesty of the case, if I were to countenance, on the part of the Company, so gross a violation of their duty as they are endeavoring to practice in this case. * * * That there may be cases in which the Court may be unable to do full justice in the way of specific performance is true and by the imperfection of the contract itself, the Court may be unable to effect that which it would wish to perform. Such a case is presented in the case of the South Wales Railway Company *vs.* Wythes I. K. & J. 186, where, from the vague and fragmentary nature of several of the stipulations in the contract, the Court was unable to carry it into effect. But no such difficulty arises in this case. There is nothing vague or uncertain in the matter, and if they should be decreed to continue their railway by means of the siding they have undertaken to make, there can be no doubt of the power of the Court to enforce such a decree, so as to ensure a full and specific performance of the contract."

The Court recognized this fact, that when a man undertakes to perform a contract he cannot say: "I will do a part of it and let the rest go." We have the case of Wallace against the Great Western Railway, reported in our Courts. This company had agreed to build a certain station house and certain sidings; but built only an insufficient station house, fit for a second class station, and refused to build the sidings. What was the judgment in that case? Mr. Chancellor Spragge, a well recognized authority in our Court, said, (page 97, 25 Grant):

"In Lord Lindsey's case the Vice-Chancellor refers to another case in which Lord Cottenham, referring to Edwards *vs.* The Grand Junction Railway Company says: 'I did not put it precisely on the contract; but what I did put it on was this: that if a party enters into an agreement, by the means and operation of which a body is afterwards incorporated and brought into existence, and acquires powers, I will not allow that company to exercise powers acquired through the medium of that previous contract and arrangement, without carrying that contract and arrangement into full effect."

That is the very case we have here. The Company undertake to build the central and eastern sections. What will the Courts compel them to do in the event of the Company undertaking to build the centre and abandoning the eastern section? It is quite clear the Company will be compelled to carry out their whole agreement. This case to which I have just referred was argued by the firm of Blake, Kerr, Cassells and Boyd on behalf of the Great Western Railway Company. Then the case was carried to appeal where Messrs. Boyd & Cassels argued it. Chief Justice Moss tells them that having taken advantage of that contract, they must be compelled to carry it to completion. The judgment is as follows:—

"They also submit that the agreement is not of such a character as to be susceptible of specific performance. The last objection is completely met by the case of Hood *vs.* North Eastern Railway Company, L. R. 8 Eq. 666. There is no difficulty in determining whether acts of the company fairly and reasonably amount to the maintaining of a freight and passenger station at a given point. In the case referred to the Court was not deterred from granting relief by the same argument being used with regard to an agreement for a first-class station. This case is entirely distinguishable from one in which the Court refuses to undertake the superintendence of the execution of works. No reasonable man can doubt that this Company understand perfectly well what would be a fair and honest discharge of the obligation to maintain such a station at Gowanstown. * * Upon the whole it seems to us to be beyond doubt that the appellants are bound to perform the agreement in question, and that they deliberately attempted to break it, because its continued fulfilment was not profitable."

I have cited enough cases in our own Courts and those of England, to show that my position the other night was a perfectly tenable one. I will cite Storer against the Great Western Railway Company, 2 Y. and C.C., 48, in which

"Sir J. L. Knight Bruce, V.C., made an order that the defendants, the Company, were bound to construct and for ever thereafter to maintain one neat archway sufficient to permit a loaded carriage of hay to pass under the railway."

The Company said they had built a proper one. The plaintiff thought it was not, and the company had to carry out their agreement in its entirety. In the case of Wilson *vs.* the Furness Railway Company, 9 Eq. 28, the Court held:

"That the Company having obtained the benefit of the agreement by being thereby released from an onerous obligation, and allowed to substitute something more easy of performance, the Company would not be allowed to evade the agreement."

I hope the hon. member for South Huron (Mr. Cameron) will look at those cases. I believe he recognised the other night that his chief was wrong. Since that question was up the hon. member for West Durham actually denied what he had said the other night. In fact the hon. gentleman has a habit of denying, and going back upon, his previous utterances. The hon. member for Cornwall said: "I believe the hon. member for West Durham said the Courts could not enforce this contract;" to which the hon. member for West Durham replied: "I did not make any such statement." I will read from *Hansard*, what I said during the debate on this point, and I will also read the answer made by the member for West Durham. I said:

"I apprehend, and I think no one will refute my proposition, that if the Company do not advance vigorously and continuously with the work to the satisfaction of the Government, the Government can invoke the machinery of the Court of Chancery, which no one knows better than the hon. member for West Durham, to compel them to do what their contract says they shall do."

Is that right?

Mr. ANGLIN. It is.

Mr. RYKERT. But your leader says it is wrong. He said: "If I know anything about it, I deny that proposition."

Mr. ANGLIN. What proposition?

Mr. RYKERT. The one I have just quoted.

Mr. MILLS. The hon gentleman's question related to the jurisdiction of the Courts of Chancery. The contention of the hon. member for Cornwall related to the jurisdiction of the Courts generally.

Mr. RYKERT. It is quite plain that I referred to the Court of Chancery. I said the Court of Chancery would invoke their machinery to enforce a contract similar to the one before the House. The hon. gentleman agrees with me; but his hon. leader said if he knew anything about it, he denied that proposition. What I do object to is: that on every occasion on which hon. members on this side advance a proposition, they are sneered at by the hon. member for West Durham. We have the record of the hon. gentleman, I am sorry he has left his seat. I gave his political history a few nights ago; I could also give his legal history in Parliament, which consists of a long series of blundering. As an instance of his constitutional blundering, I may refer to the memorial to the Queen, which he introduced in the Ontario Legislature, asking her to take such initiative steps in the way of legislation as would prevent this Dominion from interfering with the subsidies to the several Provinces. I opposed the resolutions on the ground that it was none of our business in that Legislature to present such a memorial. The memorial went to England, and Lord Granville sent it back, with the advice to the Ontario Legislature to mind its own business. That is the purport of it. On every great constitutional question, the hon. gentleman has signally failed. I hope that in future, when he addresses the House, he will be a little more choice in his language. I do not care whether he calls us a pack of dogs, as he did the other night, or whether he charges us with sinking so low as to support the Government proposition, that is a mere matter of taste. I am prepared to follow the hon. leaders on this side of the House, but to use his own language, I am not prepared to stoop so low as to do reverence to the hon. leader of the Opposition. He seems to be dissatisfied and soured with everything, and of him I may say:

> How doth the little busy bee,
> Improve each shining hour,
> Gathering Buncombe all the day,
> From everything that's sour.

Mr. CASGRAIN. As I do not concur in the resolutions which are now to be read the second time, I desire to offer a few observations, in order to state the conclusion at which I have arrived. Before doing so, I would take the opportunity of complimenting the hon. member for Selkirk (Mr. Scott) on his able speech delivered yesterday. In attempting to address the House in the English language, the excuse I have to offer is that hon. members have not as yet been provided with French copies of the offer of the second Syndicate. As I desire to be brief, I will reduce the question at issue to two simple propositions, viz.: First, Is the House to allow the Government to change the policy settled last Session? Second, Is the Syndicate bargain now before the House, under the circumstances, such a good bargain as Parliament ought to adopt? What was the policy of the Government before they went to England? They had a fixed, settled policy, approved by Parliament, and what reasons have there been to change it? What has happened in the meantime? Nothing that we know of. Those hon. gentlemen left the country and went to Europe, and, if we are to believe them, they carried over two offers in their pockets. While there they received some other offers. They said that they had made a contract on the other side which was binding. As regards these offers, however, Parliament is still in the dark; and I ask this House and the country if we are obliged to ratify this contract, simply because hon. gentlemen sitting on the Treasury benches tell us it is the best that could be made? If I could persuade myself that this contract is the very best that could be made, I would, to a certain extent and with certain amendments, adopt part of it at all events, because I should prefer that this enterprise should be carried out by a private company rather than see the Government exposed, as they have been exposed, and as every Government will be exposed, to enormous difficulties—to bribery and corruption. That is a question which is now before the public. If those hon. gentlemen ask us to believe them when they say: "You hon. gentlemen of the Opposition must rely on our word, we have made the best possible bargain;" I, for my part, will reply that I cannot accept their word, and that for one good reason——

Mr. PLUMB. I rise to a question of order. The hon. gentleman has made two statements—one insinuating that bribery has been used, and the other that the Government has made false statements.

Mr. SPEAKER. Perhaps the hon. member will explain what he said.

Mr. CASGRAIN. I desired to say this, and I think I said this, that the Government ought to be above suspicion; that is to say, that the carrying out of work by the Government should be avoided, that a private company should be entrusted with this enterprise, in order to avoid for the future any misunderstanding, bribery or corruption. That is what I meant to say. I think I said that.

Mr. PLUMB. That is not what the hon. gentleman stated.

Mr. CASGRAIN. If I did not say it, that was what I intended to say. The people at large, at the present moment, entertain great suspicion with respect to this contract that has been made in the dark; and that a number of citizens say so, I assert. Hon. gentlemen opposite are misled by flatterers. The whole truth is not told them, and the unpleasant side is not placed before them, but is hidden from them. There is one question about which the public have been in doubt for five or six years. I do not desire to be at all offensive to members of the Government, but I must take in the fact as it is, and allow the people to draw their conclusions therefrom. I say the people are asking to-day whether Sir Hugh Allan has been recouped for $360,000 which he paid? If so, by whom, when and how? If he has not, the people have their own suspicions; I have my own suspicions which I cannot disregard. The interest on this money has been accruing ever since, and the total sum to-day must amount to about half a million dollars. We do not know everything that has been passing behind the scenes in respect to this contract, but we know that, in August last, when hon. gentlemen opposite were on the other side of the Atlantic, they had not then made the contract now spoken of, and, if my information be correct—because walls will speak—a contract or a tender or something of that kind, but not with the details in the present contract, was sent from Montreal across the Atlantic with such extravagant terms in it that it was not expected to be accepted.

Some. hon. MEMBERS. Explain.

Mr. CASGRAIN. I will say more. I can give my source of information to the Prime Minister, and the names personally to himself. I have information which I believe to be true, that when those negotiations were going on in England the first signed contract was sent from Montreal there. I venture to say more, that in England when these hon. gentlemen completely failed in their transactions, or in their attempted transactions, with English capitalists, there was a sudden recoil of our negotiations, though by what means it was produced I am not able to explain; but over the immense cloud which is getting darker and darker every day there may yet come a flash of lightning which will tear asunder the cloud and show us the bright daylight behind it. These hon. gentlemen voluntarily put themselves in this position, because they will not show us any papers or documents, or let us know what they had been doing in the dark. They

have laid themselves open to suspicion—though it was their own fault—and I for one regret it deeply, because, for the honor of our country, Ministers should be, like the Roman's wife, above suspicion.

It being Six o'clock the Speaker left the Chair.

AFTER RECESS.

Mr. CASGRAIN. I do not think that the people of this country will believe that there have not been better terms offered before this last proposal was laid on the Table of the House. Hon. gentlemen opposite ask us to accept their judgment, without letting us know upon what grounds they base that decision. I cannot come to the conclusion which they have arrived at, and, to use a favorite expression of the hon. Minister of Railways, I do not see how any intelligent or impartial man can come to that conclusion. The Minister of Railways has been hurling at this side of the House the fact that deficits had to be announced in the budgets of the late Government. I do not admit that they amounted to anything like the figures—$6,000,000 or $7,000,000—which the hon. gentleman named, and I say, further, that whatever their amount, they were due to causes which were beyond the control of the late Administration—due to the depression which prevailed all over the world. But speaking of these deficits, what is the hon. gentleman now trying to do? By the mere stroke of his pen and the seal of his office he is about to sacrifice at least $12,300,000, as appears on the face of the two offers which are now before the House. The people of this country, if they are intelligent men, will see clearly the difference between a deficit of $7,000,000 and the throwing away of $12,250,000, or, according to my calculations, $16,000,000 to $18,000,000, for I can see that much difference between the two offers. The problem is not a very difficult one to solve; on the contrary, it will be seen as clearly as day light. The Prime Minister, in order to show that the people had confidence in him, said that he had been put on his trial, and the result was his restoration to power, and, therefore, he argued he had been completely whitewashed. I do not view the matter in that light, I accept the verdict of the people in a qualified manner. That verdict was due to the commercial depression of which I spoke. The same causes produce the same effects everywhere. The same cause not long ago defeated an Administration in England. Well, Sir, that was the principal cause the National Policy, which has been so much talked of, was a good flag to bring forward on that occasion, and it has produced the expected effect. The right hon. gentleman said that he had his trial. I do not believe he has had his trial fairly, as we understand, under constitutional government. That trial ought to have taken place before this Parliament by impeachment, and then, if those hon. gentlemen had been absolved, we would have rejoiced that the honor of our country remained unsullied. If, on the other hand, they had been found guilty under impeachment, they would have been obliged to abandon not only their portfolios but would nave met with due punishment. There was another mode in which those hon. gentlemen tried to wash what we may call their dirty linen—they appointed a Royal Commission to do the work for them. We may judge, by what happened afterwards, how that Commission did its work. I admit there was one honorable name on that Commission, Mr. Justice Day, who served as a figure-head; but I must say that the same degree of confidence did not attach to, at least, one of the members of that Commission. In order to show how much confidence may be put upon the verdict of that Commission, I will re-call a fact which has already been made public. One of these Commissioners was, about nine months ago, called upon to decide an election case in the city of Quebec. The Court was composed of three Judges, of whom this ex-Commissioner was one. The three Judges had agreed upon what verdict to render, and when they came upon the Bench to render their judgment, this ex-Commissioner, to the utter astonishment of his colleagues, proceeded to render a judgment entirely opposed to the one agreed upon in chambers by the whole Court, and his two colleagues were obliged to give the real judgment of the Court. I do not suppose another scandal of that description ever occurred before, in which a Royal Commissioner was the chief actor. The judgment he gave on that occasion, contrary to the one agreed upon, was to unseat a Liberal member and to annul the election. I will not give the name of this Royal Commissioner; it is well known; and I am ashamed to give it, because it is a French-Canadian name. We have now another Royal Commission sitting, and it would have been well if it had reported so that we could have had the report before us during the debate. We are still in the dark upon that subject, as we are in the dark upon many other points. So much for these Royal Commissions, present, past, and, perhaps, future. Now, Sir, the hon. Minister of Railways has great fluency of language, but sometimes it is dangerous to talk too fast and to talk too much. Like a Spanish bravado he told us that he had nailed his colors to the mast, or, in other terms, if I understand the metaphor, he meant to abide by the first contract at all hazards. Two minutes before that he told us that he had not even looked into the new proposal. I suppose that if the new proposal had offered to do the work for nothing, he would still have rejected it. I think, under the circumstances, the position of that hon. gentleman is not very tenable before the country. It has been said, by supporters of the first Syndicate, that the new proposal was conceived in sin and born in iniquity. If either of these contracts deserve the qualification I am sure it is not the second one. I am sure that the first one is open to suspicion, and it is looked upon with suspicion throughout the country. The hon. leader of the Opposition says that, until the new offer was laid upon the Table, he knew nothing at all about it. For my own part I can say that until I saw it on the Table I knew nothing of it, and when I say this from my seat in this House I hope I shall be believed. I think the hon. leader of the Opposition ought to be believed in his statement, and he should not be taunted with being a party to a political plot unless hon. gentlemen opposite are prepared to make a formal and precise charge. I like to receive the word of another gentleman and to believe it when that is possible. When the gallant knight from St. John (Sir Leonard Tilley) assured the late Governor General, Lord Dufferin, that he knew nothing in the first instance about the transaction called the Pacific Scandal, I believe that he was sincere and told the truth, because at that time he was not in a position to know more about it. I can also believe that the hon. the Minister of Railways spoke the truth when he said he knew nothing at all about it, though both he and the Finance Minister afterwards espoused the cause of their colleagues, and showed, perhaps, more courage than prudence in doing it. I wish I could say the same of all the other members of that Cabinet. There is an old proverb which says: "If you deceive me once it is your fault, if you deceive me twice it is my fault." I do not desire to be deceived the second time if I can help it. When hon. gentlemen opposite are at a loss for an argument, they fall back on the National Policy. I am at a loss to understand what possible influence the National Policy can have on either the contract or the offer. Hon. gentlemen say: "Oh! you want to break the terms with British Columbia." I say the Government are, in fact, breaking faith with British Columbia. Our agreement with British Columbia, according to the Carnarvon terms, was to build the railway from Nanaimo to Esquimalt. Why was that not included in this contract with the Syndicate? As to the second proposal, I

believe sincerely that it is better than the one that preceded it, and that by accepting it the country will benefit by an enormous sum of money, as well as by the removal of the great privileges and monopolies which are granted by the first contract. The fate of this country depends on the vote we are going to give to-night; and if by any possible power I could induce hon. gentlemen on the opposite side to view this matter in another light, I would attempt to my utmost to do so. But, Sir, I am afraid, from what I have seen and heard, that the vote is a foregone conclusion. If I had at this moment that command of the English language, and could use that Irish eloquence which is so common among Irishmen, I would appeal to the Irish people to regard the miseries their fellow-countrymen have been suffering for centuries, and ask them whether they would invite their friends on the other side of the Atlantic to come to this country to undergo the same treatment in the North-West. I am very much afraid the immense power the Syndicate are going to exercise will have a direful influence on that country. On the other hand, if the Syndicate are going to inaugurate an immense system of immigration, we ought to see what kind of people they will bring to the North-West. We ought not to bring people there who are going to be disaffected towards the English Crown, or strangers who have not common interests with us. A very narrow limit will separate them from the United States. There are many Fenian organizations in the United States, which may at some time exercise a certain influence upon disaffected settlers in the North-West. I think, therefore, that the Government ought to have reserved to themselves a direct supervision over the immigration scheme in which this Syndicate are going to engage. If I could also make an appeal to the French members from the Province of Quebec, sitting on the other side, I would ask them—many of them young men of talent, who are likely to be of great benefit to their country—if they are going to sacrifice, by their vote to-night, all the influence they would otherwise possess. The Government have adopted a most extraordinary method in carrying this matter through the House. They began by acting in the very teeth of the law, and when they brought this measure before the House they wanted to hurry it through without giving time for discussion. We have Rules in this House, which have not been made for nothing; but hon. gentlemen have seen fit to suspend them. What is the importance of suspending the Rules of the House to sanction a contract which does not come into force for four months, and while we are going to remain for ten years without connection with the North-West except through American territory? This contract is open to suspicion. In the Bill appended to it, the second clause is a most extraordinary one, one by which the contractors of this Company are allowed to value services rendered and to pay for them, thus leaving an immense margin for suspicion. The clause is as follows:—

"The capital stock of the Company shall be twenty-five million dollars, divided into shares of one hundred dollars each, which shares shall be transferable in such manner and upon such conditions as shall be provided by the by-laws of the Company; and such shares, or any part thereof, may be granted and issued as paid up shares for value *bonâ fide* received by the Company, either in money at par or at such price and upon such conditions as the board of directors may fix."

Mr. DOMVILLE. Is not that in the second Syndicate's offer?

Mr. CASGRAIN. I do not know. I am not now discussing that offer; but if it is, two wrongs do not make a right. I leave the interpretation of this clause to the country. The right hon. Premier used very strong language with reference to this Syndicate. He told his followers, the Government must sink or float according to their vote. That is what I call an *argumentum ad hominem* He appealed to the affection of his party, to his weakening years and long record of service, to carry the contract through, and were it not for the affection they bore him they would not support the Government in this course. Not one of the other thirteen Ministers could have persuaded them to cast that vote. During the holidays I took occasion to tell my constituents my reasons for opposing the ratification of this contract, and as I am not ashamed of what I have done I will, for the benefit of this House and the country, read my address to them:

"*Aux libres et indépendants électeurs du Comté de l'Islet.*—Messieurs, vous vous rappelez le premier contrat du Pacifique avec Sir Hugh Allan.

"Voici un second contrat fait par les mêmes ministres. Aussitôt, et autant que je l'ai pu, je l'ai fait distribuer dans le comté afin que le peuple entier en prenne connaissance.

"A vous d'en juger.

"Je vous soumets le résumé des raisons qui m'empêchent de sanctionner un tel contrat.

"1. Parce que le prix et les avantages accordés sont exorbitants.

"2. Parce que le gouvernement a refusé de produire toutes les autres soumissions, offres ou correspondances pour la construction du chemin.

"3. Parce que le gouvernement a tenu caché jusqu'au dernier moment le contenu du contrat et a laissé, dans l'intervalle, induire le public en erreur en donnant à entendre que le chemin serait construit sans qu'il en coûtât un seul cent de plus à l'Etat.

"4. Parce que le gouvernement, pressé par le syndicat a avancé la Session du Parlement et a poussé en toute hâte l'adoption de cette mesure, dans le but de terminer au plus vite la discussion en Chambre et d'empêcher le peuple de connaître ce contrat avant qu'il fût sanctionné.

"5. Parce que la garantie pour l'exécution du contrat est tout-à-fait insuffisante.

"6. Parce que la garantie pour l'exploitation du chemin pendant 20 ans est également insuffisante.

"7. Parce que le public sera livré à la merci des propriétaires du chemin, le gouvernement n'ayant réservé aucun contrôle pratique sur le tarif du chemin.

"8. Parce que la construction de la partie du chemin au nord du lac Supérieur est prématurée, et ne sera ouverte que dans dix ans; que cette région de 200 lieues est inhabitée et non cultivable.

"9. Parce que, en faisant la correspondance au Sault Sainte-Marie, du chemin du Pacifique avec les lignes américaines en voie d'y arriver, on évite une énorme dépense, et on aurait sous peu une communication avec le Nord-Ouest amplement suffisante pour tous les besoins.

"10. Parce que tous les Parlements élus depuis la Confédération ont affirmé en principe que la construction du chemin de fer du Pacifique ne se ferait qu'en autant qu'elle n'imposât aucunes taxes additionnelles sur le peuple.

"11. Parce que l'exemption en faveur des constructeurs de toutes taxes à toujours sur le chemin, de tous droits sur les importations pour construire le chemin,—et de toutes taxes pendant 20 ans sur les terres données en paiement,—sont des priviléges exorbitants, en vue du fait que le reste du peuple va être taxé en sus pour le prix du contrat et pour continuer à enrichir des contracteurs devenus millionnaires à ses dépens. Et parce que les dix ans accordés pour relier le chemin du Pacifique par le nord du lac Supérieur, aux chemins de fer de Ontario et Québec est un trop long délai: attendu que ces provinces qui supportent la plus grande partie du fardeau du coût du chemin se trouvent par là les plus mal servies.

"12. Parce que, avant d'adopter finalement ce contrat, il est dans l'intérêt public de voir à obtenir d'autres soumissions plus favorables.

"13. Parce que, le Ministère s'est mis par sa faute à la merci des contracteurs qui lui ont imposé les termes les plus exigeants.

"14. Parce que, en sus du prix énorme du contrat et plus que suffisant pour construire le chemin, les contracteurs reçoivent de plus le chemin en présent du gouvernement.

"15. Parce que le gouvernement aurait dû stipuler qu'après un certain laps de temps, plus ou moins reculé, la propriété du chemin retournerait à l'Etat.

"16. Parce que les termes du contrat n'assurent que la construction d'un chemin d'une qualité inférieure, vague, indéterminée, et hors de proportion avec le prix.

"17. Parce que le Gouvernement, malgré les avantages extraordinaires accordés à la compagnie, se charge néanmoins de la construction des parties les plus difficiles et les plus coûteuses du chemin.

"18. Parce que, en sus du coût de l'arpentage des 25,000,000 d'acres, le gouvernement est exposé à payer des dommages pour ne pouvoir livrer à demande ces terres non encore arpentées.

"19. Parce que le privilége exclusif accordé pour 20 ans, de construire et d'opérer des chemins de fer dans le Nord-Ouest crée un monopole tellement exorbitant qu'il doit être rejeté non seulement par les habitants du lieu, qui s'y opposent unanimement, mais par tous ceux du pays.

"20. Parce que la création d'une compagnie propriétaire des vastes étendues des meilleures terres du Nord-Ouest à son choix, formera un pouvoir tellement puissant et étendu qu'il sera un danger pour l'Etat et un monopole écrasant qu'il faudra racheter.

"21. Parce que les terres données en paiement sont toutes prises dans le Nord-Ouest et dans le Manitoba, sans que la Colombie Britannique qui force la construction immédiate du chemin, en fournisse un seul acre.

"22. Parce que, il y avait aucune réserve dans ce contrat permettant de l'amender en aucune manière, il n'y a pas d'autre alternative que de le rejeter en entier.

"23. Parce que, sur les circonstances actuelles d'un second contrat du chemin du Pacifique par les mêmes hommes qui ont fait le premier avec

Sir Hugh Allan, le peuple a une raison légitime de défiance, et doit être mis sur ses gardes ; et qu'il est prématuré de sanctionner ce contrat avant de connaître le rapport de la Commission Royale qui siége présentement et qui est chargé de s'enquérir des affaires et des contrats du Pacifique.

"24. Parce que l'appel au peuple, au moyen d'élections générales, est la voie ouverte pour le consulter dans une occasion la plus importante qu'on puisse offrir.

"Si vous êtes d'avis, Messieurs, comme un grand nombre de vos compatriotes, d'opposer cette mesure du Ministère, pétitionnez au plustôt le Gouverneur-Général et les Chambres pour éviter les suites d'un contrat qui, une fois sanctionné, seront irréparables.

"P. B. CASGRAIN,
"*Député du comté de l'Islet.*

"Ottawa, Janvier 1881."

I have mentioned the name of Sir Hugh Allan. I am credibly informed, I have every reason to believe, and I do sincerely believe, that Sir Hugh Allan followed on the track of the hon. Minister when they went across. I shall not go so far as to say that he had any communication with them; my information does not go so far, but I do know that Sir Hugh Allan spoke of this contract, and I know that when these negotiations were abruptly terminated, the merchant princes on the other side of the Atlantic showed great discontent. What occurred I do not know. I do not know whether it was because the terms were too high or too low, but I know these hon. gentlemen did not succeed with English capitalists. While they were in England they found that they could get a contract in Canada, and they came back and accepted it, and that is the "firm" contract which is said to have been made in England. I shall vote in favor of the amendment and against the contract.

Mr. WADE. I desire only for a short time to occupy the attention of the House. By the manner in which the debate has drawn its slow length along, I was reminded of a remark I once made to a member of our Local Legislature. He said to me "I have a charge to make against the reporters." I asked what was the nature of the charge. He said: "Why I spoke for a long time; the House was nearly empty, and when I came to look in the papers the report of my speech was not so long as my three fingers." I asked him if he knew exactly what he had said in the House. He said he was not quite sure, but he had certainly spoken for a long time. I replied "Perhaps you said the same thing over and over again, and the reporters in pity of you condensed your speech." I do not relate this incident with the desire of being offensive to the House for I am too young a member to lecture hon. gentlemen upon what is right and proper. I do think, however, that long speeches in debates are getting to be the order of the day in this House. I wish now to refer to another matter which can scarcely be called foreign to the debate, though it has no immediate connection with the question before the House. Some remarks were made by an hon. member with regard to the county which I have the honor to represent in this House. When the insinuation was thrown across the floor, I rose at the moment, and though, perhaps, I should not have done so, I felt that for the honor of my county and my Province I could not avoid rising to my feet. When that insinuation was made, I felt and was quite sure that there was something else behind. I believe that the hon. gentleman held that meeting in Halifax for no other purpose than to cut off the heads of the two hon. gentlemen who sit behind me. That hon. gentleman appeared for a purpose. Whether he was authorised by that meeting to come here and take advantage of the matter I am not able to state. I am not the man to flinch in the hour of need. I can point to my public record—I do not wish to advertise myself—and if that record had not been such as it is, I would not have been in Parliament to-day as the representative of the county of Digby. The hon. member for King's (Mr. Borden) said:

"I was reminding the hon. member for Digby of an event in the history of Nova Scotia, somewhat similar to the present one, and that the hon. gentleman was called upon by his party leader to give a vote which relegated him to private life for quite a number of years. I do not wonder that this telegram makes him sensitive, remembering, as he must, the result of the course he followed on that occasion, which, I regret to say, he intends to take upon this."

Did King's county, the garden of Nova Scotia, call upon the hon. gentleman to attend the public meeting at Halifax? Why, when I first had the honor of a seat in the Legislative Assembly of Nova Scotia, that hon. gentleman was a boy in jacket and trowsers; yet now he comes here as a delegate from that great meeting at Halifax, from which I believe the very telegram brought here emanated. There is a name appended to that telegram, but I was quite ignorant there was a gentleman of that name in the county, because he had lately come there. I knew there were Longstaffs, who were men of character, in the county, and I asked an hon. member to tell me who this J. D. Longstaff was. Now I understand it; he is the wandering Jew of the county of Digby, who has become a resident there. We know what the effect is of rubbing steel against steel, and we want men of the true Grit stamp to come there. But is it true that the county of Digby passed the resolution that the telegram shadows forth? I do not believe it to be true. Who compose that council? There are men on it whom I respect; but the warden and many members of the county are politically opposed to me, and I admire a fair and honest opponent. I believe they never authorized that telegram to be sent, and that, therefore, it must have come from Woodstock. Perhaps, however, it did not, as I should not like to judge anyone wrongly; nevertheless, I can only judge by the facts as they appear. If it was thought that the expression of opinion contained in that telegram would deter me from the course and position I was about to take upon this important question, they were mistaken on account of the reference made by the hon. member for King's that I was "relegated back to private life for many years." I am obliged to speak of my public life, although I do not desire to refer to it. I did my duty to my country in the position I then filled, though, perhaps, unworthily, and that position was that of Speaker of the House of Nova Scotia. With these remarks I think I have answered the hon. gentleman. I am sorry to have taken the time of the House, but I felt I should be wanting in duty to myself and to my friends if I had not endeavored to set myself right before the House. I do not intend to discuss, at any length, the question before the House. The question of the construction of the Canadian Pacific Railway has been before the country a number of years. The position which it has now reached requires vigorous treatment at our hands. I feel that nothing I could say would add any weight to the arguments that have already been laid before the House in favor of the ratification of this contract. Therefore, not to take up any more time, I shall simply content myself with saying that I believe it is a duty I owe to the county, whose representative I am, to support these resolutions, and that duty I intend to discharge.

Mr. GLEN. Mr. Speaker, although a new member of the House, I cannot allow this discussion to close without entering my protest against the confirmation of the contract for the construction of the Canadian Pacific Railway, now upon the Table, believing, as I do, that its confirmation will seriously impede the development and settlement of the North-West Territories, and that the contract grants privileges and exemptions which will tend to destroy the peace, well-being and prosperity of those who may settle in that vast region. I assume, Sir, that the statements made by the hon. Minister of Railways, and the right hon. leader of the Government, as to the character and quantity of the agricultural lands of the North-West, are correct. I also assume that the right hon. leader of the Government was justified in giving his official sanction to the land regulations issued during the year 1879, fixing the price of the lands lying near the line of the proposed railway at $5 per acre.

If the right hon. gentleman was justified in demanding from new settlers $5 an acre for the lands, prior to the construction of the railway, it is the highest possible evidence we can have that these lands are of very great value for agricultural purposes, or, in other words, agricultural lands of a very high order, and of very great commercial value, provided the produce of these lands can be transported to market upon such terms as to secure to producers a fair and just reward for their labor and capital. The cost of railway transportation is of vital importance to those who intend to settle in the North-West Territories. The commercial value of the land for settlement is wholly and entirely dependent upon the cost of transporting agricultural products from the North-West to Liverpool, which is the ultimate market for the surplus of this continent. If the cost of transporting a bushel of wheat from Winnipeg to Liverpool had been as much in 1880 as it was in 1873, wheat could not have been profitably grown in the North-West Territories, and, therefore, the commercial value of the land in 1880 would not have been greater than in 1873. Since 1873, however, a great revolution has taken place in the cost of building railways, the cost of maintaining the road-bed, the cost of operating railways, and in the value of money. Such a reduction has been made, that, commercially speaking, so far as distance is concerned, Winnipeg is nearer to Liverpool to-day than Chicago was in 1873. In 1873, the average cost for moving a ton of freight 100 miles by the Boston and Albany, New York Central, New York and Erie, Pennsylvania Central, Pittsburgh, Port Wayne and Chicago, Lake Shore and Michigan Southern, Michigan Central, Chicago and Alton, Chicago, Burlington and Quincy, Chicago, Milwaukee and St. Paul, Chicago and North-Western, Chicago, Rock Island and Pacific and Illinois Central Railways was $1.77; whereas, in 1879, the average cost of moving a ton of freight for 100 miles over these roads was only $1.02, or, in other words, in 1879 a ton of freight could be moved 1,777 miles for the cost of moving the same freight, in 1873, 1,002 miles. The railways I have mentioned represent the leading lines running from Minnesota, Nebraska, Kansas and Missouri, to the Atlantic seaboard. Returns from a number of these same railways, for the year 1880, show a marked decrease in the rate charged for transportation as compared with the year 1879, and I feel justified in asserting that for the year 1880 freight was transported over these roads, a distance of 2,000 miles, as cheaply as the same freight was carried in 1873 1,000 miles. I have a letter from the best railway authority in the United States—Mr. Henry V. Poor—expressing the opinion that the average rate of freight charged by the various railways competing for the trade between Chicago and the seaboard has not exceeded five mills per ton, per mile, and wheat and flour have been carried at rates much below the average, but at this rate wheat can be transported from a point one thousand miles west of Thunder Bay to Montreal for 33 cents per bushel, whereas the St. Paul and Manitoba Railway Company charge for carrying it from Emerson to St. Paul, a distance of 390 miles, from 30 to 33 cents per bushel. If wheat can be carried at even five mills per ton per mile, or 33 cents per bushel for 2,000 miles, and it is worth to-day in Toronto $1.15, it would be worth, 600 miles west of Winnipeg, 82 cents—provided there was a surplus over and above the local requirements. This price would yield the producer a fair return for his labor, and would give a high commercial value to lands fairly fit for settlement. If wheat was worth only one dollar in Toronto it would still be worth 67 cents, 600 miles west of Winnipeg; but at the present rate of freight charged by the St. Paul, Minneapolis and Manitoba Railway Company, wheat at $1.15 per bushel in Toronto, grown 600 miles west of Winnipeg, would not return to the producer the bare cost of production, let alone giving him any return for his own labor and capital, and $1.15 per bushel is much above the average price of wheat in Toronto for the past fifteen years. The great reduction in the cost of railway transportation which has taken place since 1873 is one of the commercial wonders of the age. It is largely this astounding fact which has overcome the commercial depression which existed in the United States during the years 1873-4-5 and 1876, increasing the exportation of agricultural products by more than 100 per cent. It is this fact that is threatening to create a revolution in the relations existing between landlord and tenant in England, Ireland and Scotland. It is this fact which has enabled the farmers of the west to raise cattle upon the plains of Texas, and, while securing to themselves a fair return for their labor and capital, undersell the English farmer in his own market. It is this fact which had secured to the farmers of the Western States a fair return for their labor and capital, and enabled them to become large consumers of the manufactures of the Eastern States. It is this fact, and not the protective policy of the United States, which has caused a revival in the manufacturing industries of that country. It is this fact chiefly, which has restored the credit of the United States and enabled them to borrow money in the European market as cheaply as any other nation in the world! And it is this fact, largely, which is now attracting a greater number of emigrants to the United States than at any other time in the history of that country. It is this fact which has changed the balance of trade, which for the past half century has been almost continually against the United States, to a large balance in their favor, the exports having exceeded the imports during the past three years by more than $600,000,000. It is this fact which has enabled the people of the United States not only to retain the gold and silver they produce, but to draw gold from other countries. Whereas, since the discovery of gold in California, the United States have been constant exporters of gold. It is this fact that has so enormously increased the population of the extreme Western States during the past few years as compared with the older States. Whereas the average increase in population during the past 10 years in the United States has been 30 per cent the increase in Minnesota has been eighty per cent. The increase in Dakota nearly 900 per cent, Kansas 160 per cent, Nebraska 400 per cent, Texas nearly 100 per cent, and I am quite safe in asserting that the greater part of this increase has taken place within the past three years. It is this fact, chiefly, which has, within the past few years, entirely changed the commercial aspect of the American continent as compared to England, Ireland and Scotland, and the continent of Europe—increasing to an enormous extent the commercial value of American securities of all kinds, and attracted European capital to this continent to an extent hitherto unknown for investment. It is this fact, largely, which enabled the American Government to resume special payment in 1879. It is this fact, which has made the United States the most prosperous nation in the world to-day. The wheat crop of the United States, for the year 1880, is estimated at 400,000,000 bushels. As the foreign market for wheat controls the price in the home market, if one cent per bushel is saved in the cost of transportation, it ensures the farmers of the United States $44,000,000 increase in the profit upon their wheat crop alone, and, consequently, if 5 cents per bushel is saved in the cost of transportation, it is a clear gain to the producers of wheat in the United States, of $20,000,000 for a single year. Now, if we expect to people our North-West Territories—if we expect that our public lands will have any commercial value, we must show to intending emigrants that the products of our farms can be, and will be, transported to Liverpool as cheaply as grain grown in the United States. Unless we can do so, the enormous expenditure we are making in opening up that territory will be lost—will be so much capital thrown away. Unless we can do so,

American railway emigrant agents will point out the fact to intending emigrants, and surely divert them from coming to this country. The American emigrant agent will require no better argument against the advisability of settling in Canada, than a copy of the contract with the Act of incorporation now upon the Table. And I have no doubt but that if we confirm this contract, tens of thousands of copies will be printed in various languages, and sent broadcast throughout Europe by the agents of American railway companies, and I can conceive of no better argument which they can possibly have to induce emigrants to settle in the United States, in preference to settling in the Dominion of Canada. If we confirm this contract we shall place in the hands of the American emigration agent reasons sanctioned by the Canadian Parliament, for attracting to a greater extent than ever before the immigration from England, Ireland, Scotland, and European countries, to the United States rather than to Canada. The American emigration agent will certainly point out to intending emigrants the clause preventing the construction of any railway for twenty years, which can in the slightest degree create competition in railway freights. And they will also point out the fact to intending emigrants that the Government of Canada have voluntarily relinquished their right to regulate the tolls of the Canadian Pacific Railway Company until after the net profits upon the cost of construction exceed 10 per cent. per annum They will also point out the clause exempting the lands of the railway company from taxation for twenty years after the grant from the Crown; they will likewise point out the clause exempting the railway depots, workshops, yards, elevators, harbors, telegraphs, telephones and rolling stock from taxation forever, casting upon the settler the burden, not only of opening roads and building school houses, but of protecting the Company's property towards which the Company will not contribute one farthing. They will also point out to the intending emigrant the fact that the Canadian Government have provided for the construction of only 1,000 miles of railway in the fertile belt, containing, as they declare, 250,000,000 acres of land, fairly fit for settlement, and have granted such privileges and exemptions to the Canadian Pacific Railway as will practically give them a monopoly of railway building throughout that vast region for ever. They will also point out to intending emigrants that the three north-western American States, with an area of less than one-half of the number of acres of land fairly fit for settlement in the North-West Territories, have already 10,683 miles of railway, and that railways are now being constructed in those same States more rapidly than ever before; that upon the same basis we should have in the territory lying between the western boundary of Manitoba and the Rocky Mountains, not less than 24,000 miles of railway within the next twenty-four years, if the farmers of that country are to be enabled to compete with farmers in the north-western States in shipping their grain to the European market. The contract contains within itself elements which will destroy any and every emigration policy which can be proposed or adopted. On the contrary, the offer made by Sir William P. Howland and his associates does not contain a single clause which can be used by American emigration agents to defeat the emigration policy of this country. And, finally, the American emigration agent will point out to intending emigrants the statement of the hon. Minister of Railways that the only possible relief from the monopoly created by this contract, if confirmed, will be a railway to Hudson's Bay and an outlet for three or four months during the year through the icebergs of the north to Liverpool. Assuming that Thunder Bay is as near tide water as Chicago, or, in other words, that these two points, each of them, are about one thousand miles from the seaboard, a ton of freight can be moved at the rates paid to leading American railways in 1880, from a point 1,000 miles west of Thunder Bay, or Chicago, as cheaply as the same freight could have been moved from Thunder Bay or Chicago to the seaboard in 1873. Taking into consideration that there has been marked reduction in terminal charges in seaboard cities, and, also, a reduction in ocean freights, that the risks of transportation have been materially lessened, and the length of the time required to transport freight from the interior of the continent to Liverpool very much shortened—I am more than justified in asserting that Winnipeg, so far as the actual cost of transportation is concerned, is commercially nearer Liverpool to-day than Chicago was in 1873. And there is reason to believe that, within the next ten years, such further reduction will be made in the cost of transporting freight on railways and by steamships as will, commercially speaking, bring the productions of the territory at the western end of the central section of the Canadian Pacific Railway as near Liverpool as Chicago was in 1873. If this statement is correct, and I challenge hon. gentlemen opposite to prove that it is not correct, if the right hon. leader of the Government was justified in issuing his regulations for the sale of public lands in the North-West Territories—prior to the construction of the road—the lands between Manitoba and the Rocky Mountains are of as great commercial value as the wild lands of Illinois, Missouri, Iowa, Kansas, Wisconsin, and Minnesota, provided the people who settle in the North-West Territories are left free to secure such competition in the transportation of freight, as will compel railway companies to carry the freight for a just and reasonable profit upon the actual cost of transportation. As I have said, the cost of building railways, the cost of maintaining the road-bed, the cost of operating railways, and the value of money, has been very much reduced since 1873, and these causes have made it possible for railway companies to enormously reduce the cost of transporting freight. But had there not been a great struggle among railway companies to secure business, had there not been great competition among railway companies for freights, the reduced cost of transportation would have simply increased the profits of the railway companies and not the profits of the farmer. Competition among railway companies has been the means of securing to the producers and consumers of the Western States a share of the profits growing out of the reduction in the cost of transportation, and, therefore, the reduction in the cost of building, maintaining and operating railways, is not of any commercial value to the producers and consumers unless they are left free to compel the railway companies by constructing competing lines to accept for the services they render, a fair and reasonable profit upon the cost of such services; and unless the people who may settle in the North-West are left free to secure for themselves competition among railways for carrying their surplus products to market, the great reduction in the cost of building, maintaining and operating railways, the reduction in the value of money, and the reduction in the cost of ocean transportation will have no effect upon the commercial value of the 250,000,000 acres of lands fairly fit for settlement—it is said by the hon. Minister of Railways, by the hon. Minister of Public Works, and by the right hon. leader of the Government, we have in the North-West Territories, lying between Manitoba and the Rocky Mountains, 250,000,000 acres of lands fairly fit for settlement, may not be of any commercial value for the simple reason that it may be so located as that the products of the soil cannot be transported to market at such a cost as will secure to the producer a fair and just return for his labor and capital. The same lands, provided with the means for transporting the produce to market at such a cost as will secure to the railway companies only a just and fair reward for the services they render, may be worth in their wild state five dollars per acre or a difference in their commercial value of

$1,250,000,000 We are, therefore, called upon to decide whether we will create such a railway monopoly as will practically destroy the commercial value of the lands of the North-West, or whether we should refuse to grant to a private irresponsible corporation absolute control over the commercial value of our public lands. The contract now upon the Table of the House creates just such a railway monopoly as I have described, for twenty years completely ties the hands of the people who may settle in the country, and prevents them from securing to themselves and their children a just reward for their labor. The offer which has been made by Sir William P. Howland and his associates for the construction of the main line of the Canadian Pacific Railway does not create such a monopoly, but leaves the people free to develop competition in the carrying trade, thereby securing to themselves the benefits of the reduced cost of building, maintaining, and operating railways; thus increasing the present commercial value of the lands of that vast region; also leaving people free to secure to themselves all the benefits of a further reduction in the cost of transportation, which must, and will, take place during the next twenty years; which will still further increase the commercial value of the lands occupied by settlers, as well as lands held by the Government. Had the railway companies of the United States charged the same rates in 1879 as they charged in 1873, it would have increased the cost of transportation to the producers and consumers of the United States by $550,000,000 for a single year, or by enough to have paid their entire national debt with interest in four years—an amount equal to nearly double the entire revenue of the Government, or equal to an annual charge of eleven dollars per head for the entire population; or for the Dominion of Canada $44,000,000 annually, assuming the population to be 4,000,000. You will readily see, Mr. Speaker, that there is no form of direct or indirect taxation so important, or so oppressive, to the producers and consumers of the country as the cost of railway transportation, and there is no influence, no power, so potent to regulate and reduce the cost of transportation as the construction of competing lines. The three States, Iowa, Wisconsin, and Minnesota, have an area of 122,000,000 acres of land, including lakes, rivers, and waste lands, or a little less than one-half of the number of acres of land fairly fit for settlement in the North-West territories between the western boundary of Manitoba and the Rocky Mountains, according to the statement of the hon. Minister of Railways, the hon. Minister of Public Works, and the right hon. leader of the Government. In 1850 the population of Iowa was 191,881; of Wisconsin, 304,756; Minnesota, 6,038, or a total population for the three States of 502,675. In 1870, Iowa had a population of 1,188,207; Wisconsin, 1,051,351; Minnesota, 438,257, or a population for the three States of 2,677,815, so that in 20 years, the population of these three States increased 2,175,240. In 1850, the three States just named produced 21,686,216 bushels of grain. In 1860, they produced 99,566,000 bushels of grain. In 1870, they produced 219,000,000 bushels of grain. Now, Sir, if my statement is correct, that Winnipeg—so far as the cost of transportation is concerned—is as near Liverpool as Chicago was in 1873, and if our lands are as valuable for agricultural purposes—if they are as productive as the lands of Wisconsin, Minnesota and Iowa—there is no reason why the settlement and agricultural development of that region should not be as great and as rapid as it has been in the States named. In 1855 Wisconsin had 187 miles of railway; Minnesota, not any Iowa, 68—or a total for the three States of 255 miles of railway. In 1863, Wisconsin had 905 miles of railway; Minnesota, 31; Iowa, 792—or a total for the three States of 1,728 miles of railway. In 1870, Wisconsin had 1,525; Minnesota, 1,092; Iowa, 2,683—or a total of 5,300 miles of railway for the three States. In 1879, Wisconsin had 2,896; Minnesota, 3,008; Iowa, 4,779—or a total of 10,683 miles of railway for the three States. Or, in twenty-four years, the increased mileage of railway in these three States (with a total area equal to less than one-half of the land fairly fit for settlement, contained in the district lying between Manitoba and the Rocky Mountains) is 10,428 miles. If we desire that our territories should develope as rapidly as these three States have developed, we must provide for the construction of at least an equal number of miles of railway in proportion to the area, or at least 24,000 miles within the next twenty-four years. To secure the construction of such a number of miles of railway we must not put any stumbling blocks in the way of the building of railways by private enterprise, assisted by municipal or provincial subsidies. There are quite difficulties enough to overcome to prevent the opening up of the country by railways, without the Dominion Government interfering, and, by law, declaring that no railways shall be constructed for twenty years, except by and with the consent of an irresponsible corporation whose interests are opposed to the construction of competing lines. I have said that to insure the rapid settlement of the North-West Territories, it will be necessary to construct at least as many miles of railway, per square mile of area, as has already been constructed in the States of Iowa, Wisconsin, and Minnesota. This means—as I have said—the construction within the next 24 years, of at least 24,000 miles of railway. And the construction of this enormous number of miles of railway will still leave us at a disadvantage as compared to the three States named. But, supposing that the Canadian Pacific Railway Company, under the contract now upon the Table, constructs one-half of the amount, or 12,000 miles of railway, during the next twenty-four years—and even this large amount will not secure the rapid settlement of that country—let us estimate the value of the clause—exempting the company from duty upon steel rails and all material used in the construction of the main lines and branches, telegraph lines, telephone lines, etc. Twelve thousand miles of railway means,—including the average number of miles of switches reported by the railways of the United States,—at least 14,000 miles of single track. Estimating rails, fish plates, spikes, bolts and nuts at 200 tons per mile, it will require 2,800,000 tons of iron and steel to construct the road bed alone—not including iron for bridges, which, at an average price of $40 per ton, gives a value of $112,000,000. A duty of ten per cent. on this amount is equal to $11,200,000, which is the value of the clause "exempting the Company from duty upon steel rails, fish plates, spikes, bolts and nuts" alone, even if they only construct one-half as many miles of railway per square mile as has already been constructed in the three north western States during the past twenty-four years. If, on the other hand Sir, they do construct as many miles of railway in the North-West, in proportion to the area, as have already been constructed in the three States named, the exemption from duty upon the steel rails, fish plates, spikes, bolts and nuts alone, would be worth $22,400,000. Supposing only 12,000 miles of railway is constructed under the contract now upon the Table, exemption from duty upon steel rails, fish plates, spikes, bolts, nuts, wire, material for bridges, telegraphic apparatus, etc., will be worth at least $12,500,000. I cannot help calling the attention of the House to the fact that, if it be true that the producer pays the duty, we are losing a splendid opportunity of making the producers of iron and steel in the United States and England pay at least the enormous cash bonus we are, under this contract, giving the Syndicate for the construction of this road. A duty of 25 per cent.—and farmers are compelled to pay a duty of 30 per cent. upon the implements they require togather their crops—upon $112,000,000, which is the value of the iron and steel which will be required in the construction of only 12,000 miles of railway, would give us the magnificent sum of $28,000,000; enough to pay not only

the cash bonus we are giving the Syndicate under this contract, but also a sufficient sum to secure the construction of the Sault Ste. Marie Branch. If, on the other hand, it be true that the consumers pay the duty, what a monstrous fraud the National Policy is upon the consumers of this country. I desire to call the attention of the House to the grand opportunity which the Government has to secure, by a protective duty upon steel and iron, the early and rapid development of the iron mines of this country. Here is a sure market, including the iron required for the construction of cars, locomotives, bridges, etc., for not less than 4,000,000 tons of iron within the next twenty-four years. Adding to this the amount required for railways in the older Provinces and the amount used in the ordinary business of the country, namely, about 200,000 tons per annum, and we shall have a home market for 10,000,000 tons of iron and steel, the average value of which may be safely estimated at $40 per ton, or a total of $400,000,000, which immense sum must otherwise be sent abroad, to the great grief of hon. gentlemen opposite, to employ English and American capital and labor. The development of the iron industry in Canada would give employment to tens of thousands of skilled workmen, enlarging the home market for our various manufacturing industries, and creating a demand for a very large number of emigrants. Compared with this, the construction of one or more sugar refineries, or cotton mills, or woollen mills, which has been such a source of gratification to hon. gentlemen opposite, fades into utter insignificance. If this opportunity to secure the development of our iron industry is lost, I fear that it will be many, many years before we shall do little more than export our iron ores to other countries, taking in return for it manufactured iron and steel. It may be said that we shall not require 12,000 miles of railway to develope the territory lying between the western boundary of Manitoba and the Rocky Mountains, but let us see what has been our experience in the Province of Ontario. At the close of 1879 we had in actual operation, south of the Georgian Bay and the city of Ottawa, 4,000 miles of railway, and it is safe to say that, including the construction of the Canada Central, the line connecting Lake Nipissing with Sault Ste. Marie, the Ontario and Pacific Junction Railway, the Ottawa and Toronto, and various other routes which must be constructed at a very early day, we shall have before the year 1890 at least 6,000 miles of railway in the Province of Ontario south of Lake Nipissing. The total number of acres of land under cultivation, including pasture lands, does not exceed 15,000,000 acres, or about one sixteenth as many acres as the hon. Minister of Railway says we have of lands "fairly fit for settlement in the North-West Territories." We must not overlook the fact that fully one half of the produce of Ontario is grown within forty miles of the Georgian Bay, Detroit River, Lake Erie, Lake Ontario or the St. Lawrence and Ottawa Rivers, and can be transported to the seaboard without the aid of railways. We must also consider the fact that the great bulk of the fuel consumed in Ontario is produced within ten or fifteen miles of the place where it is consumed, and the same is true of lumber consumed in Ontario. Taking these facts into consideration, it will be seen that railways are more necessary in the North-West Territories than in the Province of Ontario, and yet, if we build as many miles of railway in the North-West as we shall, in all probability, have in 1890, in proportion to the area of lands "fairly fit for settlement" it will require 96,000 miles of railway to place the North-West Territories upon a par with the Province of Ontario, or eight times as many miles as I have assumed would be constructed in that region under the contract now upon the Table. In estimating the value of the exemption from taxation upon the road-bed, rolling stock, freight houses, passenger stations, harbors, elevators, telegraph and telephone lines, we will assume, as before, that only 12,000 miles of railway will be constructed. In 1864 there was in operation in England and Wales 12,592 miles of railway, which paid to the Government an average tax of $407.54 per mile; in 1874, the average was $601.05 per mile; in 1875, $664.17; in 1876, $731.14; in 1877, $764.25; in 1878, $809.86 per mile, or an increase in the rate of taxation per mile between 1864 and 1878 of 100 per cent. In 1879 there was in operation in France, 13,871 (English) miles of railway. The direct taxes paid to the Government was $19,155,000, or at the rate of $1,380.93 per mile. The indirect taxes, such as the free conveyance of the mails, troops, munitions of war, Government servants, Government bullion &c., &c., amounted in value to $16,000,000. The Paris, Lyons and Mediterranean railway returned to the Government nearly 11 per cent. per annum in taxes on the cash subsidy granted by the Government to aid in the construction of the railway, and at the end of seventy years the road reverts to the State. I have the opinion of Mr. Charles Francis Adams, jun., that the 94,000 miles of railway now in operation in the United States—which is equal to one-half the railway mileage of the world, 48,000 miles of which have been constructed since the beginning of the year 1870—pays upon the average $300 per mile, or an aggregate of $28,200,000 per annum. We have here the actual policy of the three most enlightened nations in the world respecting the taxation of railways, showing that in England, in the year 1878, the Government received a revenue of $10,200,000 from 12,592 miles of railway. That in France, for the year 1879, from 13,871 miles of railway, the French Government received nearly $36,000,000 in revenue. That the revenue derived from taxation of railways in the United States was $28,200,000, or a total for the three countries of $74,400,000, an amount three times as great as the entire revenue of the Dominion. English and French Government returns and the returns of railway companies in the United States, show that the rate of taxation per mile is regularly and constantly increasing. Therefore, taking into consideration that more than one-half of the railways of the United States, have been constructed since the beginning of the year 1870—it is not unreasonable to value for a period of fifty years perpetual exemption from taxation for the 12,000 miles of railway I assume will be built in the North-West territories, under this contract, at $500 per mile per annum, or a total of $6,000,000. Capitalized at 5 per cent., the exemption would be worth $125,000,000. The taxation of railways is so important a question that the Government of the United States during the past year obtained, through its foreign Ministers, a statement of the policy pursued by England and continental nations towards railways in this respect, and the manner in which the tax was collected. Reports were received from Austria, Belgium, England, France, Germany, Holland, Hungary, Russia and Switzerland. The only Government exempting railways from taxation is that of Hungary, and in that country concessions are granted companies for ninety years, with the condition that at the end of that period the whole franchise and property, with an equipment equal to the original amount, should revert to the State. Of the thirty six States of the American Union, all of them without a single exception tax railway property, rolling stock, road-bed, etc., etc., and I have not been able to find a single instance in the history of American or European railway companies, in which a perpetual exemption from taxation has ever been granted. Exemption from taxation for a few years only has been granted in some States of the American Union for special reasons, but the general policy of all nations is to treat railway property the same as that of a private individual. The manner of collecting the tax varies somewhat in different States and countries, but the fact remains that all countries collect in one way or another a very large revenue from railway

corporations. The law in New York State is as follows :— There are no taxes except local ones, and these are laid on the real and personal estate in each municipality according to its value, as taxes are laid on individuals. No special rule is followed as to the tax on rolling stock. The valuation of the local assessors, if regularly made, is final. The New York Central Railway paid taxes at the rate of nearly $1,000 per mile in 1879. In Pennsylvania all railroad companies paying dividends of six per cent. or more, pay a State tax of one-half mill on each dollar of capital stock. In addition to this, all railroad companies—and also telegraph, palace-car, and sleeping car companies—pay a tax of eight-tenths of one per cent. on gross receipts. In Rhode Island, railway corporations are taxed like other corporations and like individuals, on the value of their estates. In Illinois, taxes are levied on railroad corporations as on other corporations, and on individuals according to the value of their properties. The right of way, all tracks, stations, and improvements on the right of way are assessed by the State Board of Equalization. All other real estate is assessed as the land of individuals is. All personal property except rolling stock is assessed wherever it is found on May 1st. If the value of the capital stock exceeds the value of the real and personal estate the increase is assessed as capital stock. The value of rolling stock is fixed by the State Board and distributed for taxation among the counties and municipalities, in proportion to the length of road therein. The value of right of way, after being assessed by the State Board, is distributed in like manner except that side and second tracks and buildings on the right of way are taxed where they are situated. There is no appeal from the State Board. In Indiana, the law of taxation is the same as in Illinois except in three particulars: The whole capital stock is liable by law to be valued by the State Board and distributed for taxation to the counties and towns in proportion to the length of road in each. Railroad stock in the hands of individuals is taxed to them as other stocks are. There is no appeal from excessive valuation. In Iowa, the general principle is equality of taxation, for all property assessments are made on the value of the entire railway at the estimated value of each mile including in the estimate right of way, bridges, rolling stock, stations, and all other property exclusively used for railroad purposes. Shares are taxed at their market value to the holders thereof. In Kansas the general principle of taxation is assessment on all property at its value in money. "Railroad property" is assessed by a State Board who estimate the value of the real estate connected with the right of way, and used in the daily operations of the road, including rails, ties, "franchises," and buildings. To this is added all moneys, credits and profits, all rolling stock owned or used by the Company. And the taxable value as ascertained by this addition is apportioned among the counties and municipalities in proportion to the length of road therein. Real estate, not included in the above description —that is real estate not used in the daily operation of the road—is taxed like the land of individuals, in the locality where it lies. In Massachusetts the assessors of each place annually report to the tax commissioner the names of corporations established or owning real estate therein, with an account of the real estate and machinery in said place and its value, and the amount at which it is assessed, and also the amount of taxes laid every year in said place. Each corporation returns a list of stockholders with the number of shares held by each, the amount of capital stock, the par value and market value thereof, and also the real estate, structures and machinery. Railway companies, in addition, return the whole length of their lines and the length lying without the State. The tax commissioner ascertains the market value of the shares on May 1st preceding, and this is the taxable value of the franchises. The rate is determined by an apportionment of the whole amount to be raised by property taxed in the State during the year, as returned by the assessors, upon the aggregate valuation of all the towns and cities for the preceding year. From the valuation for railroad companies is deducted an amount proportioned to that portion of their length lying beyond the State limits, the value of real estate and machinery located and subject to local taxes within the State. Taxes are paid by the railroad corporations to the State Treasurer, who is nominally tax commissioner, and who, with the auditor and one member of the council constitutes a Board of Appeal for correction of all errors, and their decision is final. In Michigan, in lieu of all taxes, except this on real estate not used for railroad purposes, a tax is laid of two per cent. on gross earnings, not exceeding $2,000 per mile, and of three per cent. on gross earnings exceeding that sum. There is also a tax of three per cent. on receipts from passengers carried in any palace or sleeping car, or any car for which an extra price is paid; and a tax of two per cent. on gross receipts derived from leasing or hiring of cars by any "special," "fast," "colored" or other freight line. Real estate not used for railroad purposes is subject to local taxes where it lies. In Minnesota, a tax of three per cent on gross earnings is laid in lieu of all other taxes, but by special legislation the amount of taxes has been reduced for a term of years including the Northern Pacific. Taxes for each year are assessed on the earnings for the year preceding. Assuming that four cents per acre per annum would be a fair average rate of taxation upon the railway companies lands' for the next twenty years, and assuming that the whole number of acres will be held by the Company for an average of twelve years, the value of exemption from taxation upon their lands is worth $12,000,000. In 1860, the States of Iowa, Wisconsin and Minnesota, produced 100,000,000 bushels of grain from 8,000,000 acres of improved lands. In 1870, the same States produced 220,000,000 bushels of grain from 17,500,000 acres of land. Suppose that for the next twenty years we produce upon the average 100,000,000 bushels of grain in the district lying between the western boundary of Manitoba and the Rocky Mountains, a territory more than twice as large as the three States named—we certainly ought to produce much more than this—and suppose the Canadian Pacific Railway Company charge only ten cents per bushel more than they ought to charge to convey this grain to market, or only one-half the rates now being charged by the same gentlemen who own the St. Paul, Minneapolis and Manitoba Railway, it will be seen that they will take from the pockets of the farmers, on the grain produced, no less a sum than $10,000,000 annually. It will be fair to assume that for the transportation of fuel, lumber, machinery, merchandize of all kinds, and other agricultural products that must be shipped into or out of the North-West Territories they will exact an equal amount over and above a fair and reasonable profit upon the cost of services they render, making a total $20,000,000 per annum as the value of the monopoly clause in the contract for twenty years to come. Even if only 8,000,000 acres of land are brought under cultivation, or about one-thirtieth part of the land said to be fairly fit for settlement by the hon. Minister of Railways, the privileges and exemptions granted by the contract now upon the Table are so valuable and extend over so long a period, that it will be almost impossible for private capital to compete with the Canadian Pacific Railway Company in the construction of railways in that territory after twenty years shall have expired, so that for all practical purposes the monopoly of railway construction in that vast region, granted under the contract now before us, will be almost perpetual. Clause No. 20 of the Act of incorporation prevents the Government from interfering with the tolls of the railway company until the net profits over and above the working expenses shall exceed ten per cent. upon the capital actually expended in the construction

of the railway. It does not determine how the actual cost of construction shall be determined. The cost of construction to the Canadian Pacific Railway Company may be a different amount from the actual cost of building the road. As is well known, railways are constantly being constructed by what are known as construction companies, which are generally composed of the leading capitalists who control the railway, and the road sold to the railway company proper at an enormous increase upon the actual cost of construction. This was notoriously the case in the construction of the Union Pacific Railway which has been chosen by the Government as a model for the construction of this railway. There is nothing to prevent leading capitalists with whom the contract on the Table has been made from organizing themselves into a construction company, building the road, and transferring it to the Canadian Pacific Railway Company at an enormous increase upon the cost, and in this way secure unlimited control over the freights to be charged by the railway company. In this way the capital stock and bonds of the Union Pacific Railway Company and the Central Pacific Railway Company, composing the line from Omaha to San Francisco, has been increased to $268,000,000, ten per cent upon which would be $26,800,000, whereas the actual cost of construction did not exceed one-half the sum. The Canadian Pacific Railway Company may purchase the Ottawa, Montreal, Quebec and Occidental Railway for the sum of $14,000,000, and under the contract exact 10 per cent. upon that sum before the Government could interfere to regulate the tolls. It is well known the leading members of the Syndicate purchased the St. Paul and Manitoba Railway for a sum not exceeding $10,000,000. The road is now said to be worth $32,000,000. There is nothing to prevent the Canadian Pacific Railway Company from buying this road at $32,000,000, or even a greater sum, and under the contract the Government could not interfere with the tolls of the Canadian Pacific Railway Company until an additional net profit of ten per cent. upon $32,000,000 had been earned. The Canadian Pacific Railway Company have power to construct or purchase lines from Nipissing to Montreal, Quebec, St. John, or Halifax, or any other branch lines they may choose to purchase, and can demand 10 per cent. upon the cost of these roads to the Canadian Pacific Railway Company before the Government can interfere to regulate the tolls. With the power given to the Company to construct or purchase lines leading to tide-water or branches, the cost of construction can be fixed at such a sum as to give the Canadian Pacific Railway Company unlimited control over the rates which they may charge for the services they render to the public for generations to come. As I said in my opening remarks, I assume that the statements made by hon. Ministers as to the character and quantity of agricultural lands in the North-West Territories lying between the western boundary of Manitoba and the Rocky Mountains are correct—that is to say, that there is 250,000,000 acres of lands fairly fit for settlement—that they are of so high a quality that the right hon. leader of the Government was justified in issuing his land regulations in 1879, charging at the rate of $5 per acre for lands lying near the railway prior to the construction of the road. It is preposterous to suppose that 1,000 miles of railway, extending from Winnipeg to the Rocky Mountains, will develop that vast territory. You might as well undertake to do the carrying trade between Montreal and Liverpool with one steamship. The value of the clause exempting from duty steel rails, bolts, nuts, spikes, fish plates, iron for bridges, wire for telegraphs and telephones, telegraphic apparatus, etc., etc., is worth at the lowest calculation $1,000 per mile, and perpetual exemption from taxation cannot be considered worth less than $500 per mile per annum, or, capitalized at 5 per cent., $10,000 per mile. So that it is plainly evident that no railways can be built by private capital and compete with the Canadian Pacific Railway Company, even after the twenty years monopoly has expired. It is evident that the object of the Syndicate, in insisting upon a monopoly of railway building for twenty years, was for the purpose of preventing the construction of competing lines. It is idle to suppose that private capital will construct branch lines which are simply feeders to a main line which absolutely controls and can dictate the price which the branch lines shall be allowed for transporting freights. We are forced to conclude, therefore, that the construction of railways in that vast territory must be, and will be, under the control of the Canadian Pacific Railway Company. They will have in their hands the absolute control of the commercial value of the 225,000,000 acres fairly fit for settlement, which it is said will still belong to the Government after they shall have selected the 25,000,000 acres granted under this contract. If we expect to induce emigrants to any extent to settle in that country, we must satisfy them that the cost of transportation to and from the seaboard to the North-West Territories will not exceed the prices charged by roads in the United States; that is to say, a fair and reasonable profit upon the actual cost of transportation. I can conceive of no other way in which we can give intending emigrants ample security that their interests will be protected except by having the tolls of the railways entirely under the control of the Government, or the people free to secure the construction of competing lines, or that the Government shall build the road as a Government work and operate it in the interests of the producers and consumers of the country. With regard to the construction of the line connecting Lake Nipissing with Sault Ste. Marie, permit me to say, that I was one of a deputation who waited upon the hon. Minister of Railways at the inspector's office in the Post Office of Toronto, on December 21st, 1879. There was present among others, the hon. member for West Toronto, the hon. member for Centre Toronto, the hon. member for East Toronto, the hon. member for Welland, the hon. member for Hamilton, the hon. member for Muskoka, the Hon. Frank Smith, the Hon. John Beverly Robinson, the Hon. Alexander Morris, M.P.P. Letters of apology were received from the hon. member for East Durham, the hon. member for East York, the hon. member for Hamilton, and the hon. member for North Simcoe, regretting their unavoidable absence and strong sympathy with the object of the deputation. The hon. Minister of Railways made a speech upon that occasion which gave me very great satisfaction. I thought it was a good speech then, and I think so now. So good that I propose to read it to the House:

"Sir CHARLES TUPPER. I am inclined to believe that if a connection were made with the Sault Ste. Marie by a line of railway extending from here by Gravenhurst and Nipissing, and from Montreal by the Canada Central and the line to the Sault Ste. Marie, it would not only have the effect of bringing a great volume of traffic from the Western States—from Minnesota, Dakota, and the countries in the neighborhood of St. Paul and Minneapolis—down through our own country, but that it is not fraught with the danger that I at first apprehended, because I believe we should be enabled by a line of steam communication from Sault Ste. Marie to Thunder Bay, and by the Government road from the North-West to the latter point, which we are now constructing as rapidly as possible, to make our lines of communication so much cheaper and bring at the same time the great North-West into so much more rapid communication with the centres of population in the older and more settled portions of Canada—with Montreal and Toronto—as would render it, instead of any injury to the country, a great advantage. I go further, gentlemen, than any person here has gone to-day in relation to the provincial character of this project which you have in hand. I believe it is not only not a Toronto, or a Hamilton, or a Belleville project—I believe it is not only not merely a project in which the interests of Ontario are concerned, but a project in which the interests of the whole Dominion are concerned. I look upon it as of the greatest possible consequence to the success of our efforts in developing the great North-West. There is nothing that can so much contribute to the opening up of the rapid settlement and to the trade conveniences of that immense fertile territory, as the most easy and rapid communications with the great centres of trade and manufactures in the older Provinces, and anything that can facilitate the rapidity and the cheapness with which the manufactures of

Toronto, Hamilton, Montreal, or any other part of Canada can be thrown into the North-West, is going to facilitate the settlement of that country, and by facilitating its settlement and development is going to hasten very considerably the day when we can take up the more important project of building a through line north of Lake Superior. I have no hesitation therefore, in saying that I regard this measure as one of great importance—not only to the Province of Ontario but to Canada as a whole,—a very large portion of which will depend upon it. Now, with the importance with which this question has recently assumed, and which will in consequence of the attention that is being directed to it in the United States—at St. Paul, Minneapolis and the surrounding country—the advantage which the people living in that section of the country find they will derive from reaching the seaboard by a much shorter, easier, and cheaper route than any other (namely one constructed to Sault Ste. Marie,) must result in the construction of that road at an early day."

Speaking of the construction of Sault Ste. Marie Railway, the hon. Minister of Railways remarked further:

"I had an opportunity of discussing this matter a few days ago with Mr. Dawson, the member for Algoma. I asked that gentleman what would be the prospect of keeping up a winter water communication between Sault Ste. Marie and Thunder Bay. He stated that there was a good harbor at Sault Ste. Marie, that the lakes would be entirely open during the winter, and that the navigation would not be interrupted for more than five or six weeks."

The hon. Minister of Railways met a deputation from the Montreal Board of Trade, January 8th, 1880. I read from the Toronto *Mail*, report of January 9th, 1880. Sir Charles Tupper, spoke as follows:—

"The Government having provided for the extension of the Canada Central to Lake Nipissing, it had naturally attracted a great deal of attention to the scheme, and the project to carry on that road from Nipissing, direct to Sault Ste. Marie, had received an additional impetus from the attention which had been given to the question by the railway magnates and persons interested in the development of the North-Western States. They found, on looking at the map, that it was almost an air line running from St. Paul and Minneapolis - the great centres of commerce in the North-West—to the city of Montreal. They found that wheat could be placed in the harbor of Montreal by that route and sent to Liverpool so much more cheaply and easily than by the existing routes, that it was not at all surprising that attention should have been directed to the project. The more he examined the subject the more satisfied he was that, independent altogether of the great importance to Canadian interests of the construction of a line from St. Paul, or from Duluth, or from both, to Sault Ste. Marie, looking to a connection with the ocean traffic at Montreal, independent of the great additional volume of traffic Canada might fairly anticipate would flow from that route, we had a very great interest in establishing communication between Nipissing and the Sault at as early a day as practicable. The development of our great North-West depended to a large extent upon the ease, cheapness and rapidity with which we could send people into that country, and bring the produce of the west to the seaboard. The fact that the extension of the Canada Central to Nipissing would be accomplished at an early day, the fact that the Government were pushing with all the energy and vigor that they possessed the line from Thunder Bay to Red River, the fact that the extension of the line from Nipissing to the Sault would bring Montreal within 60 hours of Red River, settled the question as to the great importance of carrying out this project at the earliest practicable day. The road from Thunder Bay to Red River, the Government fully expected would be completed by the 1st of July, 1882, and there would be no difficulty, from what we could learn of the character of the country, in having the extension from Nipissing to the Sault completed at the same time. Assuming that no movement would be made towards the construction from Minneapolis or Duluth to the Sault, it would not in the slightest degree affect his anxiety to see our own line extended to that point. While it would not secure the trade of the Western States, it would give our own North-West a vast advantage over the adjoining territory, from the facility with which they could send their produce to the sea. I can, therefore, see nothing to prevent the Government and the country from being interested in this project."

I also desire to call the attention of the House, and particularly the hon. member for Welland, to an editorial in the Toronto *Mail* of November 22nd, 1879, as follows:—

"It can hardly be said, as a result of the interview held on Friday last, that the Government is committed to a positive promise, of subsidising a line of railway, *via* Gravenhurst and Nipissing, to the Sault Ste. Marie, but it certainly may be said that, as no public work was ever presented to a Minister by so impartial and powerful a deputation, so no deputation had ever a more explicit and satisfactory adoption of their policy by a Minister.

"The commercial necessities and possibilities of the country have increased, and pending the completion of railway connection between Nipissing and Thunder Bay, the Sault Ste Marie line becomes of pressing importance in the eyes of men too much devoted to great public objects to be moved by selfish motives, and too various in political color to be suspected of partizan strategy.

"The earlier opinion was that the Sault Ste. Marie line would place us at the disposal of the Americans. The present opinion appears to be reverting, to a great extent, to Sir Hugh Allan's old idea, that it would enable us to offer a shorter route to the seaboard to American commerce, and enable us to rival their older and hitherto unrivalled commercial routes. The future of this new line is now in the hands of three powerful combinations It is in the hands of the Ontario Government, so far as the provincial subsidy is concerned; it is in the hands of the Dominion Government so far as the aid to be expected from that quarter is concerned; and it is in the hands of the gentlemen who formed the deputation, and of those whom they represented on the occasion. Public opinion, the opinion of the press, commercial opinion, and official opinion all combine to approve of the connection with the Sault, and it will be a strange thing if, in these days of great confidence and of rapid growth, we do not witness the speedy accomplishment of so heavily endorsed an undertaking."

Mr. Speaker, I approved of this editorial when I first read it, and I approve of it now. I do not think that my hon. friend from West-Durham presented the desirability of the immediate construction of the Sault Ste. Marie road, very much better than the hon. Minister of Railways did in his speeches at Toronto and Montreal, or than the Government organ, the Toronto *Mail*. The reasons which a year ago justified and demanded the early construction of that road, are stronger to-day than they were then. The immediate completion of the Northern Pacific Railway is assured; the construction of the line between Sault Ste. Marie and Duluth is now being pushed forward; the trade of the North Western States has developed greatly within the past year, and we all appreciate, more than ever before, the desirability of directing the trade of the North Western States to our seaboard towns. Since that time, the Grand Trunk have completed the line between Port Huron and Chicago, and during the first year received 29 per cent. of its entire traffic through its Chicago connection. The census of the United States has been taken, showing an enormous increase in the population of the States and territories, which would be tributary to the Northen Pacific Railway, and whose trade would find the shortest, cheapest, and most direct route to the seaboard over the Sault Ste. Marie route. Minnesota, Wisconsin, Washington, Oregon, Montana, Dakota, Idaho and Northern Michigan, States and territories through which the Northern Pacific Railway passes, already have a population of 3,000,000 according to the census of 1880—increasing at the rate of more than 100 per cent. in ten years, so that within ten years it will be within bounds to say that the North-Western States, whose easiest, cheapest, and most direst outlet to the seaboard will be *vid* Sault Ste. Marie, will have a population of 6,000,000, which will probably be as great as the entire population of the Dominion at that time. Under the pooling arrangements of the Trunk lines, the Grand Trunk was allowed only seven per cent of the traffic centring at Chicago, and yet its earnings from its Chicago connection amounted to $5,000,000 the first year after the road was opened from Port Huron direct to Chicago. This will enable us to estimate the value to Canada of another direct connection with the trade of the North Western States. The gross receipts of the Union Pacific and Central Pacific Railway Companies for the year 1880, exceeded $45,000,000, and it is estimated that for the year 1881 they will exceed $50,000,000. Assuming that a portion of the through traffic of this line will be secured by the Northern Pacific Railway Company, and that its cheapest, most direct, and natural course will be *vid* Sault Ste. Marie to Montreal, I think I am justified in saying that the trade of the North-Western States, to be secured by the Sault Ste. Marie connection, will be of far greater value than the trade now secured by the Chicago connection of the Grand Trunk Railway, and I am inclined to believe that, at an early day, it will exceed in value not only the trade of the North-Western States which we obtain through the Grand Trunk, but also the trade which comes from the States to Montreal through the Welland and St. Lawrence Canals. But throwing aside the value of the American trade which must flow to Montreal over the Sault Ste. Marie line, I desire to call the attention of the House to two or three statements made by the hon. Minister of Railways in

his reply to the deputations who waited upon him at Montreal and Toronto. He distinctly states that the Government will complete the line from Thunder Bay to Red River by July 1st, 1882, and that the line can be completed from Nipissing to Sault Ste. Marie by that time. If this be true, there will be no difficulty in securing the construction of the Sault Ste. Marie Branch, and having it open for traffic by the first day of May, 1883; thereby securing, as the hon. Minister says, a cheaper route for the traffic with our own North-West than *via* St. Paul and Duluth or Chicago. I also desire to call the attention of the House to the statement made by the hon. Minister of Railways that there is a good harbor at Sault Ste. Marie, and that the hon. member for Algoma informed him that "the lake would be entirely open during the winter and that navigation would not be interrupted for more than five or six weeks." Now, Sir, we have the authority of the hon. Minister of Railways for stating that the most direct and cheapest route to the North-West Territories can be constructed within two years from the first of July next, that it will give a route through our own territory for at least ten months and a-half in each year; statements which, if they were true when made by the hon. Minister of Railways in Toronto and Montreal, are true to-day, and are good and sufficient reasons for the immediate construction of the Sault Ste. Marie road. The hon. Minister of Agriculture has admitted that the great majority of the emigrants arrived in this country during the period of navigation, and that the great majority of emigrants go to Manitoba during the season of navigation. If this be true, within two years we can have the shortest, most direct and cheapest route, not only for freight but for emigrants, through our own territory, if we construct the Sault Ste. Marie Branch. Whereas, if we do not construct this line, we must continue for ten years, to send our immigrants through the United States where, it is said by hon. Ministers that, a large proportion of them are induced to settle. We are asked to proceed with the immediate construction of the eastern or Lake Superior section for the purpose of securing a route through our own territory, for about five or six weeks in each year, and that six weeks at a time, when the traffic between the older and the newer Provinces is at the lowest point. We have heard, Mr. Speaker, much sympathy expressed for the poor Syndicate. I think a little sympathy for the poor farmers, who are invited and encouraged to settle in the North-West Territories, would not be misplaced. The farmers of this country rise early and and toil late. They honorably earn their bread by the sweat of their brow. They bear the burden and heat of the day, and are the real producers of the wealth of the country. It is by the strictest economy and most persistent effort through a lifetime that they are enabled to purchase and improve upon the average a farm of 100 acres, worth, when they have arrived at the age of three score and ten, from $3,000 to $10,000. As a rule they spend no money upon the comforts and luxuries of life, are contented with he bare necessities of life, and compelled to accept for their labor and capital smaller average returns than any other class in the community. On the other hand, the gentlemen of the Syndicate are millionaires, as is the case with the great majority of the railway managers of this continent. No class of men have been more successful in amassing immense fortunes than those who have had the control of the construction and management of railways, and there are no business investments which have paid a better average dividend upon the actual cost of the investment than railways. It is perfectly well known that the capital stock and funded debt of the railways of this continent represent a sum more than twice as great as the actual cost of construction and equipment, or, in other words, whereas the capital stock and funded debt amounts to over $5,000,000,000, the actual cost of construction and equipment does not exceed $2,500,000,000. Assuming that the 86,000 miles of railway in operation in the United States, in the year 1879, cost upon the average $30,000 per mile, or $2,580,000,000, the net earnings was equal to eight and a half per cent. It must not be forgotten that more than one-half of the railways have been constructed within ten years, and, therefore, a very large proportion of them have been but a short time in operation, and their business has not been fully developed. We must not overlook the fact, also, that over 26,000 miles lay west of the Mississippi River in the new States and territories. There is no business on this continent employing so large an amount of capital which has paid as large net returns upon the average as constructing and operating railways. The net profits to the national banks of the United States, employing some $2,000,000,000 of capital, did not exceed five per cent. during the year 1879. It is notoriously the fact that there has been, and is still, great extravagance in the construction and management of railways. Presidents and managers have received greater salaries than in any other line of business. It is very doubtful whether or not farming pays over and above a fair reward for the services of the farmer and his family four per cent. upon the capital invested, and yet we are exempting the Canadian Pacific Railway Company from taxation upon its lands, road-bed, rolling stock, &c., and compelling the farmer to not only pay the cost of opening roads and building school houses, etc., but actually to pay the entire cost of protecting the property of the railway company. The 900 miles through the prairie section can undoubtedly be built and equipped for $10,000,000. The construction of the Sault Ste. Marie Branch can be secured for $3,000,000, in all $13,000,000 which, at 4 per cent. per annum, would be equal to an annual tax upon the country of $520,000. Under this contract the Government are to complete the line from Thunder Bay to Winnipeg, and now own the line from Pembina to Winnipeg. The hon. Minister of Railways has said that the prairie section would immediately pay working expenses and a fair and reasonable interest upon the cost of construction. The Government can borrow money at four per cent. per annum. Now, suppose the Government were to announce that they would construct the prairie section as a Government work, and so arrange the tolls on the prairie section and the Thunder Bay and Pembina Branches as to pay to the Government only four per cent. net upon the actual outlay for the next 25 years, and that private corporations would be allowed to build as many branches as the development of the country demanded, that the freights received from the branch lines would be transported over the main line upon as favorable terms as any other traffic, and the lands offered to actual settlers, and to such only at fair price,—we should then have a policy which would induce emigrants to settle in that country. Whereas, if we confirm this contract we create monopolies and grant privileges and exemptions which will tend to divert immigration to the United States. I am opposed to the confirmation of the contract now upon the Table, because it creates a practical monopoly in the construction of railways throughout the fertile section for twenty years, and grants privileges and exemptions which will tend to perpetuate that monopoly Secondly, because it exempts the lands and property of the railway company from taxation thereby unjustly increasing the taxation of the farmers whom we hope to induce to settle in that country. Thirdly, because the material used in the construction of the road bed is exempt from the ordinary and regular custom duties imposed upon other branches of business. Fourthly, because under the contract the Government surrender their right to control the tolls of the railway company until after the net profits of the Company exceed ten per cent, thereby transferring to an irresponsible corporation a control over the carrying trade of the entire country north and west of Lake Superior; and, fifthly,

because the Government have now in their possession from thoroughly responsible parties an offer to construct the road for a less consideration and upon much better terms and conditions. For these reasons, and many others which I might mention, I reaffirm that the confirmation of the contract will seriously impede the development and settlement of the North-West Territories, and that it grants privileges and exemptions which will tend to destroy the peace, well-being and prosperity of those who may settle in that vast region.

Mr. WHITE (Renfrew). Mr. Speaker, I desire to say a word or two in reference to the new proposition that has been made to the Government by what is called the new Syndicate. It must have been evident to this House that the hon. leader of the Opposition, and those who act with him, seized with great avidity upon the objections which were raised against the contract now before the House. During the last two Sessions they have been endeavoring to make the people of this country believe that the National Policy, upon which the present Administration came into power, is not in the interest of this country. They have endeavored to do that in spite of the logic of events as shown in the by-elections which have taken place, and the tendency has been to strengthen the Government. Those hon. gentlemen exhausted their eloquence in endeavoring to cause some break in the ranks of the Conservative party. Failing to do that, they made an appeal to the people during the Christmas recess. Here let me say that the opinions of those hon. gentlemen in relation to the duty of the Government towards the people have very materially altered since the last Session. I think we can recollect—at all events we have the records in the *Hansard* which show—that those hon. gentlemen, and especially the hon. gentleman for Centre Huron (Sir Richard J. Cartwright) did not put so much faith in the opinions of the people in relation to public affairs during the last two Sessions as they propose to do at the present moment. I think it was the hon. member for South Brant (Mr. Paterson) who said that it was the duty of the members of this House, upon a great public question like the present, to elicit the opinion of their constituents. We can imagine the hon. member for South Brant calling his electors together, and in that calm and dispassionate manner for which he is celebrated, placing before the electors the terms of this contract, and asking their opinion upon it. We can imagine that, I say, but I think the fact is that he and his friends used every argument in their power to convince the electors that this contract was a bad one, and that they used every argument in their power to induce their electors to endorse that proposition. I venture to say that the only member on either side of the House who has elicited a fair and unbiassed opinion from his electors is the hon. member for Halton (Mr. Macdougall). That hon. gentleman has told us what the result was in his constituency, and I believe that the result would be the same in every constituency in the country if the question was placed before the electors in the same fair manner as it was placed before the electors of Halton. Those hon. gentlemen came back from the country crestfallen. They had failed in their attempt to excite the public against the contract. Since the recess a proposition has been sent to the Minister of Railways, the contents of which were known to the leader of the Opposition, long before its terms were made known either to the Minister of Railways or to any person upon this side of the House. That proposition, on the face of it, is a better one than that which the Government has entered into; but, to enable us to get at the true inwardness of that proposition, we must read between the lines During the discussion which took place in this House prior to the recess, the hon. leader of the Opposition, and all the hon. gentlemen who have spoken on that side of the House, took very strong ground against the construction of a Canadian Pacific Railway at all. They took the ground that it was not necessary in the present condition of the country to make anything more than a patchwork railway; that it was the duty of the Government not only to give facilities for connections with American railways, but to aid a line of railway to connect with American lines. In view of that fact, the proposition which has been sent to the Minister of Railways, by what is called the new Syndicate, loses all claim to the serious consideration of this House. I do not propose to say one single word in relation to the gentlemen composing what is called the new Syndicate. Some of them are known to be men of integrity, men of means and men of good business ability; but the more you accord to those gentlemen these qualities, the easier it is to perceive that they had no idea that their proposition would be accepted. I believe these men would regard it as an insult if a proposition were made by a person to enter into a contract with them in connection with some business matter, when the proposer knew that a contract for the same work had already been entered into by the party to whom he applied. It may be said that the Government are only a Committee of Parliament, and that the contract now before the House was made by them as the agents of Parliament, and subject to the ratification of Parliament. That, Sir, is quite true; but if we admit that proposition, we must also admit that if we refuse to ratify the acts of our agents we must also disclaim those acts. If we disclaim the acts of our agents, that, so far as the Government of this country is concerned, seems to involve a declaration of non-confidence in the ability of those gentlemen to conduct the public affairs of this country. So that those gentlemen, knowing well as business men that the Government could not possibly accept their proposition, knowing that the rejection of the contract would involve the downfall of the Administration, and would bring into power the gentlemen now composing Her Majesty's loyal Opposition, and knowing the ground these gentlemen take with reference to the construction of the Canadian Pacific Railway, they had no reason to believe that they would be bound to construct the difficult portions of the road at all. I do not mean to say that it would not be beneficial to Canada, from a commercial point of view, to have railway connection with the United States. It has been stated in this House that the hon. Minister of Railways had given an expression to an opinion favorable to the construction of what is known as the Sault Ste Marie Branch; but it has not been—and cannot be—stated that that hon. gentleman ever made a proposition to tax the people of this country for the purpose of constructing that line, or that he intended it as an alternative line. I believe that the people of this country will not be satisfied with anything less than an all-rail route across our own continent; that they will not be satisfied with a route which is dependent upon the caprices of the people of the United States, or dependent, for a certain portion of the year, upon those magnificent water stretches of which we used to hear so much. I believe the construction of the Pacific Railway, in its entirety, is not only a commercial, but a political necessity. And if I had time I think I could show that, from an economical, as well as a national point of view, the construction of the road north of Lake Superior will be of immense advantage to this country. Recent explorations lead us to the conclusion that the character of the country north of Lake Superior has been greatly misjudged. We have reason to believe, from these recent explorations, that large quantities of valuable timber and considerable areas of good arable land exist in that region. As I have already said, the people of Canada will not be satisfied with anything less than the proposal of the present Administration, and I am of opinion that the construction of the road, according to the terms of the contract now before the House, will be acceptable to the people, because we shall have reached a finality of the country's obligation. We shall have accomplished the construction of that road at a cost which the people of this

country will be able to bear. We shall have our expectations realized by getting into that country, in a very few years, a more than sufficient number of people to bear the whole cost of the burdens which the construction of that road imposes on the people of Canada. What would be the effect of refusing to endorse the contract now before the House? Why, Sir, if hon. gentlemen opposite come into power delays would occur, and we know the effect of the delays that took place in 1873. If those delays had not taken place the construction of the Pacific Railway would to day be well on towards completion. I do not think any further delays should take place, and I think the ratification of this contract by Parliament will meet with the approval of a large majority of the people of Canada. I have only to say, for my own part, that I have very much pleasure in voting for that ratification.

Mr. RYMAL. At this late stage of the debate I will not detain the House but a very short time, because I think the question has been viewed from almost every possible standpoint, and because I am not in a position to speak at length on the subject. Yet, I think it is my duty to say a few words on so important a matter as this. Ever since we entertained the proposition to build the Canadian Pacific Railway we have been in hot water. Troubles have come upon us thick and fast, and my humble opinion, now, after having watched the operation of this matter for some ten years, is that our troubles are not ended. We have seen the disruption of one strong Government in connection with this matter, and I believe some of us shall live to see the disruption of other Governments. I am sorry that it is so; for I think it is disastrous to the country that hon. gentleman should undertake any work that is almost sure to bring about the death of successive Governments. Now, the terms of the first proposition made by the Government composed of hon. gentlemen opposite in 1871, were $30,000,000 and 50,000,000 acres of land. Of course, a dollar was then worth pretty much what a dollar is worth now. But 50,000,000 acres of land at that time in the North-West bore no proportion in value to 50,000,000 acres there to-day. I said then I did not believe that the sum of money and the amount of land proposed to be given were sufficient to build that work; and I may say that apart from the ugly occurrences that took place in connection with that charter. I am sorry that charter had not been acted on—that Sir Hugh Allan was unable to raise the money he went to England to negotiate—for I believe it would have been one of the best bargains ever made for the construction of the road. However, we have not to deal with that to-day. It was a failure and is past and gone. The liabilities of the Government that then went out devolved on the new Government. They proposed a more liberal offer, something like $27,000,000 and 27,000,000 acres of land. The land had, perhaps, slightly increased in value during these two or three years. The offer was still, however, insufficient to induce capitalists to engage in the construction of this extensive work. Feeling it incumbent on them to do something to open up this vast country they undertook to build the railway as a Government work. My hon. friend opposite did not disclaim the continuance of that system very much, for they allowed it to continue. But that is past and gone; that scheme has fallen through. Hon. gentlemen opposite proposed to make it a semi-Imperial work, and started off to England in high hope. They had no doubt that they would be successful. But their mission was a lamentable failure, and they came back to adopt another scheme—the scheme to which, I believe, they should have adhered. They asked Parliament ten short months ago to appropriate 100,000,000 acres for the construction of the road, and Parliament placed this amount in their hands. This, I believe, would have been ample to build the road as a Government work. I do not believe it is wise for a Government to wish to victimize capitalists who may become contractors under them; but I believe that when a Government see that a public work is likely to become a paying concern, and that it is in the interest of the people it should be prosecuted as a Government work, they should undertake it themselves, in order that all the advantages to flow from its construction may accrue to the benefit of the people. I would like to know what it was that changed the opinions of the Government so suddenly. Two or three short months after Parliament had placed in their hands the lands they asked to enable them to build the railway as a Government work, what was it that induced them to post off to Europe to negotiate with capitalists to undertake its construction? Was there much pressure brought to bear on them? Was their resolve becoming weak? Did they find themselves unable to resist the corrupting influences which, they say, sometimes surround Governments when they have contracts to let? I have too high an opinion of the hon. Minister of Railways to believe that his virtue failed, that he was afraid to face defeat. With his splendid abilities, I have no doubt, had he saw fit, he would have let his contract to contractors in sections, and that the amount of money he would have realised on the lands placed at his disposal by Parliament would have been sufficient to build a road entirely equipped and leave a nice surplus to the credit of the Dominion. I am quite willing to give way to the hon. Minister of Railways in order that he may explain to the House the reason for such a sudden change of opinion. Will I sit down? No. On this as on other occasions, when the representatives of the people ask the Government for information, Ministers are silent. What is the reason; is there anything in connection with this whole transaction that will not bear the light? What conclusion is the country to arrive at, if, after repeated solicitations to the Government to take us into their confidence, they refuse to reply? As they will not, then my imaginations are left free to run wild. I am not possessed of a very fertile imagination. I am slow to believe anything dishonorable in the conduct of other men; but, after this continued silence, my imagination may conceive ugly things, things to which I do not wish to give utterance, but things that, in spite of myself, take possession of my mind from day to day. I do not know why they should have gone to England to consult with an American company, when they might have consulted with them much more conveniently at New York or St. Paul. But it is a nice pleasure trip, I presume. I have never had the opportunity of trying it, and it is very pleasant to pass a few months in Great Britain associating with the big wigs there. My hon. friend the Minister of Agriculture, we were told, received something when he was there—a stroke of genius. Now, I have been acquainted with that hon. gentleman for a long time, and I respect him very much indeed; but that stroke did not seem to have hurt him a great deal. I do not see that there is an additional wrinkle in his forehead or an additional grey hair on his head after receiving this stroke of fire, for genius, I believe, always appears in a flame of fire. There is no visible mark left of the stroke. It reminds me of the Irishman's blows. "The first time I struck him," said Pat, "I missed him entirely; and the second time I hit him in the same place." I hope my hon. friend will never receive a stroke that will do him more injury than this stroke of genius. After his return, the right hon. Premier announced that he had made a contract firm. Is that the same as a firm contract, or is there a little give and take about that more than the other. However, it took him some little time afterwards to conclude this contract; and I do honestly think that it was the bounden duty of the Government, if they had made this contract, to take the people into their confidence and let them know what the terms were. They were acting for

us, and it is only reasonable to suppose that they ought to have let us, their masters, know what they were doing. But they chose not to do it, they kept silence until the last hour, and they brought us together at a most inconvenient season of the year—two weeks before the Christmas holidays—with the expectation that they would be able to rush the contract through before the holidays. I am bound to say that when the terms of this contract became known to me, I was perfectly horrified at some of the details. I could have tolerated the granting of $25,000,000 in money, and 25,000,000 of acres of land, although those figures represent a large sum. I think it is quite reasonable that we should value the lands now at the same price that was put upon them by hon. gentlemen opposite last year, and if we do—that is nearly four dollars per acre—and that would make the land alone with $100,000,000. That condition of the contract might, however, have been tolerated, but there are other provisions which to me appear monstrous. We have been doing all we could to induce immigrants to settle in the North-West. We have been at considerable expense in acquiring that vast country; we were at still further expense in bringing it into a state of civilization; we spent large sums in extinguishing the Indian titles, and in brigning the country into a state of law and order; and we all looked upon it as the future heritage of the people of Canada, and of those who might be induced to cast their lot with us. And having induced these people to go there, how do the Government propose to settle them? In alternate blocks of 640 acres, each scattered among intervening blocks over which neither the Government nor the settlers will have any control, and which will belong to the Company who are to build the railway. Now, I do not know that I have heard a proposition such as I am about to make. I have looked at the matter a good deal, and I must say that I do not like that way of parcelling out the land. If the Syndicate is to have one-half of the land—within 50 miles, if you like, of the railway, or 24 miles of the railway—then I would say, let them take their land along one side of the road, and let the other side be held sacred to settlers, and let the Government manage the lands on that side for the benefit of the settlers. I believe it would be better in this case, if everything between the 49th parallel and the road had been kept sacred to the settlers, and the Company had been permitted to take their entire amount of land north of the road. What would have been the result? There would have been a continuous settlement on the one side of the road, and the people would have had neighbors, who would have shared with them the burdens of municipal taxation; they would have had help in establishing schools and other institutions, which civilized society requires, and no man would have felt that he was oppressed, by having lands alongside of him which were exempted from taxation for twenty years, or felt that every blow he struck on his own *fee simple* was only adding to the value of the lands alongside of him. He would not have felt that there were those alongside of him who were partaking of all the advantages of his labor and enterprise, without contributing any share themselves. I do not suppose I shall live to see the day when so fair a proposition as the one I have made will be accepted by the Government, but I have still further objections to the contract. It appears to me, on reading through the contract, that everything the Company saw fit to ask had been granted to them. I could scarcely conceive of any one being able to draw up such a document, until I was told that it was drawn by the man who was the legal adviser of those who got the charter for the first contract—the man who, it is said, distributed the swag—the corruption money of that day. I could fancy that if the Syndicate committed their interests to him, and the Government made him their agent to draw up the contract—I say that in that, but in no other conceivable case, could I imagine that the Government could have permitted such a one-sided document to be drawn up, as one to which they would give their sanction. Where was the Minister of Justice on that occasion—an able, diligent and painstaking lawyer? Did he sit alongside the attorney of the Syndicate and help to frame the provisions of this contract? The hon. gentleman will not answer that he did, I know. Will any member of the Government say that he was consulted as this document was drawn up clause by clause? I do not think they will—they are all silent. Did they go it blind? Ask what you want, take what you like, rob, plunder, persecute the people we sent into that country, and what you do not want we will take—were those the orders which were given in making the contract? There could not have been a more unconditional surrender of the territory of a free people than the Government have made to the Syndicate. I have not a word to say against the gentlemen who compose the Company. It was a business transaction with them; they were capitalists investing their money; there might be profit or there might be loss, and I do not blame them for getting the best terms they could. But it is upon the Government who basely surrendered the rights of the people, who sacrificed nearly their all, that the condemnation must fall. I shall not refer to the different clauses of the contract as they have been referred to so frequently already. I disapprove of a good many of them. Some of the concessions which have been made by the Syndicate, and which I presume were brought about by the criticisms passed upon the contract in this House, will render the contract less objectionable than it was in its original state, but I look upon them as only half given as yet. I do not know whether these amendments will be made or not, and I would much rather have seen them incorporated in the document itself, than await their incorporation in the Consolidated Railway Act, an incorporation which may or may not take place. I say that I do not approve of this. It is giving too much money according to the hon. gentlemen opposite themselves. They say it will only take $78,000,000 to build the entire road, $30,000,000 of that we have got to spend, and the Government says that is the end of it. Why, the Government have lowered themselves mightily in my estimation, and they are endeavoring to deceive the people in this respect if they do not know what it is going to cost, and they have become common contractors for that Company Instead of having washed their hands of future liabilities they have done nothing of the sort, and the Company will effectually put the screws on them before the Government get out of their hands. I disapprove of some of the clauses of this contract—so much so that I am prepared to vote against it. I think better terms can be obtained, and I find a second offer has been made. Some say that this new offer is a political dodge, that it is a trick, that it is an attempt to weaken the Government, that it is calculated to give the Opposition a cry with which to go before the country. Well, there may be a little in all this, but there is a difference of $12,500,000 between the two offers, which, to the people of Canada, amounts to more than the little paltry sum which it has been called. $12,500,000 is something like $4 for every man, woman and child in the Dominion. But that is not worth saving, hundreds of millions can be thrown away now; three or four millions of acres of land, more or less, and three or four millions of money, according to the hon. member for Halton (Mr. Macdougall), are of little account. Well, he has not changed in that respect. I can recollect another occasion, when $10,000,000 were at stake; he did not make any very great ado about it, he did not make so much ado as to bring on a crisis in which he or somebody else would have had to resign the seals of office and become private members of Parliament again. But whether the hon. member for Halton, or any one else, thinks it is a matter of supreme indifference, I hold it is the bounden

duty of the Government—of every Government—when they can save $500,000, or $1,000,000, or $5,000,000, let alone $12,000,000, to do their very best, their utmost, to save the people of Canada the hard earnings of the industrious. It is said this is a political dodge, that the leader of the Opposition has managed this thing, and it so happens that as regards the political complexion of both of the Syndicates, they are subject to the same charge. You do not charge the hon. member for West Durham with inducing all Reformers to join the first Company, do you? No, you are wedded to that, you believe in it, you are tied to it; but because another Syndicate or Company, composed of Reformers, who are willing to save $12,500,000, come forward, in a spirit of patriotism, you say we cannot tolerate them. One hon. gentleman went so far as to say he regretted that the members of the Syndicate were all clear Grits; if I could rejoice in anything it would be that the clear Grits are possessed of such money, energy and patriotism that they should step in between the people and the Government, who are about to throw away their money, and offer to save $12,500,000 in building the road. If anything redounds to the credit of the Reform party it is this. It is, surely, nothing to their discredit that they came forward and offered to construct the road for $12,500,000 less than the previous offer. Now, I am acquainted with a few of the members of this Company which has made the offer; among those with whom I am personally acquainted are several gentlemen of known respectability. I do not know how extensive their means may be, but I suppose they are able to implement with money any undertaking they enter upon, and I understand they have deposited $1,500,000 or thereabouts, as security for their good faith in this matter. I ask you whether it lies in the mouth of any man to say that this is a political trick or dodge? Why, hon. gentlemen opposite can earn fame, almost immortality, if they test the sincerity of these men, and by testing their sincerity save to the people $12,500,000. If they fail to come to the mark, then, and not till then, does it lie in their mouths to denounce them,—a number of men, second to none, I am bound to believe, in business ability and means. But, now, let us enquire what on earth—I was going to say what in some other place under the earth—is the reason assigned for this adherence to the worst bargain? It is said it is too late. Too late? The contract is not yet ratified. Too late? What for? The hon. member for Renfrew (Mr. White), tells us he would rather see $12,500,000 sacrificed than allow hon. gentlemen on the Treasury benches to go out of office, and see other men take their places. Well, I fancy those gentlemen will not remain there forever, and $12,500,000 is a pretty heavy price for the people to pay for the short time that public opinion will allow them to disgrace the seats they now occupy; disgrace the seats, I say, because they are traitors to the interests of the people. Well, what is the reason? Now, my imagination begins to assume its life, begins to spread her wings, and I will deal, perhaps, a little in the visionary. The memory of other days rises up before me; and but for the memory of other days my imagination would not soar so high, would not sink so low, would not discover the depths of infamy which some people have to haunt. Now, I ask what is the reason why the better offer is not accepted. I do not wish to stop the construction of the road. I believe the road might be postponed for a time; but if Parliament is bound to build the whole road I would not cry myself to death about it; but I say let us build it in as economical a manner as is consistent with obtaining a fair road. Why will you not accept the second offer? Are there private considerations? It is impossible for any man of common sense to say there are any patriotic reasons why they should not do it. Is there any national reason? No; the road might be built just as well by one Company as the other, and we will save the money. There must be something behind the scenes. What can it be? Can it be that in the near future an election is looming? In two years I believe hon. gentlemen opposite will be called upon again to face the electors; and will the same means be resorted to in 1883 as were resorted to in 1873? Will the wickedness of that day be re-enacted on a much more gigantic scale?

Mr. BANNERMAN. They were all Grits.

Mr. RYMAL. I do not suppose that the hon. gentleman knows much about the corruption of that day; it was before his time. But I venture to predict that if he lives until 1883, and proposes to run an election in Renfrew, the Syndicate will authorize their legal adviser to accept his draft for $10,000 if necessary.

Mr. WHITE (Renfrew). I hope the hon. gentleman is not referring to me, when he speaks of Renfrew.

Mr. RYMAL. No. There is another Renfrew.

Mr. WHITE. Well, it is between Renfrew and Manitoba.

Mr ORTON. If the hon. gentleman wishes to revive any of the recollections of the election of 1872, I shall, perhaps, be able to give him some details of the operations of the Reform party in Centre Wellington.

Mr. RYMAL. When I want any information from the pocket edition of Judas Iscariot I will ask for it. A good deal has been said about the feeling of the country in reference to this matter. Now, I do not think the country is altogether in a furore, it has not lost its senses over this matter, but I do believe there is a general feeling that, other things being equal, $12,500,000 should be saved. I believe the men who vote to give this $12,500,000, unnecessarily for the construction of this road. will be called into account by a justly exasperated people. I know not what the result of an appeal to the people might be just now, but I have a strong impression of my own upon the subject, and, greatly as I dislike elections —for they have been a great source of annoyance and hard work to me for these last twenty-five years—I would hail with joy the announcement that within one month we should consult the people upon this all important question. I believe the people have a right to be consulted when such an immense amount of their money is to be disposed of. If that is a correct principle in matters of county jurisdiction, it is much more so in a case of this kind. It is true some gentlemen argue that this matter has been before the country for ten or twelve years. So it has, in one form or another, but the wildest flight of the imagination of any one man has never imagined such a bargain as this which we are asked to ratify. Under these circumstances, I would hail with joy an appeal to the people. I have no doubt some of us would come back wounded; some of us would not come back at all; but I am willing to run the risk in obedience to what I believe to be the dictates of justice. I heard some gentlemen on the opposite side say they would be glad to go to the country on this question; some of them who have very safe constituencies have thrown out challenges to others who have very unsafe ones. But I say, let us all go to the country to see whether this bargain shall be ratified. I believe it was the duty of the Government, having been made aware that a better offer would be made them, to have thrown the whole matter over to public competition. I do not say they should accept the second offer, for I believe that a better offer than either could be got if the proper steps were taken by the Government. It is said that the capitalists of the world knew all about this. They knew nothing at all about it. The people of Canada knew nothing at all about it; even you, Mr. Speaker, with your general intelligence of everything within your ken, I venture to say, knew nothing about it. To every one the intention of the Government was a sealed book. This contract was made in the dark, it is to be held sacred, and no man must know anything about it. Why,

when we ask if any other offers were made we cannot be told—deaf and dumb again. So that we are entirely in the dark, and being entirely in the dark and refused anything like light, the people are suspicious. What makes them more so is, that they have only to cast their mind's eye back and see the foot prints of the same men in a transaction something like the present. As we are living men, I believe the day will come when, if this contract be ratified and carried out, the most convincing evidence possible will be afforded to the people of Canada that a base fraud has been perpetrated upon them. Now it is no use to appeal to my fellow members to stay their hands. The thing is an accomplished fact, or as near it as can be. The fiat has gone forth, the party whip has been cracked, the note of defence and defiance has been given by the leader of the Government, and the party journals and the party backs have taken their cue from him in this case as in others, reminding one of the lines:

> "Great fleas have little fleas
> Upon their backs to bite 'em;
> And little fleas have lesser fleas,
> And so on, *ad infinitum*."

And so it is. Before the First Minister sounded that note of defence and defiance, there was a little moderation among hon. gentlemen. Some of them I flattered myself were weak in the knees, rheumatic, afflicted with the gout, or something of that sort. But as soon as this invigorating command went forth, like old Daniel Young's soldiers, they stood so straight that they leaned a little backwards. No trembling of the knees, no quaking nerves. Yes; every one of them is willing to fall into the line of the party. Do you suppose that two or three million dollars distributed by this Syndicate in order to consummate this swindle——

Some hon. MEMBERS. Order.

Mr. RYMAL. Oh, do not be quite so thin-skinned. Do not wince. If your skins are thin, I shall touch you all the more easily. Do not let the people know that you are raw. Will the people believe, I say, that the men who have pushed this through, in despite of a much more favorable offer, that they are sharers in the ill-gotten gains——

Some hon. MEMBERS. Order, order.

Mr. RYMAL. You do not know what I am going to say. I say the ill-gotten gains which the Syndicate, through the weakness of the Government, are enabled to distribute—for what?—to corrupt the electorate. These are plain matters of fact, and although I am not in a position to prove them, I believe them just as much as I believe the Evangelists. Mr. Speaker, I shall oppose the adoption of the bargain on the Table of the House. I shall vote for the amendment moved by my hon. friend, the leader of the Opposition; and while I have his name on my lips, let me refer for a moment to the frequent regrets expressed by some of the most valiant hearts that beat in the bosoms of hon. gentlemen opposite. How sorry they are that our late leader has been dethroned! What a good man he was! Oh, what a pity that so good a man as Mr. Mackenzie had been supplanted by that vile man, Blake! Why, you will repent of that, they say, to the longest day of your lives. He was such a good man! Mr. Speaker, hypocrisy could go no further. They have denounced him in season and out of season, and in his declining health——

Some hon. MEMBERS. No, no.

Mr. RYMAL. Yes, yes; in his declining health, and when he is laid on his bed of sickness.

Some hon. MEMBERS. No, no.

Mr. RYMAL. It is not beneath some of the biggest and the bravest of you to refer to him in terms of reproach. But gentlemen opposite may possess their souls in patience. We have the internal organization of the Liberal party in our hands, and when we want assistance we will not go to the Tory party to ask it. Run your own political machine and run it carefully, or you will run it among the breakers or on the rocks, where you have landed sometimes before, and where it is my humble hope and prayer a kind Providence, on behalf of the Canadian people, will plunge you at no distant day for the action you are taking to-night.

Mr. TASSÉ. Mr. Speaker, although this subject has been discussed *ad nauseam*, as stated by the First Minister, I feel I would not be justified to give a silent vote on this great and momentous question, the greatest question that has come before the Parliament and the people of this country since Confederation. I may state at the outset that I have always been a strong believer in the building of a Pacific Railway throughout the Canadian portion of the continent. I may, perhaps, take the liberty to recall that when that question first agitated the public mind in 1872, I published a pamphlet—which has been of late freely commented upon by the French Liberal press—in which most of the views I upheld seem to be fully justified. I assumed, for instance, that the road was most important both from a Canadian and an Imperial point of view, that it was the shortest route for the western and Pacific trade both for Canada and Europe, that the cost of the railway would not exceed $100,000,000, that the lands would suffice in the end to pay the cost of the railway, that the pass called Cache de la Tête Jaune was likely to be the passage selected through the Rocky Mountains, and that Burrard Inlet was also likely to be adopted as the Pacific terminus if such a terminus was fixed on the mainland. Being a strong believer in that enterprise, I have viewed with deep gratification the great success—the unexpected success, I may say, to a certain extent—which has been achieved by the Government in the handling of the scheme now submitted to our consideration. Such a success merits, I believe, for the Government, the warmest thanks and congratulations of this House, and of the country at large. Every one who has studied this question, knows that since its inception it has been a source of perplexity, of weakness, of embarrassment to the various Governments which have presided over our destinies. Every one knows that it has been the common aim of those Governments to find out a practical scheme by which this enterprise could be lifted from their shoulders upon those of a private and responsible company. But every one knows also that they have failed one after the other to attain such an important result. It has devolved, it seems, on the present Government—who had been the initiators of that enterprise—to have the still greater honor to push it to a successful completion. Their task has been a hard and difficult one, and they must feel immensely gratified to know that their present scheme is but an enlarged application of the very wise and patriotic scheme which they propounded in 1872, when that great lamented statesman, Sir George Cartier, boldly submitted a Bill to secure the achievement of one of the greatest enterprises of the century—an enterprise of a magnitude which has never been undertaken by a people of our number—an enterprise greater than the ship canal of Suez, or the projected canal of Panama, greater than the tunnel of Mount Cenis, greater than any of the Pacific Railways built by the American Republic. I do not claim that the contract made by the Government with a powerful body of capitalists—from Paris, London, Berlin, New York, Montreal, and St. Paul—is unobjectionable, is perfect in every respect. No one expects perfection, even from a Government which is so vast an improvement on its predecessor. If some of the clauses of the contract have been criticized by Conservative papers and by Conservative members, if suggestions have been offered by them to the Government and pressed on its consideration—suggestions which have been accepted to a certain extent—it proves that the Con-

servatives are not the blind partizans, the pliant tools we are sometimes represented to be. But I say that this contract, considered as a whole, is entitled to the full endorsation of the friends of the enterprise. This contract is deserving the approval of not only the regular supporters of the Government—who form the three-fourths of this assembly and represent a vast majority of the people—but also of those who do not worship at the same political altar. I know that the hon. member for Lambton—whose ill-health I may say, in passing, is a subject of general regret—once defined the *rôle* of the Opposition as if it were obliged to find fault on all occasions with every measure originating from the Treasury benches. But it seems to me that even a Liberal Opposition should not be compelled to go back on its record, to trample down its principles, and to give the spectacle of a most flagrant inconsistency, in order to remain true to such a definition of its supposed mission. It seems to me there are occasions, there are emergencies—as grave and important as the present occasion for instance—when parties must rise above the mere exigencies of their personal advancement and think a little of their country—which should be paramount to the interests of any party, even the so-called Reform party. I am aware that the other day an hon. leader of the left, the hon. member for Quebec East, endeavored to draw a distinction between the policy of the Conservative and of the Liberal party on this question, stating:

"That our policy was that the railroad should be built immediately and without interruption till finally completed, whereas the policy of the Liberals was that it should be built gradually as the wants of the country should require and its resources permit."

Let me answer that there has been no such material difference between the policy of both parties. If such a difference exists now it is because the Liberal party have changed their policy—since probably they have changed their leader. Is it not a matter of history that the late Administration fully recognized that we had entered into a solemn compact with British Columbia—a compact which could not be broken without bringing dishonor on ourselves—and that we were bound to build the entire line of a Pacific Railway on Canadian soil with the utmost speed? Is it not true that the late Administration accepted the Carnarvon terms—which required an annual expenditure of $2,000,000 in British Columbia, and the construction of the whole line within 15 years—two years before the date mentioned in the present contract? Is it not true that taxes were increased by them to the extent of $3,000,000 for that very purpose? Is it not true they have been the first to violate the principle of the Bill adopted in 1872? The Bill of 1872 provided that no additional taxes should be imposed for the purpose of building the Pacific Railway. The other day, in Montreal, the leader of the Opposition (Mr. Blake) in his great speech denied that the increase was made to ensure the building of the Pacific Railway. He said:

"There is a simple explanation of that point. The rate of taxation which was not to be increased was the rate of 1871. Between then and 1874 there was a considerable reduction in the rate of taxation. An increase of the rate of taxation was made in 1875, but the increase proposed was only one thirty-sixth above the rate of 1871. The result was that there was a sensible, but not a large increase in the rate, but that sensible increase was not for the purposes of the Pacific Railway, but to meet the obligations of the Dominion."

Whatever may be the supposed authority of such a statement, I can, however, prove by the Minutes in Council, of July 23rd, 1874, that those additional taxes were levied for Pacific Railway purposes. Those Minutes say:

"So anxious, however, were the present Government to remove any possible cause of complaint, that they did take means to increase the taxation very materially, in order to place themselves in a position to make arrangements for the prosecution of the initial and difficult portions of the line as soon as it was possible to do so; and, at the same time, a special confidential agent was deputed to British Columbia for the express purpose of conferring with the Government of that Province, and to endeavor to arrive at some understanding as to a course to be pursued which could be satisfactory to British Columbia and meet the circumstances of the Dominion."

Is it not true that the late Administration asked tenders in 1876, offering $10,000 a mile and 20,000 acres of land per mile, on 2,700 miles, besides a guarantee of 4 per cent. per mile for twenty-five years over the whole line? It is also true that no tender was offered—no tender being even offered by the unlucky politicians who mostly compose the new Syndicate—because it was felt, probably, in commercial and financial circles, that the then Ministers were unable to grapple with such a gigantic undertaking. Does the hon. member for Quebec East forget that the Administration of which he was a member, asked tenders to build the Yale-Kamloops section in British Columbia in the very year which witnessed its fall, although now he clamors for the postponement of that same section? Does he forget that the *Globe* stated, sometime after the elections:

"If Mr. Mackenzie had not been deprived of power, that route at this moment would have been under construction, and being rapidly pushed to completion."

And yet my hon. friend endeavors to convince us that such was not the policy of his party. The hon. member for Quebec East has the right to change his views on this question, as he has changed them on another great question—the question of the National Policy; it is true he is not more inconsistent than his own leader and than many of his colleagues, but he has not the right to misrepresent history, to misconstrue the public records. To present the facts in such a light is to sail under false colors. I repeat there has been no material difference between the policy of the two late Administrations as far as the obligation of building the Pacific Railway in its entirety on Canadian soil is concerned, and were they consistent, were they patriotic, the Liberal party should be found supporting this measure, this contract—whose terms are more advantageous than those which they offered, instead of assailing it with every weapon legitimate or illegitimate at their command. It has been asserted, on the other side of the House, that the subsidy granted to the Syndicate is too large both in land and money. The money subsidy will not exceed $53,000,000, while the land subsidy is but 25,000,000 acres of land. This would make $78,000,000 if we adopt the estimate of the land by the Government at $1 an acre, an estimate which was approved of last year by the Opposition. This subsidy is not too large when we know the approximate cost of the road. This subsidy should not be considered too large by the Opposition, when we know that the cost of the road has been estimated by several of its most prominent members of the left at more than $150,000,000. One of them has even put the figure at $250,000,000. If I am not mistaken the hon. gentleman who has just addressed the House has made that estimation. I notice that the hon. member for Rimouski denied the other day that his leaders ever estimated the cost at more than $120,000,000. Well, even at that figure the subsidy would be a moderate one. I am aware that last year the hon. member for West Durham estimated the cost at $120,000,000, but such was not the estimate of other leaders of the party. The hon. member for Centre Huron estimated the same at $150,000,000—at the time he was accumulating deficits—and the hon. member for Quebec East has not been more moderate in his calculation. That hon. gentleman will not deny that he estimated the cost at that figure. In 1875, at a public meeting held at St. Croix, county of Lotbinière, he made that assertion, and not later than last fall, being desirous to frighten his electors at the prospect of heavy taxation, he again reiterated the opinion that the Pacific Railway would cost $150,000,000:

"It is proposed to build a railway which, when terminated, will cost at least $150,000,000, as shown by Mr. Blake at last Session in an admirable speech which has not been yet answered. We are a people of

four millions, and the Government wish to impose on us a debt of $150,000,000. You can imagine the result: enormous burdens on the people and, finally, direct taxation * * * The Conservative papers announce with exultation that Sir John has succeeded in his mission, that a company composed of great capitalists is formed. May the news be true! I sincerely trust it is true! Nevertheless, we must not overrate the advantages of those arrangements. According to information given, the Government must finish all the works contracted for, $27,000,000 or thereabouts; they give to the company $20,000,000 and 50,000,000 acres of land. This road will cost us $47,000,000. This is a lesser sum at any rate than $150,000,000."

If the hon. member for Rimouski will not accept the opinion of the member for Quebec East, as that of his leader, then I will submit the estimate made last Session by his rival for the Quebec leadership, the hon. member for L'Islet, who expressed himself in the following strain:—

"When I hear the railway can be built for $60,000,000, and remember that eminent Quebec authorities estimate the cost at $150,000,000, are we to rely upon the data of the Government, which the hon. member for West Durham has shown to be totally incorrect?"

And now those same gentlemen belittle as much as possible the cost of the railway, in order to show that the subsidy is too large. In former days they used to magnify the cost, but such a tactic would not serve their present purposes. In former days they used also to disparage the lands of the North-West; not later than last Session the whole library wrs ransacked by the leaders of the Opposition to find musty papers, in order to under-value the soil, to prove that the plan of the Government to build the road through a land subsidy of 100,000,000 acres was a fallacy; and now they insist on the highest estimation of the value of these lands. In former days they used to eulogize the lands of Texas and Kansas, to the prejudice of our lands; in former days they used to forget it is an ill bird that fouls its own nest, but now the exigencies of the situation have made them a little more Canadian, more patriotic. Such is the consistency, such is the sincerity, such is the regard for truth of the opponents of this great enterprise. If some compensatory privileges are granted to the Syndicate, we must not forget that their responsibility is enormous. Not only do they build more than 2,000 miles of railway, but they will have to operate forever the entire road—that is to-day 2,700 miles—and such a responsibility is not a light one. The greatest apprehension of the public in this connection was not that the cost of building was beyond our paying power, but that its operating, its running expenses might cause to the country an enormous outlay every year. The public know that the Grand Trunk has given some revenue to its shareholders since a short time, although running through a rich country, and they know also that there has been for several years a deficit of more than half a million of dollars in the working of the Intercolonial Railway—a deficit which, I am glad to say, has been most speedily reduced under the energetic control of the present Minister of Railways. The public have been educated also by the Reform leaders to believe that the operating of the road would constitute a heavy burden on our finances. The hon. member for West Middlesex stated, in 1875, that the railway would be an unproductive one. A higher authority on that side of the House, the hon. member for Gloucester, estimated the annual loss caused thereby at $2,500,000; and a still higher authority, the hon. member for West Durham, loudly proclaimed that the running expenses would reach annually $6,750,000, and that for a long time the road, as a whole, would be run at a loss. By this contract, Sir, we have the great satisfaction of ascertaining the extent of our liabilities, and of knowing that if any deficit occurs hereby in the operating of the Pacific Railway it will not fall on the Government but on the Syndicate themselves. While it is trumpeted on the one hand that this contract will ruin Canada, on the other hand it is contended that the land subsidy is too large, that the lands will bring $4 or $5 an acre. These two propositions destroy one another.

Suppose the lands are really worth $4 or $5 an acre—I hope they are worth that and more—suppose the land subsidy will give on that basis $275,000,000 to the Syndicate, suppose it will give them immense fortunes, by the same process the 25,000,000 acres of land owned by Canada alongside with those of the Syndicate, will realize the same enormous amount, $275,000,000. And as there remains an immense extent of arable land according to the latest explorations, Canada is doing a most profitable speculation in building through that territory a railway which alone can give some value to its productive power. If these lands are worth $3 or $4 an acre, I say so much the better for the Syndicate, so much the better for Canada. I hope, Sir, the Syndicate will not ruin themselves in this undertaking. I hope they will reap a rich harvest out of the grand work which they have assumed. They have been the first capitalists bold enough to risk their fortunes in this vast enterprise, and they deserve the highest credit as well as the greatest success. If these lands are worth $3 or $4 an acre, and even $2, the whole assertions, the gloomy predictions of the Opposition will be found groundless. If these lands are worth $2, $3, or $4, then the contention of the Government that this road will virtually cost nothing to Canada, will be literally true. In that case, the lands alone will pay the cost of the road; in that case every cent advanced by Canada for the construction of this our great national highway will then be amply recouped. Great stress has been laid on the fact that this enterprise would make of the members of the Syndicate the plutocrats, the magnates, the landlords of the North-West. I confess I entertain no such apprehension. Such a result would be contrary to all experience either in Canada or the United States. The great difference between the landlords and these capitalists is, that the first are interested in keeping the lands in their own hands, while the others are interested to sell the lands. The locking up system would ruin the Syndicate. To operate the road successfully they must create and develop traffic. To create traffic they must have settlers. They must encourage settlement. They must become, to a large extent, the immigration agents of Canada. They must follow the example of the American railway corporations, which have proved the most active immigration agents of that great country. So manifest is this fact that the present arrangement will be found ruinous, disastrous to the Syndicate, if that corporation—assisted by the Government of Canada and assisted also, as it has been announced, by the Imperial authorities—fails to attract a large surplus of the overcrowded countries of Europe towards the fertile prairies of the North-West. In Montreal, the other day, the hon. member for Quebec East stated:

"That if the 25,000,000 acres were put in line one after the other, the number of miles they would extend in length would be so great that had Christopher Columbus commenced at one end at the same time he begun his journey to discover the land, and travelled every day up to the present, he would not yet have arrived at the other extremity of this stretch of acres."

Well, Sir, with such a line of argument I quite conceive why the hon. member and his friends shirked discussion on that occasion. The hon. leader of the Left followed his example, and calculated the number of counties that would embrace such a territory. Were they in earnest; were they desirous of enlightening instead of deceiving these gentlemen, they should have told the people of Montreal that their Government offered the double of that subsidy—54,000,000 acres—they should have told them also that they did not vote last year against a proposed subsidy of 100,000,000 acres, and consequently, to continue the comparison of the member for Quebec East, that Christopher Columbus or the Wandering Jew would have to travel yet several centuries were they to reach the extent of the territory granted by them. Were they in earnest they should have told the people that these

25,000,000 acres form but a very small part of our vast domains of the North-West. This land subsidy policy, which has been so much deprecated by the Opposition, has been adopted in the United States on a much larger basis since the building of the Illinois Central Railway. This is another leaf which we take out of the book of our American brethren. We have already adopted their fiscal policy, and we now follow their railway policy. We follow them because both have been eminently successful. Experience, Sir, is a greater and a safer teacher than all the sophistry which fills the speeches delivered from the opposite benches. The land subsidy policy has been found so advantageous on the other side of the line, that more than 200,000,000 acres have been granted to railways, out of which the Pacific corporations have received nearly 160,000,000, the Northern Pacific alone receiving 50,000,000 acres. The number of miles of railway constructed under the stimulus of these gentlemen, are as follows:—

States and Territories.	Miles.
Alabama	822
Arkansas	575
California	1,228·89
Colorado	298
Dakota	196
Florida	247
Illinois	705·72
Indian Territory	155
Iowa	1,580
Kansas	1,654
Louisiana	152
Michigan	1,005
Minnesota	1,745
Mississippi	406
Missouri	703
Nebraska	832
Nevada	460
Oregon	227
Texas (where there are no U.S. lands)	342·87
Utah	255
Washington	196
Wisconsin	533
Wyoming	400
Total	14,628·48

While on this subject I will give an extract from a pamphlet published last year entitled "Railway Land Grants of the United States," which proves that these subsidies have been the greatest factor in the wonderful development of the American west. That work says:

"Self-interest demands the adoption of whatever land policy is best calculated to augment the business along the line. This is not said in the way of recommendation. Every one familiar with this branch of business concedes as much. It is one of the axioms of railway science (for a science it has become). The moment one person is added to the population along the line of a railway, its traffic receives a fresh stimulus. That person may produce nothing and consume little, still there is some gain in the volume of transportation. The average pioneer brings with him a family; he requires transportation for a great many things, and depends for the money he makes, upon the sale of products which must be conveyed by rail to market. However much profit the company may realize from the sale of the land to him, its profit from his business will greatly exceed it. * * *

"Instead of being a hinderance or an injustice to any one, the land subsidies that have been granted as an inducement for railway building in the unsettled or thinly settled regions of the far West, have had the effect of settling up and developing the dreary plains of the wild wilderness, which would have remained unsettled and unimproved for a century in the future, but for this method of occupancy and development. It has proved the most effective agency of Western progress that could possibly have been devised. But for such grants of land, offered as an inducement for the construction of railways in the West, the fertile and now rapidly developing region between the Mississippi and the Rocky Mountains would not to-day teem with a busy population of millions, nor would the two oceans now be connected by a great artery of rapid transportation. That has been accomplished in a few years which otherwise would probably have required centuries. The Government has lost nothing,—on the contrary, the wealth and greatness of the country have been benefited incalculably."

One of the clauses of the contract most bitterly assailed by the Opposition has been that relating to the building of the Lake Superior section. I have been amazed for instance, to see the leader of the Left using his great oratorical power to depreciate that section of the route. We all remember that last year he loudly denounced any expenditure in British Columbia—that Province which he depicted in the darkest colors, although it has been called a "terrestrial paradise" by the late Mr. Brown in his great speech on Confederation—that Province which he styled as being inhospitable, although so far it has proved inhospitable but to the Grit element. We all remember that on that occasion he made a strong appeal to the members of the Province of Quebec—a Province which has at all times occupied a large place in the affections of the Reform party—to vote against such an expenditure, because they would have to wait till 1890 to see the beginning of the building of the eastern section. I will read a short extract of his speech bearing on that point:

"We must not altogether forget the eastern connection. The hon. gentleman has not been altogether oblivious of that part of the through line. It was politic on his part to throw out some faint hopes of the construction of that link. Quebec has spent $11,000,000, which she can ill afford, for the construction of a railway principally designed to tap the Pacific trade. Quebec has stretched her arms out towards the Great West, as far as this city, and the question is, how soon is she to get further, how soon that great expenditure is to be productive of the benefits expected! I am glad to know her road is paying something as it is; but what Quebec expected was not simply that it should pay, while it is new and cheaply worked, some fraction of the interest on the cost of construction, but that it would pour a great tide of traffic into her principal cities, and bring prosperity into her midst. But unless and until an eastern connection of some kind is made, those expectations of the Province of Quebec, on the faith of which she proceeded to construct her railway, cannot be realized. * * * I should not be surprised if some hon. member from Quebec had indicated to the Minister of Railways, in language as strong as was consistent with the politeness due to a powerful Minister that it was essential that he should throw out, at any rate, some ray of hope, however faint, that at some early period the Quebec railway should be connected with the through line; that he should say to the members from Quebec: 'Gentlemen, at the present time we can only burn the candle in the middle, and at the western end, but the time will come sooner than you expect when we will burn it in the middle and at both ends, when it will be alight in the east also.' * * * Quebec may expect the eastern end to be commenced when the western road is finished—that is, that it will be begun in 1890, and may be finished in 1897, and I hope they will all be alive to enjoy it."

This speech, Sir, is the strongest condemnation that could be adduced of the present course of the leader of the Left. This speech fully shows there was no sincerity in the sentiments which he then expressed towards eastern Canada, and that he was then merely fishing for votes. I suppose the fishing has not given very gratifying results. In that speech the hon. gentleman denounced the Government for not marrying the blushing East to the rosy West—to use his flowery language—and now he blames the Government for accomplishing such a union, without interesting Brother Jonathan in this important ceremony. Now he thunders against the Government, because they have seized this great opportunity to give us the eastern connection. The hon. gentleman referred to that important link of the Pacific as if the Province of Quebec alone were interested in its construction; but to take such a view is to give but a diminutive idea of its value. The Province of Quebec is undoubtedly interested to a large extent in the building of the eastern section which shall connect its system of railways with the through line; it has made immense sacrifices to secure its share of the western, of the Pacific trade, and I sincerely trust that these sacrifices will not be found fruitless. But, Sir, Ontario and all the Maritime Provinces are equally concerned in the eastern section. In fact, the whole Dominion is interested in the construction of a through line. As a representative of Eastern Ontario I cannot forget that the Canada Central which will connect Callander station to this city, runs through several counties in Ontario, and will develop an immense territory rich in land, rich in forests, rich in minerals, which shall materially increase the agricultural and commercial importance as well as the revenue of the leading Province of the Dominion. The hon. gentleman who now assumes the *role* of champion of the Sault Ste. Marie route—to the exclusion of the Lake Superior section—had not, last Session, a single word of praise

to utter in favor of that scheme. Why? Because the Government said they would, perhaps, favor that project pending the building of the eastern section. The Government could not foresee then that they would be enabled by the present arrangement to commence immediately that important section of the Pacific. I am the more amazed to see the Reform party advocating the Sault Ste. Marie route, when we know that they have condemned that same project in the past. When Sir Hugh Allan expressed his intention, in 1872, of making a connection with the Northern Pacific through the Sault Ste. Marie route, the *Globe* ridiculed its scheme which it qualified:

"The great Canadian, Montreal-Carleton-Place-Peterboro-Toronto-Sault. Ste. Marie-America Pacific Railway. If this scheme is carried out, our national enterprise, instead of being the successful rival of the American Company, competing for the Asiatic trade, which is now in its infancy, and building up the Dominion as no undertaking will do, will simply be the Canadian branch of the Northern Pacific Railroad, under its control, and dictated to by it relentlessly."

This was the opinion of the *Globe* on 28th February, 1872. The Sault Ste. Marie scheme was never advocated before this year by the leaders of the Reform party. "We never propounded that scheme" said, last Session, the hon. member for Lambton; "we never spent a dollar on it. We never advocated it or proposed it to Parliament." Evidently all the advantages of the Sault Ste. Marie route have been discovered by our friends opposite since they have learned that the Government is going to build the very section of Lake Superior which they praised even some months ago. Had the Government refused to build the eastern section, I have no doubt the member for West Durham would have given us this Session an enlarged edition of his speech of last year, would have accused the Government of being traitors to Canadian interests, and of playing into the hands of the Americans. By the way, our Reform friends seem strongly inclined to do things by halves. When they took charge of the Pacific Railway they wanted a half water, half land route, and now they want a route half Canadian, half American. They seem to be strong believers in the hybridous or amphibious system. The present leader of the Left seems also to be a strong advocate of the postponement policy. Last year he submitted a motion to postpone the building of the western section of the Pacific, and this Session he proposes to postpone the building of the eastern section—nay, of both sections. Well, Sir, we do not believe in a half-hearted policy on this side of the House. If this railway will give us the great advantages which we expect from it; if this railway will bring us the capital and the population which we expect from it; if this railway is the great factor in our prosperity which it is supposed to be; we say the sooner the railway is built the better for Canada. The only part of the postponement policy of our friends opposite which we may feel inclined to adopt is that which concerns the indefinite postponement of their advent to power—a calamity which I trust is not an imminent one, after the five years of sad experience which we had of what they could do, and especially of what they cannot do. To those who believe, Sir, that this enterprise is beyond the resources of the country, I will tell them that within a few years Canada has built really three Pacific Railways—having constructed 8,000 miles of railway at an aggregate cost of $273,826,000, the Federal and Local Governments having contributed about $80,000,000, and the rest being paid by private capitalists. And has the country suffered from such an immense investment of capital in railways? On the contrary, has it not been benefitted to a high degree? The Government of Canada has given, Sir, not less than $24,000,000 to the Grand Trunk; and who regrets it? The Intercolonial has cost nearly $36,000,000 to Canada; and who would say that this capital has not been invested in the best interests of the country? Our friends opposite, and especially the hon. member for Wentworth, who has preceded me, are clamoring for an appeal to the people. In Montreal, the other day, the hon. member for West Durham stated to a number of his admirers that the Liberal party looked like an "undisciplined crowd"—Such an authorized opinion of the Liberal party should be correct. But our friends opposite may rest satisfied that the great Conservative phalanx, strong with the confidence of the people, strong with the assurance that it had fulfilled its pledges, its promises to the people, solidly united as it is under the leadership of the greatest statesman of Canada—has no more reason to fear to face that "undisciplined crowd" than it had in the glorious days of September, 1878. If we resist the demand of an appeal to the people, it is not because we apprehend the result, but because such a step could not be justified on constitutional grounds. It is because we fail to see in this paper, in this contract, any new issue of paramount importance—any great issue which has not yet been before the people. Some of the terms of the contract are new to the people; but they are not sufficiently important to justify us to abdicate our legislative functions at the present juncture. Both parties, Sir, are committed to the construction of a Pacific Railway; both parties are committed to its construction by a private company; both parties are committed to its construction, through a money and land subsidy. These are facts which cannot be questioned, and which have been fully proved. The main principle involved in this scheme is not a new one, because most of our railways have been built on the same basis. This principle is a familiar one, for instance, to the city which I have the honor to represent. The other day, the city of Ottawa voted a bonus of $200,000 in favor of the Toronto and Ottawa projected railway, after having voted $100,000 towards the Coteau Railway, and a large amount in former years towards our pioneer railroad, the Prescott and St. Lawrence. The other day, also, it offered the right of way, free of taxation, to the North Shore, if it would establish its station in the centre of the capital. In short, at every general election, since 1872, the principle of building the Pacific on the main basis adopted in this scheme, has been fully discussed and fully endorsed by the electorate—and, I may assert, by both parties. Sir, our friends opposite are longing for the sweets of office and hope to restore their wretched fortunes through the operation of a new ballot. They should view with alarm, however, the prospect of a general election. They have had any number of partial struggles, since their overwhelming defeat of 1878, and have the people shown that they were anxious to be led again by them? No. They have come out of them only second best. They have been routed in their own strongholds. Much was made at the opening of the Session of the fact that the majority of the member for Toronto West had been less than that of his predecessor. It was a great moral victory, if we were to believe them. I hope they will gain many like moral victories. Our friends opposite are easily satisfied, because they seem to have forgotten that they had lost the county of Brome some months before, and that they had been beaten a few days previous to the meeting of Parliament in the county of Joliette by a majority of 460 votes, a majority much larger than that of 1878. I had the honor to take part in the campaign of Joliette; the Pacific scheme was an important feature of the discussion, and it rallied more supporters than it ever had in the county. Have our friends opposite forgotten also that we captured Selkirk during the recess, and that they have lost Argenteuil and Charlevoix since the general elections.

Mr. ANGLIN. You should be ashamed to name Argenteuil.

Mr. TASSE. It would be interesting to know why?

Mr. ANGLIN. Because the judgment of the Court in that election case is, I think, most improperly withheld.

Mr. TASSÉ. Does the hon. gentleman mean to say that the Government has something to do with the postponement of the judgment in that case? It would be most important to know that. That is an attack, not only on the Government, but against the honor and dignity of the Court. It is a most serious charge, and I would be prepared to censure the Government if it could be substantiated. The hon. gentleman should give us more information on that matter. I am quite prepared to give him full opportunity to make that explanation. But as he remains silent, it is quite evident the hon. gentleman has no very satisfactory explanation to give; that the attack which he has made on the Bench of Lower Canada is most unwise and most unwarranted. To come back to my argument, Sir, why should we be afraid to face our opponents before our common judge—the people of this country—when their most eloquent chieftain, when the Goliah of the party, declines on the hustings to take up the gauntlet thrown to him by a foeman worthy of his steel—the able and powerful advocate of this measure—he or his friends alleging that he could not ventilate his views in less than three or four hours—which is somewhat of an improvement on a six hours' oration. This Parliament, Sir, has been elected for a specific purpose. It is a part of its mission, no doubt, to ensure the success of the Pacific Railway and other great undertakings or improvements, and it will be found equal to that task, I am confident; but this Parliament has been explicitly elected for the purpose of moulding and establishing on a firm basis the National Policy, and it cannot and should not be deterred from its true course, from its true mission. The people thought, and thought wisely, that the National Policy would produce all the revenue necessary, not only to fill up the enormous deficits accumulated to the amount of $8,000,000 by the Liberal party, that the National Policy would not only foster the home industries, almost destroyed by the maladministration of the Liberal party, but that it would enable us to meet all our public obligations, including that of the Pacific Railway. And, Sir, if we are to judge by the abundant revenue of this year, exceeding, as it does, the most sanguine expectations of the Finance Minister and his friends—the excess of revenue for the last six months being as much as $3,528,145 compared to the same period of 1879—that glorious policy will permit us to complete our trans-continental highway without increasing materially the burdens of the people. In concluding, I may say if there is one great reason for which I favor this scheme, it is because it ensures the completion of a vast undertaking which is indispensable to the welfare, to the prosperity, to the stability, to the aggrandizement of our Confederation. I believe, Sir, in the future of Canada. I believe there is a glorious future in store for our country. But such a glorious future cannot be attained without the building of a trans-continental route. I look upon this great artery of railway as the mainstay of our national structure. This road will cement, will consolidate, will consummate the grand idea of the Union of the British Provinces. Without this road, a community of feeling, of interest, of ideas, of trade, would be impossible between the various portions of the Dominion. "British sentiment does not depend on the building of a railway," said, the other day, the hon. member for Quebec East, and this sentiment has been echoed by several of his friends. But I say it does to a great extent. Deep as may be our attachment to British institutions, to British principles, great as may be our devotion to the glorious flag which floats over us, protecting, as it does, our rights, our privileges and our liberties, such a feeling of devotion to the Mother Country might lessen gradually, till, perhaps, it fades away, were this country not to follow the march of progress on this most progressive continent. No political system can satisfy the legitimate aspirations of a free and vigorous people like those of Canada, if it fails to make them happy and prosperous. "British sentiment does not depend on the building of a railway," said the hon. member for Quebec East. Well, Sir, do we not know that one of the main arguments advanced by the Montreal merchants who declared themselves in favor of annexation in 1847, was that there was almost no railway in Canada to stimulate progress, while there existed almost a perfect network of them on the other side of the line. I am sure my hon. friend is conversant with the papers connected with that movement, because one of them was signed by his former leader, now Sir A. A. Dorion, then secretary to the Annexation Association. Let me quote on this point a very conclusive extract of a despatch sent by Earl Elgin—whose memory will live as long as liberty in our country—informing the Colonial authorities of the causes of the annexationist feeling then springing up in Canada:

"In 1847 the only railway in the Province was a line 22 miles in length, running from a point on the St. Lawrence, opposite Montreal, to the frontier town of St. John; and so hopeless did the prospects of the Province in this respect appear to be, at even a later period, that the following paragraph occurs in a very carefully prepared document signed by several intelligent merchants, and put forth at the close of 1849, with the view of promoting the annexation of Canada to the United States: 'While the adjoining States are covered with a network of thriving railways, Canada possesses but three lines, which together scarcely exceed 50 miles in length, and the stock in two of which is held at a depreciation of from 60 to 80 per cent.—a fatal symptom of the torpor overspreading the land.'"

This fact should be sufficient to prove how groundless is the contention of my hon. friend. To make my argument still stronger, I will, however, give another instance to the same effect, that railroads may have an immense influence on the destinies of a country. When the great question of a Pacific Railway—or rather two Pacific Railways—was decided upon by the American Congress, after a very long debate, it was on the eve of the fearful war that desolated that country and brought it almost to ruin, and the main argument advanced in favor of the enterprise by that far-seeing statesman, W. H. Seward, was that without such a road—as we say on the present occasion—it would be impossible to hold the Union together:

"I want it to be known; I want it to be seen and read of all men here and elsewhere, that at the very day and hour when it was apprehended by patriotic and wise men throughout the land, that this Union was falling into ruin, the Congress of the United States placed upon the Statute-book for eternal record, an Act appropriating $96,000,000, the largest appropriation ever made, to bind the north east and north-west, and the south-east and the south-west, and north and south, and east and west, by a physical, material bond of indissoluble union Sir, it is railroads and canals, and connections and facilities for communication, commerce and affection, that bind together and assimilate discontented and ill-assorted communities. This is a great measure of conciliation, of pacification, of compromise and of union * * The annual interest can never exceed $4,800,000. That $4,800,000, although it seems startling as a large sum, will yet sink in apparent magnitude and become diminutive in our estimation when we look forward to the period when the road will be completed. But it is not to be required of any road, canal or channel of trade or commerce, that it repay the Government for the cost of its construction directly, if it shall produce indirectly adequate rewards distributed throughout the whole nation. Practically, this road will cost nothing * * * This proposition, in every way, commends itself to a people like those of the United States. It is no hesitating work; it is a boldwork. It is no sectional, it is a national work. It is no narrow work; it is a work for the use of the whole world. When it is completed, you will have effected that without which you cannot hold the Union together. You are building up to-day on the coast of the Pacific ocean, powers which must communicate with foreign nations, and through foreign commerce, and have foreign connections, or else they must connect with the east and be American. You are building up on the coast of the Pacific Ocean Asiatic powers, instead of American powers, and you are turning your people, with their commerce, their enterprise, their spirit and their ambition, all over to follow in the crusade of England in China and India, when, if you will only construct this road, complete this great work, you make the Pacific coast American, and you combine the energies of the East and of the West, extending the civilization of the world westward in its proper way, with American institutions, American principles, American habits, American sentiments and American interests, across the great continent of America, until you reach, on the other side, the shores of the Atlantic ocean."

Almost every word of this interesting and eloquent speech is applicable to Canada. Almost every word is applicable to the building of our Pacific Railway. These observations are the more appropriate to our situation when we know that this statesman was one of the first among his countrymen to believe in the great future reserved to Canada.

At a time, Sir, when this Pacific enterprise was but in embryo, when it was supposed to be one of the remotest questions of future, when its importance was perceived but by a few far-seeing public men, Mr. Seward was also one of the first to express the opinion that the Canadian Pacific Railway would be superior to any of its American rivals. That opinion has already been quoted by the hon. member for Lincoln, but it is of such importance that I will again draw to it the attention of the House :

"The route through British America is, in some respects, preferable to that through our own territory. By the former, the distance from Europe to Asia is some thousand miles shorter than by the latter. Passing close to Lake Superior, traversing the water-shed which divides the streams flowing towards th Arctic Sea from those which have their exit southward, crossing the Rocky Mountains at an elevation of over 3,000 feet less than at the south pass, the road could be here constructed with comparative cheapness, and would open up a region abounding in valuable timber and other natural products, and admirably suited to the growth of grain and grazing. Having its Atlantic seaboard at Halifax and its Pacific near Vancouver Island, it would undoubtedly draw to it the commerce of Europe, Asia and the United States. Thus British America, from a mere colonial dependency, would assume a controlling rank in the world. To her other nations would be tributary, and in vain would the United States attempt to be her rival, for she never could dispute with her the possession of the Asiatic commerce, nor the power which that commerce confers."

These are cheerful, these are encouraging words, coming from such a high and disinterested authority, and show that we have only to remain true to ourselves, to remain true to our country, to remain true to our destiny, to make of Canada, in course of time, a nation second to none on this continent. The future belongs to the manly and vigorous people of the North, I have no doubt. Well, Sir, this scheme is one of the greatest levers that we could employ to reach such a glorious result. This enterprise will not only people the vast solitudes of the far west, develop the grain-producing power of a region unsurpassed by its fecundity, attract an immense influx of capital and population, create legions of consumers for the products of the east, build up new territories, new provinces, build up immense cities, the rivals of Chicago, Milwaukee, St. Louis, St. Paul, on the shores of our great lakes, build up another San Francisco on the Pacific slope; but will give to Canada an importance, of which no adequate idea can yet be conceived, and will make of Canada, to use the expression of Mr. Seward, another Russia behind the United States—not a Russia peopled with a nation of slaves, but a Russia enjoying a most advanced state of civilization, a Russia enjoying all the blessings of true liberty. It will make of Canada a country able to hold its own, to defend its rights, to defend its liberties, its autonomy, against all comers. I consider this Pacific scheme, Sir—with the assistance of the National Policy—as the best and safest panacea against annexation. England, Sir, has failed as a power to recognize—in a tangible way, at any rate—the untold value of this road as the shortest communication for its immense Asiatic trade; but the day will come, at no distant date, when she will fully admit that this road has a vast importance not only to Canada, but to the whole British Empire. Many years ago, Sir, a celebrated traveller, a man who has given his name to a magnificent river as long as the Pacific Railway, a namesake of the hon. member for Lambton, the illustrious Alexander Mackenzie, reached the celebrated mountains which separate British Columbia from the rest of the Dominion, after a long and venturous journey and inscribed on the rock in big red letters the following words: "Alexander Mackenzie, from Canada, by land, the 22nd July, 1794." Well, Sir, if this contract is adopted, we have every expectation of securing an all-rail route within ten years from one ocean to the other—a railway which will be the bond of an indissoluble union. If this contract is sanctioned, as I have no doubt if will be by an overwhelming majority, we have also every reason to believe that three years hence the members of this House will be enabled to reach the same celebrated mountains and to carve their names on its rocky summits, after a pleasant and surprisingly rapid trip, on board the first locomotive which shall whistle throughout the "Great Lone Land" the good, the glorious news, that thanks to the enlightened policy of the Government, to the patriotism of this House, and to the energetic assistance of the people, a new era, an era of progress, an era of true civilization has commenced for those famous and boundless prairies, which, desert to-day, will ere long be the granary of the world and one of the richest, if not the richest, portion of the continent.

Mr. WELDON. I wish briefly to give my views in favor of the amendment proposed by the hon. member for West Durham (Mr. Blake). The speech we have just heard delivered by the hon. member for Ottawa (Mr. Tassé) was full of fervid eloquence, of a glowing picture of the future of Canada, and it put me in mind of the speeches we used to hear in the Lower Provinces upon the great question of Confederation. At that time glowing pictures were drawn of the great benefit the Maritime Provinces would derive from Confederation, but the people have learned to place no more dependence upon flights of imagination in political affairs, but to prefer sober argument and sound sense. I listened to the hon. the Finance Minister the other night to see what arguments he would bring forward in favor of this contract, and for once he failed to prophecy what the future would be. I listened to him as a representative of our Province in the Government, and I expected to hear him bring forward some arguments to show why the contract should be adopted instead of the offer, when the latter was subscribed by the name of one honored son of New Brunswick who has done more to build up that Province than all the Governments we have had, and who put down half a million dollars as a proof of his sincerity. The hon. gentleman who has just sat down has attempted to show the inconsistencies of the members of the Mackenzie Administration in the relation to the Canadian Pacific Railway; and he has taunted the hon. member for Quebec East (Mr. Laurier) that the former leader of his party, the present Chief Justice of Quebec, had signed an annexation manifesto. That hon. gentleman seemed to have forgotten that a political friend and colleague of the present leader of the Government, and who now holds a high position in London, also signed that document, and his name was one of the first. I consider these matters have long since been buried and ought not now to be revived. The hon. gentleman has talked of a united Conservative phalanx, but it has been admitted on the other side that nearly every supporter of the Government had found fault with the contract and had suggested modification in one way or another. Even no later than last evening the hon. member for Pictou (Mr. Doull) admitted that in some way or another he had been satisfied. Last year, as I sat in this House and listened to the speeches in regard to the building of the Canadian Pacific Railway, and about the quantities of land that were te be sold, we were told by the hon. Premier that emigration would flow into the North-West at the rate of 25,000 first year, and that when the House met here again there would be 25,000 additional inhabitants in the North-West. I ask to-day has that prediction been verified? If when the hon. members, some of them in the present Cabinet, were going over the length and breadth of the Maritime Provinces, depicting the advantages we were to obtain, and asserting that our taxes would not be increased, or the duties raised, but that prosperity would could come to our doors, if at that time we had known that within four years after a compact would be made with British Columbia by which the Ministry of that day bound this country to undertake the enormous expense, which if carried out would be utterly ruinous to the country, there would have been howls and execrations throughout the country at such a proposition. If it is claimed that this treaty with British Columbia is one that we are bound to carry out, I ask was not that very treaty a violation of the terms by which we

were drawn into the Union? At that time the hon. Finance Minister stated that the Government had been informed by reliable persons that in British Columbia there were no engineering difficulties; experience now tells us what that information was worth. As we are now situated, however, the discussion is narrowed down, first to the acceptance of one of the two propositions before the House, and secondly with regard to the nature of the details of those offers. We find that an offer is laid on the Table by the Government. I call it simply an offer, because, although the Government might constitutionally have the right to enter into certain engagements, yet they knew that those engagements had to be ratified by Parliament. Even the contract itself declares that it shall not be binding on the men who signed it until the Parliament of Canada ratifies it. They knew that it required the sanction of this Parliament, not a mere formal sanction, but the sanction of members in the eyes of their constituents, after a full and fair discussion of its terms, unfettered by feelings of partizanship. If, on the other hand, hon. gentlemen, after making this contract, come down and say they are bound and pledged, then, I say, it is illegal and unconstitutional. They had no right to agree to hand over the money of this country to a company without the authority of the people's representatives. That being the position we occupy, we are left open to accept or reject either of the offers before us. It has been said that this has been a burning question before the country for years. No doubt the general question of the Pacific Railway has been before the country, but until this contract was laid on the Table, was there the slightest hint that such immunities, such privileges, would be granted by the Government to a body of capitalists for the construction of that road? We know that from 21st October to 10th December, this agreement was carefully concealed from the people of this country. But the moment it was made public other capitalists came forward with a better offer. True, they were set down as tricksters; but when they showed solid proof of their sincerity, it was then alleged that their offer was a political trick. It lies on the Table signed by men whose names are known throughout the Dominion as those of men of honor and men of wealth. We have, therefore, to deal with the question as to which of these offers the people should accept. In rejecting the first, we should not be bound to accept the second in its present shape, but it would form a basis for negotiations upon which more favorable terms for the country could be obtained. It is said the Government are bound in honor. If, as I said, the Government have undertaken to bind us, they have done what is unconstitutional. In the Mother Country Governments have withdrawn measures and still retained the confidence of their followers. But the argument has been put forward here that if we refuse the first offer, our action involves the retirement of the Government. I say it is not so. If the Government receives a better offer, then it is not only their right but their duty to accept it, and in doing so they would receive the support of every member of this House. Compare those two offers that are before the House. It is stated that the second contract is only intended to build the prairie section. Hon. mombers who take that view entirely forget the terms of the contract according to which the Company is bound to build the eastern and western sections as well as the prairie sections, unless the Government find it to be in the interest of the Dominion that those sections should not be proceeded with. If this offer should be accepted it will be this Government, therefore, that will have the decision in this respect. But it is said that the acceptance of this offer would entail a change of Government, that it was intended only to enable the Opposition to get into power and then withdraw the eastern section. According to this view it seems that we have to pay the difference of price between these two offers in order to allow the present incumbents of the Treasury benches to retain the possession of power. Leaving out of the question the immunities and exemptions which are embraced in the Syndicate contract and not in the last offer, we would by accepting the latter save $3,000,000 and 3,000,000 acres of land. The land has been valued at different rates, but taking a fair average rate we find that the difference in money and land would amount to from ten to twelve million dollars. If that money can be saved it ought to be saved for the country. Look at the annual burden which this additional amount would entail. It represents as interest the sum of a half million dollars annually —a sum sufficient to pay for the administration of justice in the whole Dominion, and greater than the subsidy to New Brunswick or Nova Scotia. The hon. gentleman who preceded me said we viewed with alarm an appeal to the constituencies. Yet we found member after member rising on this side and insisting that the voice of the people should be heard on a question involving so large an expenditure and of such vital interest to Canada as this one. So far as we are concerned we have exhibited no alarm. Hon. gentlemen opposite are anxious to bring in the policy of the Americans as a pattern for us, but whatever grants they may make for their railways, it is certain that they are not increasing their public debt in doing so. Since 1867 our debt has rolled up from $75,000,000 or $80,000,000, to $160,000,000, on which we pay annually $8,000,000 interest, while the American debt has been reduced within the same period nearly $800,000,000. I say, that when we say that the United States is a country which by its age and wealth and population cannot fairly be compared with ours, we cannot justly be accused of disloyalty or a lack of patriotism. We on this side cannot speak in this way or refer to the Sault Ste. Marie Branch without being accused of disloyalty by hon. gentleman opposite. I yield to no man in my loyalty to British institutions, my loyalty to the Dominion, or to my province, for though I was opposed to Confederation, yet when it was carried I went in prepared to do the best for the new constitution. I am not afraid of the Americans; they have treated us well, and as a citizen of St. John I would be a monster of ingratitude if I were to say a word against men who acted so nobly when our city was desolate and in ruins —not by passing resolutions which they did not carry out, but by giving us substantial proofs of their warm-hearted kindness. As regards these two offers, while I do not unconditionally support the second, I say that the advantages in its favor are so great and so obvious, that, to adopt to the present case a remark of the hon. member for Halton (Mr. Macdougall) with regard to the Intercolonial, we are about to throw millions of money into the swamps and muskegs of the North-West. As I said before, I am not in favor of either offer, and I shall not refer at length to the objections to the contract for the reason that they have been dealt upon at such length by other hon. gentlemen. I may say briefly, however, and for the purpose of justifying the vote which I purpose giving, that I object: (1) To the monopoly given to the Company under no real restrictions as to the composition or character of the corporation; (2) to the further monopoly to build branch lines to exclusion of others; (3) to the right to locate the line where the Company wishes; (4) to materials bring exempted from duty; (5) to the right of the Company to select lands; (6) to the grant of land for stations free from taxation; (7) to the extinguishment of Indian title by the Government; (8) to the exemption from taxation; (9) to the Government building the line from Yale to Kamloops; and (10) to there being no right of pre-emption by Government. With regard to the selection of the lands by the Syndicate it is very clear that it will be to their interest to select the best lands in the North-West, and I might illustrate the effect of land grants to corporations by a case which took place in my own Province not long ago. The New Bruns-

wick Railway Company were granted $10,000 per mile, and they were to choose the lands which were given them from four counties in that Province. The result of their selection was, that they possessed themselves of the best timber lands in those four counties, so that our lumbermen have now either to pay a double price for their timber lands or else to go to the State of Maine or the Province of Quebec to carry on their operations. I am willing to take the maxim laid down by the member for Ottawa (Mr. Tassé), "experience teaches," and I say that the illustration I have employed will give us a very good idea of what will take place in the North-West Territories. Several hon. members—notably the member for Frontenac (Mr. Kirkpatrick), and the member for King's, N.S. (Mr. Borden)—advanced as an argument in favor of accepting the contract, that it settled definitely what we are going to pay for the railway. The very fact that it is not final upon that point, is one of the most serious objections I entertain against the contract. We find that some completed portions are to be handed over to the Syndicate, and that the Government undertake to finish portions of the road which are now under contract. What does experience teach us with regard to that? When the Intercolonial railway was projected, and when it cost much more to build railways than it does now, it was asserted that £5,000,000 would build the road and that $25,000,000 would be more than sufficient. But to-day that road has cost this country nearly $40,000,000, while there are claims against the Government in connection with it for unknown sums which have not yet been settled. We are justified in saying that the cost of building this Pacific railway, is just as uncertain now as it was the day that British Columbia was admitted into Confederation. So far as the eastern section is concerned, I would like to see its construction postponed, because the resources of the country are not now in a position to build it. We must avoid all burden that will increase our taxation. We have a powerful Republic alongside of us offering great inducements to our people to emigrate thither. In the city of St. John the International steamers that run to Boston carry away, every day, men and women who are leaving our country for the States.

Mr. DOMVILLE. No, no.

Mr. WELDON. Some will come back, but for ten that go not more than one will come back. I appeal to every member from the Maritime Provinces whether there is not great emigration to the United States. No inducement is held out to those people to go to Manitoba or the North-West. The Government spend large sums in bringing over European emigrants, but every man and woman that leave our country for the United States are worth ten emigrants that come out from the old country. There was one remark made by the hon. member for Ottawa, in answer to an interruption by the hon. member for Gloucester (Mr. Anglin), in regard to a contested election case. I presume the hon. member for Gloucester meant that that case was heard last September and that the judgment has not yet been given. It cannot be that the Bench of Quebec is overworked, because the vacancies of that Province are not filled—there are vacancies in Ontario that are not filled. It may be that the Government are holding these places open until this vote is taken, and that the seats are held up as a reward. But in New Brunswick, scarcely has the grave closed over a member of the Bench and a former member of this House, than the vacancy is filled up. I object to this contract on the ground that it proposes to establish a huge monopoly in the North-West, while in the United States public opinion everywhere is setting strongly upon monopolies of all kinds. I ask hon. members to pause before voting away our money and land as they are about to do. When this contract was first laid upon the Table the Ministerial press of the country kept silent until the cue had been given by the Premier. Some of the papers in more distant parts of the country, however, expressed their opinion before getting word from Ottawa. I will conclude by reading a short article from a paper published in the County of Charlotte, and one of the most violent supporters of the Government in the Lower Provinces, and this is what he said, just after the new proposal had been presented:

"If the offer is a *bonâ fide* one and the Company is financially able to carry out its engagements, it behoves the Government to give heed to the proposition. We have no doubt the Government will be equal to the emergency, and even although this new Syndicate may have been conceived in Grit sin and brought forth in Grit iniquity, if it shall result in a modification of the contract, the country will have no reason to complain."

Mr. DOMVILLE. Next to being a good speaker is the capacity of being a good listener. For the last five weeks I have been listening to the arguments presented by the hon. gentlemen opposite—why we should desert our chieftain, desert our party, and place the Government in the hands of the hon. gentlemen opposite, because they are so much better able to carry on the affairs of this country than we are. We have seen those hon. gentlemen trying to persuade the electors of New Brunswick—I speak now of New Brunswick, because the last speaker confined himself entirely to New Brunswick—that if they had only supported the late Administration, everything would have been of the most rosy hue. But the people found that the great Administration had failed to carry out the promises they had made during their tenure of office, and they concluded not to be deceived by them again. Sir, I am not going to have the charge brought against me, that the party whip has been snapped over me—that I am told to vote as others wish me. There are a great many things in this contract that I disapprove of, but there are a great many things that I do approve of, and I should be indeed sorry if any vote of mine should place the gentlemen on the other side of the House in possession of the Government of this country. Why? Because, I believe, when they had charge of the Government of this country they did not show that knowledge of human nature which would enable them to keep it. They had a large majority, which dwindled away from time to time, and when, at the end of five years, they went back to the people, the people rejected them, as they did not believe them fitted to control the affairs of this country. Sir, it would be folly for me, at this time of night, after the question has been so thoroughly discussed, to give the *pros* and *cons* why this contract should be ratified or not ratified. The contract, to me, is a most important one. As I am a young man, I look around me, and I see men older than myself who, in the natural course of things, must pass away before I do, and therefore I wish to be very careful in any action of mine that may be misinterpreted in the future, so that I may be able to tell people who sent me here that I voted according to my best lights, and as intelligently as I could do. Sir, the remarks thrown out on the other side of this House that gentlemen on this side of this House were interested in this Syndicate, I look on as a slur, and unworthy of the gentleman who made those remarks. I am satisfied that no hon. gentleman on the other side of this House believes that any gentleman on this side has any pecuniary interest in the contract; if he does think so he had no right to bring the matter up in the House, but if he does not it is a pity that he should try to make the country believe that any members of Parliament are corrupt. I think the day has gone by when either side of this House should vilify the other. I have remarked with pleasure that this Session has been particularly free from vituperation. It is a very galling thing to be in Opposition. I was in Opposition for five years; while in that position I had a bill which passed through both Houses, but when it came back to this House, simply because a verbal alteration of the word THE or OR had been made by the Senate, the mechanical majority of hon. gentlemen opposite threw it out, and there were

rejoicings at the fact, as they said that "might was right." Yet they are appealing to us now, when we have a measure for the interest of the country, that we should listen to their views. Sir, I would not deign to listen to them. I would let the Government carry out what they think best, and if in doing so they fall in the election of 1883, we shall fall with them, as we fell before. As I said, there are many things in the contract I do not like; but am I to put up my opinion against that of men of tried ability and experience, and who have given the matter so much consideration? No, Sir; I shall support them as it is my duty to do, having been returned by my county for that purpose. The responsibility is with them, and I am prepared to accept what they lay before this House. The hon. member for Queen's, N.B., told us what a great meeting he held at the Narrows in N.B. Well, Sir, they were Narrows, for there were very few people there. He did not tell me that he was going to hold a meeting or advertise it in any way, but he went there and collected a few of his friends together, without giving us a chance to reply, and yet he says that New Brunswick is going to vote against the Syndicate and endorse his position. If my hon. friend would give me about ten weeks' time, leave behind him those great statistics, that he read to the House, and meet me face to face, I would not be afraid to contest an election with him in his county. I would be prepared to leave the people of Queen's County to decide on the question of the National Policy. He talked gloomily of New Brunswick. I am prepared to show that New Brunswick has progressed since Confederation and is still progressing, though his county may unfortunately not have prospered as much as the others, owing to the fact that its business is entirely confined to lumber. In other words, everything that is used by the lumberman is brought from abroad, and the proceeds of the lumber has to be sent off to pay for it. Were these men employed instead in farming, we should have, instead of a wilderness of stumps, flourishing farms all over the country. Had the hon. gentleman taken the trouble to look up the census returns, he would have seen that in 1851 we had in King's county only 120,923 acres under cultivation, and in 1871, 207,557 acres under cultivation, and 901,000 acres improved lands; that in 1851 our cereals only realized $670,000, while in 1871 they realized $1,100,000. Whilst in addition to cereals the products of manufactures, lumber, &c., amounted to nearly another million dollars. The county produced as much lumber as Queen's county, and owned 5,766 tons of shipping. Its products embraced 963,000 lbs. butter, 59,000 tons hay, 345,000 bushels oats, 870,000 bushels potatoes, 306,000 bushels buckwheat, &c. It owned 5,500 horses, 28,000 head of cattle, 35,000 sheep; had many manufacturing interests; in fact, was the richest agricultural county in the Province without exception. How then could the hon. member for Queen's give such deplorable accounts of the state of the county? There had been a marked improvement in the business and productions of the country, and there was no reason to suppose King's county was an exception. In other words, while every man, woman and child in 1851 only earned $35 per head annually, in 1871 they earned $45 per head. I regret the statistics of the new census are not before me as I might be able to establish a far greater improvement. The hon. member for the city and county of St. John (Mr. Burpee), whom I regret not to see in his seat, has not yet thought fit to speak on this subject.

Mr. WELDON. He was obliged to leave a short time ago, because he was taken ill.

Mr. DOMVILLE. He has had five weeks in which to make a speech and tell the intelligent people of Canada that he joined in a Syndicate in New Brunswick with George Stephens, who is going to run the North-West Syndicate, and he could have told them that the only object of Mr. Gibson in coming up here and joining the new Syndicate was to checkmate Burpee of New Brunswick. I would not throw charges across the floor of this House, but if I were as willing to do so as some hon. gentlemen are I would say that my hon. friend from St. John (Mr. Burpee) was here and that he was under the tuition of George Stephens—that he was dependent on him for the management of that road and the patronage belonging to it, and consequently could not speak against the present Syndicate for fear of offending him. That is what I would say if I were unkind, but I do not say it. The hon. gentleman said he would not be bound by either bargain; that was certainly a side issue for a lawyer to take—that he is neither here nor there. The hon. gentleman reiterates all the arguments and the logic of his leader, the member for Gloucester, and I may say that I have a great deal of respect for that hon. gentleman. He is one who is worthy to lead the New Brunswick contingent. His speech has formed a speech for all their speeches, and they would be ungrateful if they did not acknowledge him as their leader. My hon. friend from St. John talks about the large amount of swag that was to be got out of this Syndicate, and the great legal expenses the Government were under. Does he forget that in days gone by he was himself the representative of the Minister of Justice; and he finds fault now because he has not the office and is a disappointed man. When the people of New Brunswick come to read his speech, they will know very well the reason of great complaints and of his disappointment. The hon. gentleman says that the people are going out of the country like the pelican and the monkey crossing the broad river, but the hon. gentleman did not tell the House what induced the people to leave the country—that they were led away by the volume I hold in my hand—extracts from the speeches of the Hon. Edward Blake, with his likeness on the first page, and advocating the United States as a home for emigrants in preference to Canada. He should have told the House the facts instead of leading them to believe that these people left because the United States was a better country than this. With regard to St. John, he knows very well that after the fire took place, a large number of artizans and adventurers of all sorts came in to rebuild the city, and they left as soon as their work was done. They never were inhabitants of the city of St. John. All that St. John wants is a helping hand and it does not thank my hon. friend from St. John and my hon. friend from Queen's, and my hon. friend from Gloucester for running it down, and saying the property is low, that wages are low, and taxation and the cost of living high, thus damaging the value and prospects of the city. I should have been better pleased if these hon. gentlemen had come forward and said that they did not like some things in the contract—for I do not myself—but that on patriotic grounds, on the ground that the scheme would build up this great country and reduce our taxation by the consumption of goods in the North-West country, they were willing to join hands with the Government in this national enterprise. But they are not patriotic enough to take this course. It has been their constant object to whine and run down New Brunswick, and every member from that Province. They would even go so far as to say that I could not be elected again in the county of King's; and again I say I would meet the whole boodle of them in King's county, and I say this without any disrespect. When I visited my constituents I said to them: "What do you think about this contract?" They said it was a matter upon which I ought not to make up my mind until I had all the information before the Government, showing what was the shortest line across the continent. They said that I should support the scheme, which would be of most benefit to Ontario, Quebec, and, if possible, to New Brunswick. They

said to me fairly and frankly: "We sent you to represent us, and we expect you to do the best you can. If you feel and believe that the Government which brought in this measure are doing their duty; if you have confidence in their ability, honesty and integrity, it is your duty to support them. If you feel otherwise, then you are free to vote otherwise." In New Brunswick I find none of the great excitements we heard of in the petition from St. John. I have read that petition; and although I am in that city almost every day, I do not know thirty names on it, and I fail to find the names of many leading merchants, even of those supporting the Opposition. The people of New Brunswick are satisfied with the Government, and I will show it at the polls next time.

Sir ALBERT J. SMITH. We will try it.

Mr. DOMVILLE. I know the hon. gentleman is a strong man in his county, and I say in fairness that I do not think anyone can beat him there; but if he will allow me to run for Westmoreland and let him run for King's, we will try what the result will be.

Sir ALBERT J. SMITH. The Finance Minister and I are going to try in my own county.

Mr. DOMVILLE. He is more able to do so than I am. I have a few words to say to the hon. member for Gloucester (Mr. Anglin). That hon. gentleman said if the contract had been drawn upon their side of the House, it would have been better drawn. You remember the story of the lion going through a picture gallery. There was a picture—a man slaying a lion. The lion said: "That is a good picture, but if I had painted it, the lion would have been slaying the man, instead of the man killing the lion." And so it is, we each think we can do what is best. I have no doubt that taking into consideration the natural course of events, and I have looked into the matter very carefully, the Opposition may accede to power fifteen years hence, and then we will see what they will do. I am sorry I have not prepared a speech to read to the House, as I saw my hon. friend from Queen's do the other day, to send to my constituents under the heading "with compliments." I am sorry I shall not have telegraphed to St. John a report of my speech, as I saw the other day, done for the member for Queen's—with the statement that it was an able speech by a patriotic man. In reading the St. John papers lately I was amazed to see that the hon. member for Queen's placed in such a leading position; I had expected to have seen the speeches of the First Minister, Minister of Railways and the Minister of Finance; but no, it was but the speech of the member for Queen's. That hon. gentleman had set everything right, and no doubt the next copy of that journal will contain a speech of the hon. member for St. John (Mr. Weldon), whose great effort will be published *in extenso*. In my case I have spoken without notes, but, I hope, to the point. I may say, however, that these speeches do very little good in the county. My county is flooded with them, and I have received a letter stating that it is a god-send those speeches have come, because those people are short of kindling material. Copies of speeches of the Hon. Edward Blake are sent broadcast over my county by an hon. member whose frank I have in my hand. The extraordinary fact is that they are sent to my own committee-men, as if they could expect they would distribute them among my friends. Now, there is an act of intelligence. When I have spoken here I did not send copies of my speeches to the Grits, but I left them in darkness, which I think is the proper place for them. While disagreeing as I do in some points of this bargain, still I believe it is the best that could be submitted to Parliament. The offer made by the second Syndicate at a late hour was impossible for any business men to entertain or for the Government to take into consideration with honor. To my mind, it is worse than the present contract, because it makes it possible for the country west of Lake Superior to be cut off and that we should be tacked on as a lateral branch of the United States. If there was one point about which I had difficulty in sustaintng the Stephens Syndicate, it was the chance that the present Syndicate would bring grains and cereals from the North-West through the United States and cut off Canada from getting the traffic to which it was entitled. But when I find English, French, German and American gentlemen, whose interest will be paramount in making this a through line through Canada and to keep faith with the Government, I say then that I am in honor bound to support the Government proposal. If there had been anything better proposed to Parliament, I certainly would have been free to vote for it. It is well known that I am a sincere follower of the party, but every one knows that I shall not want the request of a Cabinet Minister or the crack of the party whip to lead me to vote for this bargain, for I believe no better one has been offered to the House and the country. I am therefore able to go back to my people, fully alive to the responsibility I have accepted. I am prepared to meet the hon. member for St. John (Mr. Weldon) and other hon. members when they oppose my election in 1883, and I can tell them this is the best offer that the country or Government received, that the Government were honest in their desire to build up the Dominion, not to depress its industries and persuade the people that the United States was a better place to live in than Canada, and endeavor to prejudice their minds as to the value of the great North-West. If we should fall, let us fall, as I said before, believing that we have done right. If we have done right we have nothing to regret. I give my vote to the Government sincerely believing it is the best thing that has been offered; if I have done wrong then I shall forfeit my seat. But if I have not done wrong then I am satisfied that King's county will endorse my action. King's county has returned me in Opposition and in power. They do not care so much for my politics, but they know that when I have come up here to support a Government, I do not jump the fence, that I never dickered for office, that I was never promised anything for my vote in the House, and that there were no difficulties arising afterwards about what was promised and what I did not get, as in the case of the hon. member for Westmoreland. The people of King's are an intelligent people and they will weigh this question thoroughly. I am satisfied if I go back to them and tell them that I supported this Government, or if my hon. friend on the other side coming with any better scheme, I believe they will return me to support either side of the House I choose. I trust that this scheme will be carried by a large majority, and that, notwithstanding the eloquence of the hon. member for St. John county (Mr. Weldon), none of our friends will follow him and forget their duty to their country and constituents.

Mr. McCARTHY. If I consulted my own taste in the matter I should not have risen at this hour in the morning to trouble this House with any comments upon the question before it. But I have a duty to perform to my constituency, and I cannot cast the vote I propose to give without explaining why I propose to support the measure the Government has brought down. In my opinion the backbone of this question is this: Are we desirous of carrying out the policy of the Government of building an all-rail route through our own Dominion as speedily as possible, or are we to adopt the policy of the Opposition and postpone the building of the ends and merely construct that portion through the prairie country? If we are to accept the policy of the Government, then I think it will go a long way, both here and elsewhere, in inducing this country to accept this contract. Ten years ago we pledged ourselves to British Columbia to build this railway

within a period which is now elapsed. Moreover, there was a resolution passed by the House that this work should be done, subject to the condition that it did not increase the taxes of the people. I remember that the Government of the hon. member for Lambton, after the attempt made by the previous Administration to construct the road, by means of the Allan contract, had failed, the Government, I say, did not propose to do then as they might have done, to abandon the connection with British Columbia if they thought the terms were too onerous and the bargain was impossible to fulfil; but instead of that they adopted it and made terms with British Columbia and proposed to pay a compensation for the delay which they said, was inevitable in carrying out the bargain and in building the road within the period of ten years. After that dispute had been referred to the Home authorities, and after Lord Carnarvon had accepted the burden of settling the dispute between British Columbia and this Dominion, we know that the late Administration accepted the terms proposed by Lord Carnarvon, that they agreed to go on as soon as the surveys were completed, and expend $2,000,000 a year in British Columbia; that they agreed that the work, as far as Lake Superior, should be constructed by the year 1890; that it should be prosecuted speedily and without delay; and now I want to know how any hon. member, if he thinks the work can be done by the means the Government has proposed, can say that because British Columbia is weak, because her representation in this body is not powerful, that therefore her contract is to be treated with contempt, and that we are to violate the treaty we made with her? The hon. leader of the Opposition told us only last Session, when it was proposed by the hon. member for Algoma to appoint a Committee with regard to the disputed boundary between Ontario and the Dominion, that in honor this country was bound to stand by the award that had been made, that it was almost dishonorable in this House to ask for information before agreeing to sanction that award. And yet that hon. member does not hesitate to ask the Liberal party to postpone indefinitely the carrying out of the contract which was made in 1871 with British Columbia, endorsed by the Liberal party in the acceptance of the Carnarvon terms, and which can now be implemented without increasing the burdens upon the people of the Dominion. I am in favor of the policy of the Government in constructing a road from end to end in British territory with the least possible delay, so long as it can be done without increasing taxation, as under this contract it can be done. Under these circumstances, therefore, we are bound to fulfil this contract with British Columbia, if for no other purpose than to keep good faith with that Province. The hon. member for Wentworth (Mr. Rymal) almost agreed that he, at all events, would not cry, as he expressed it, if we did build this railroad at once, if such was the will of the country and the will of Parliament. He, as a leading and long-life Liberal, did not pretend to say that that was not a proper policy to adopt; it may be said, however, "granting that to be so, and granting that under the direction of the Minister of Finance, the portion we have to pay for the construction of the road allotted to us can be paid without increasing the burdens of the people. yet the contract laid on the Table is not one which it would be in the interest of this country to accept." That is the point to which I desire more particularly to draw attention. We must look at that as a pure and simple matter of business; the question of the construction of a railroad ought not to be a matter to be bandied from one side of the House to the other, a matter over which political parties should make warfare; but it should be treated as a matter of business, and if this contract is one which we ought to accept, then we should be recreant to our duty if we do not take advantage of this opportunity of relieving the country from the burden it would have to assume if the road were not built by a company. We are all committed to that proposition, I think; at all events that is proved to have been from the very first the policy of both parties, and a resolution was moved by a distinguished leader of hon. gentlemen opposite, that it should be built by a company and not otherwise. I propose to point out, in the first place, what this company are going to do, and in the next place, what we are going to give them, and upon the result of that comparison, I think, ought to rest our decision, whether this contract, in a business sense, is acceptable or not. They have to construct and equip 2,000 miles of railway, they have to build 900 miles in the prairie section, and 450 miles to Kamloops through the Rocky Mountains; and they have to build the most difficult section of all—that north of Lake Superior. These sections compose the 2,000 miles which this Syndicate proposes to construct. How is that work to be done? is the first question. Because unless we know that, it is impossible to put a value upon what they have agreed to do. They are to build it in accordance with the standard of the Union Pacific Railway "at the time when it was first constructed." Whatever doubt may have existed in the minds of hon. gentlemen as to what these words mean, whether they refer to 1869 or 1873, there can be no doubt, in my mind, that arrangements can, and I have no doubt, will be made satisfactory to the House and country, by which the standard will be that of 1873. What was the standard of 1873? I hold in my hand a memorandum, taken from the report of the Union Pacific Railway Company for that period, which shows pretty well what the standard then was. The road at that time had an earning power over the expenses of $5,000,000 per annum. The report for the year 1873 says:

"The operating expenses cover $4,974 861, an increase of $174,287, or 363 per cent., and the net earnings $5,291,243, an increase of $1,199,211, or 26·86 per cent. The ratio of operating expenses to earnings was reduced from 53·98 to 48·45 per cent. This reduction appears great, in view of many difficulties under which the Union Pacific Railway is operated; but the report states that the relation of expenses to earnings would have been still further reduced had not the cost of new rails for 60 miles of track, and of new cross-ties for 280 miles been charged against operating expenses. These very satisfactory results which speak volumes for the ability with which the property has been managed by the executive heads of departments have not been obtained by allowing the track and equipment to depreciate; because it is stated that the railway tracks, locomotives, cars and buildings are in good order, and as a proof of that the regularity with which trains are run is noted. From 1st November, 1873, to 1st March, 1874, the passenger trains of the Union Pacific Railway did not fail in a single instance to connect with the trains of the Central Pacific Railway on the west end, and the trains of the Iowa road on the east. The measures to avoid snow blockades on that part of the road which crosses the Rocky Mountains have been very effective, and by raising embankments in some places, and widening cuts in others, the Company has been enabled to dispense with more than eleven miles of snow fence."

Sir ALBERT J. SMITH. That is the fall of 1873.

Mr. McCARTHY. It is the report of 1873.

Sir ALBERT J. SMITH. The modification was made in February, 1873.

Mr. McCARTHY. This report shows that the road was in the best possible equipment, that its earnings during the year were $10,000,000, that its passengers were 174,894, and its freights 276,000 tons, and that is the standard which the Government have accepted as satisfactory. Now, what is the cost of building and equipping such a road? The equipment of the road, by the same report, is shown to be as follows: locomotives, 147; passenger cars, 51; baggage, mail, and express cars, 30; freight cars of all descriptions, 2,750. Would not such an equipment be satisfactory to us? Now, what is the cost of such a road to be? In the calculation I am going to give to the House, I do not intend to be bound by the statements made on either side of the House. Mr. Fleming's first estimate was, for the eastern section, $26,000,000; his second estimate brought it down to $20,000,000. As I will show you in a moment, the hon. member

for Lambton's estimate, after the statement made by the Hon. Minister of Railways as to the manner in which the road was to be constructed, was that the eastern section would cost $32,500,000. The central section, as it is now called, and divided in the manner in which it is divided in the contract, may thus be spoken of: According to Mr. Fleming's first estimate, the prairie region, 900 miles, was to cost $23,400,000; according to his second estimate it was reduced to $11,700,000. According to the hon. member for Lambton last year, that portion was to cost $25,778,000. Let me read what the hon. member for Lambton said after he had heard the statement of the Hon. Minister of Railways:

"It would be interesting to the House to take some of Mr. Fleming's estimates on other occasions Mr. Fleming gave an estimate from Lake Superior to Selkirk at $14,700,000; now it is $17,000,000, or an increase of 16 per cent. His previous estimate of the cost of the prairie region was $26,000,000, or double what he now states it to be. From Nipissing to Lake Superior his estimate to the late Government was $26,000,000, or $6,000,000 more than now, and $2,000,000 more than that of the hon. Minister. From the Summit Line to Burrard Inlet, his estimate was $35 000,000, which was now reduced to $30,000,000. The Pembina Branch was formerly $1,300,000; now the hon. gentleman stated it to be $1,700,000. If the same percentage is applied to the Chief Engineer's calculations on other sections, namely, 16 per cent., the whole cost will be about $114,000,000, instead of $84,000,000 as the hon. gentleman now states. Such wild estimates show how utterly impossible it was for anyone to ascertain the probable cost. and I feel pretty certain that the estimates now presented are the merest guess-work."

He then goes on to give his reasons, which I recommend to the attention of my hon. friends opposite:

"I will take the description of the engineers themselves as to the character of the work upon the several sections from Fort William to Selkirk, and carry out figures elsewhere on the same description Seventy miles were described as heavy, 226 miles moderate, and 114 miles light; and in order to reach the $18,000,000, which the engineers had recently estimated, they would have to take the seventy miles of heavy work at $75,000 per mile; the 226 miles of moderate might, at $39,000, and the 114 light, at $20,000, making altogether, with the rolling-stock valued at $1.656,000, $18,000,000. From Selkirk to Battleford the first 112 miles are described as light, which, with the rails, fencing, etc., might be estimated at $14,000 per mile, or $3,000 less that the Pembina Branch; and the second 100 miles I have taken and calculated as to the materials furnished by Mr. Marcus Smith. and I do not believe that any gradient can be obtained on that section to build the road at less than $20,000 a mile."

Then he gives reasons for arriving at that conclusion which I need not trouble the House with. He says:

"From the end of the second hundred miles to Battleford. we have 377 miles. This is not any heavier on the whole. There are some more formidable bridges, but the line is further off for the carriage of the rails. I place that section at $21,000 per mile. Then from Battleford to Edmonton it is reported by the engineers as thirteen miles very heavy; this I estimate at $60,000 a mile, being $10,000 less than the other heavy work east of Selkirk; forty-nine miles more of the line classed as moderately heavy, I put at $39.000 per mile; and seventy miles very moderate, at $25,000, with ninety-eight miles of light work at $20 000 per mile, which makes for this section altogether, an average of $27,000 a mile. From Edmonton to the Summit, 256 miles, the road is divided in this way by the engineer: heavy, seventy-six miles; medium, sixty-three miles; light, 117 miles. I calculate the 'heavy' at $60,000 per mile. being $10,000 more than the cost of heavy work east of Selkirk; medium at $40,000 per mile; and light at $20.000 per mile, making in all $9,472,000, or an average of $37,000 per mile."

When the hon. gentleman has thus worked out a calculation from the reports of engineers, we have a right to treat his calculation with some respect. The question to be decided is, what value we are to get for what we give to the Syndicate? We can only ascertain that by endeavoring to arrive at the cost of the work. According to Mr. Fleming's first estimate, the cost would be $68,460,000; according to the second estimate, that which hon. gentlemen now treat as perfectly conclusive, but which they refused to accept last Session, treating it as utterly unworthy of credence, is $48,500,000, and the hon. member for Lambton's estimate was $77,278,000. The average per mile would be $34,200 according to Mr. Fleming's first calculation, and $24,250 per mile according to his second calculation, for the whole 2,000 miles; and $39,639 per mile according to the calculation made by the hon. member for Lambton last Session. Averaging these different

amounts we have a total cost of $67,000,000, and an average cost per mile for the 2,000 miles, of $33,544, and for the prairie section, $21,547. I do not propose to stop there. Satisfactory as that ought to be to my hon. friends opposite, who can hardly deny the calculation made by their late leader, it is not quite satisfactory to me. I have endeavored to ascertain what has been the cost of similar roads constructed in the adjoining States, and the average cost of the roads constructed here in this Dominion. I have endeavored in that way to arrive at what would be the probable cost of the construction of this portion of the work. The cost of the Pembina Branch, 73 miles——

Sir CHARLES TUPPER. 85 miles.

Mr. McCARTHY. I calculated it at 73, but 85 miles makes the case still stronger. The first estimate of the cost of that was $1,300,000, and the cost as estimated last Session was $1,700,000, or an increase of some 30 per cent. in the engineer's estimate. The cost this Session brings it back to the neighborhood of $1,500,000. Assuming it at that we find that the Pembina Branch, which was as easy a branch to construct as any part of the proposed railway system, cost $20,000 per mile, including equipment. Let us see what roads have cost elsewhere? Taking the State of Wisconsin, the average cost of railroads per mile in that State, as given to us by Poor's Manual for 1876, is $39,000. The average cost in Minnesota was $47,887; in Dakota, $48,629; in Nebraska, $32,723; in Kansas, $44,427; and taking the average all over the north-western and northern states, we find the cost to be $49,327. This St. Paul and Manitoba railroad, of which we have heard so much, cost $47,874. It seems to me that if a man were going to make a contract with a Government or anybody else to build a line of railway, he would first endeavor to ascertain what such a road would cost elsewhere. He would not be satisfied with an estimate by an engineer, as we all know that even in building a house the estimates of architects are most fallacious, and that in every case the actual cost far exceeds the original estimates. We all remember that the Intercolonial Railway, according to the estimates made, was to be constructed for $24,000 per mile, but we all know equally well that the actual cost of the road, with equipment, is in the neighborhood of, if it does not exceed, $50,000 per mile. I defy hon. gentlemen to show a single instance in which a railway has been built at anything like the original estimates, or at anything like the cost which these hon. gentlemen now pretend to say, for the purpose of advancing their case in the country, this road could be built by the Syndicate. We have had some figures given which make it appear that some American roads were built at a very low cost, but I will show that the equipment of such roads, which is a most important element in the calculation, is very inferior. The Omaha and Northern Nebraska road cost $15,383 per mile, but what was the equipment? One locomotive engine, one passenger car and eighteen freight cars The Henderson and Overton road, in Texas, cost $12,000 per mile, but it had only one engine, one passenger car and five freight cars. The Hastings and Minnesota Railway cost $14,000 per mile, but it had no rolling stock; and the same was true of the Worthington and Sioux Valley road, which cost $14,396. If you look into the history of railway enterprises on the other side of the line you will find that, with an ordinary guage and an ordinary equipment, I have not been far wide of the mark in estimating the cost at $33,000 per mile. Take the cost of the railways in our own system and we find that, including equipment, they reach an average of $45,945 per mile. I do not think, therefore, that we can reasonably conclude that the rate I have estimated is too large, and if so, the 2,000 miles of road would cost $67,089,000. In addition to this the Syndicate agree to equip the portion of the road which we hand over to them. Now, what is the cost of equipment? I have consulted

various men who are conversant with such matters, and they say that the amount will vary from $2,000 to $10,000 or $12,000, and assuming as a not extravagant estimate $8,000 per mile, we have to add to the $67,089,000, $1,800,000, making in all $68,889,000. But that is not all the Syndicate have agreed to do. They have agreed to operate and work this road forever, to maintain it effectively and work it efficiently; and, does anyone suppose that for years to come this road from the Atlantic to the Pacific will be a paying road. On the contrary, we know there will be a heavy loss over a great portion of the line. We all know that the reason the country was appalled at the prospect of the road being built by the Government was that there would be an annual burden imposed upon us, as had been the case with regard to the Intercolonial Railway; and—first let us see what the hon. member for West Durham said upon this subject:

"Now, besides this enormous expense to which I have referred, besides this aggregate of I do not know how many millions of dollars, the interest of which, according to the old estimates, will be six millions a year, we have got to consider the running expenses. These expenses Mr. Fleming estimated, in former days, at $8,000,000 a year; but my hon. friend from Lambton estimates them at a gross sum of $6,750,000 a year for the whole line, or $4,500,000 a year from Fort William to the Pacific. Of course, against this sum are to be set the receipts, which will be considerable, and will, in some sections of the road, perhaps, meet the expenses; but in the early days, and for a long time, the road as a whole will, I believe, be run at a loss."

Now whatever that loss may be, it must be borne by the Syndicate. Does the hon. member suppose that that can be done for less than $20,000,000? If so, upon what basis?

Sir ALBERT J. SMITH. How long?

Mr. McCARTHY. Merely up to the time the contract ends—for the twenty years. I mean to say that it would be unreasonable to suppose, judging by the light of the present day, seeing that this road goes through almost a wilderness, judging by the fact that in order to sustain a railroad it takes a population of 800 people to the mile, as stated by Poor—I say that it would be unreasonable to suppose that the Company could do this work for any less. Hear what Mr. Poor says on the subject:

"The experience of the New England States demonstrates that to enable railways to be operated at a profit, a population of at least 850 to a mile of railroad is necessary in this country. The history of the railroads in the Western States also proves it. * * * * In the Western States in 1867 there were 787 inhabitants to a mile of railroad—in 1876 there were but 427 inhabitants to a mile. The inevitable result has followed, and that result cannot be overcome until the population shall again increase to the necessary proportion."

Now, a population of 850 per mile for 2,000 miles, from Lake Superior alone, leaving out altogether the Lake Nipissing section, would make a population of 1,700,000. So that it follows, as it appears to me, that this road must be run at a very considerable loss for the first 15 or 20 years. Let me show further what the operating expenses are. The Union Pacific operating expenses in 1873, were $4,803; in 1879, $5,253 per mile. Central Pacific, in 1873, $6,460 per mile, and in 1879, $8,370; the Atcheson, Topeka and Santa Fe, 996 miles, $3,465; Missouri, Kansas and Texas, 808 miles, $2,937; Chicago, Milwaukee and St. Paul, 2,334 miles, $3,831 for the year 1873, and $2,742 for the year 1879. Averaging these figures we find that the average cost in 1873 of operating these roads was $5,031; and in 1879, $4,493. So that we have first the statement of Mr. Fleming, next the statement of the hon. member for Lambton; third, the calculation made here from the expenditure of other roads, which of course is more than the cost of operating our road will be. Nevertheless, there must be a heavy expense and considerable loss.

Sir ALBERT J. SMITH. What about the Pembina Branch?

Mr. McCARTHY. The Pembina Branch is one of the entrances into the territory, and is therefore no criterion of the cost of running this road from the Rocky Mountains to Winnipeg. Taking ten years for operating the whole line from 1890, and five years for operating the prairie section and the portion to Lake Superior, 1,500 miles, I do not think it is unfair to assume that there cannot possibly be less loss than $2,000,000. Add $20,000,000 to the figures I have already mentioned, and we have the cost of the work that is to be done by the Syndicate, within a fraction of $90,000,000. Now, if we are getting value for that $90,000,000, if this Syndicate are going to take the work off our hands, if we are going to have the road constructed at once through our own territory, it does appear to me that we are bound to support the proposition and to ratify the contract. What are we giving? I have gone through their side of the account; now, what are we giving them? We are giving them, in the first place, the portions of the road we are going to build. But no person will pretend that those the parts of the road are a valuable asset. No matter what they have cost us, the road from Lake Superior to Selkirk, or the portion that we are to build in British Columbia, are not an asset, and not a work that any person would be willing to undertake and be bound to run. It would be a very considerable liability, and therefore I do not propose to charge them with it. Then there are $25,000,000 in hard money, and in addition to that freedom from Customs duties. On this point I by no means admit that the calculation made on the opposite side of the House is correct. It has been stated that this exemption would amount to $1,000,000. That depends upon whether a duty will be imposed on steel rails. But I will admit, for the sake of argument, that the exemption will be worth $1,000,000. Take this sum and the $25,000,000 in cash from the $90,000,000 and we have still $64,000,000 to the good which this Company has to account for. Then what do we give for the $64,000,000? We give them 25,000,000 acres of land. What is that land worth? The land is worth no more to-day intrinsically than it was seven or eight years ago. The soil is there; we know the land to be good; we know it to be, perhaps, in certain places, superior to the land in any other part of the civilized world. I do not propose to discuss here whether this contract is better than the contract made with Sir Hugh Allan, or whether it is better or worse than that which was proposed under the Act of 1874. I do not think the people of this country will care whether this is a better or a worse contract. What they want to know is whether this is a contract which it is the interest of the people to accept, and I am prepared to argue it upon that basis. From the value of these 25,000,000 acres of land we have first to deduct the expenses of administering it. Assuming that the land is worth the Government price—$3.18 an acre—the entire quantity would be worth $79,500,000. Now, what can the expense of administering it be fairly placed at? My hon. friend from Halton stated the other evening that, in his judgment, the expenses would be about $1 an acre. I have taken from Mr. Poor's *Manual* the cost of administering the lands belonging to the Atcheson, Topeka and Santa Fe Railway, and I find there that according to the returns brought down that railway had sold 1,105,628 acres, from which they had realized $3,053,088, or $2.75 an acre. Their expenses in administering that land amounted to $757,334, or 87 cents an acre. That being a practical illustration of the cost, and not a mere theory or opinion, I will assume it to be correct, and what does that give us as a result? It gives us as the cost of administering the lands to be sold for $79,500,000, $21,750,000, so that there is a balance left the Syndicate of $57,750,000. Now, when is that to be realized? The land may be worth $3.18 an acre, but it is not worth that to any landed proprietor to day; it will take years and years to dispose of it. A great deal will depend upon the population which will go into that country. At present there is practically no population where the railway is to be built. How many

people will go into it within the next ten years, and what have the Company to compete with during that time? They have to compete with the railway companies which have still lands to sell in the adjoining States. Poor's Manual shows that there are still lands held in the single State of Minnesota, by railway companies, apart from lands still owned by the Government, to the extent of over 14,000,000 of acres. The Hastings and Dakota Railway hold 27,078 acres, the Northern Pacific 7,891,119 acres, the St. Paul and Duluth 1,661,053 acres; the St. Paul and Pacific, one branch 668,496 acres, another branch 320,555 acres, and another branch 1,825,051 acres; the St. Paul and Sioux Central 620,479 acres, the St. Paul, Stillwater and Taylor's Falls 44,246 acres, the Sioux City and St. Paul 149,816 acres, the Southern Minnesota 143,887, and the Stillwater and St. Paul 53,676, making a total of 13,406,444 acres. Besides, there are vast quantities of land held by other railway companies, as well as by the Government of the United States. The Government will hold acre for acre of lands, alongside of those of the Company, and no man will go and pay $3.18 an acre to the Company while he can get Government lands for nothing. The Syndicate must therefore look for payment for their lands from the immigrants whom they bring into the country. So that from the value of $3.18 per acre you are bound to deduct, if you deal fairly with the Syndicate, a very considerable sum for interest, from that nominal value of the lands which cannot be realized for years to come. Well, how soon will this be saleable, according to the information we have?

Sir ALBERT J. SMITH. The First Minister stated that we shall have half a million there in ten years.

Mr. McCARTHY. The First Minister made that statement, but the hon. gentleman did not believe him. Instead of there being half a million, I think it will take ten years to get a quarter of a million there. In the State of Kansas, of which we have heard so much, where the population increased so rapidly, the population increased from 107,000 in 1860 to 257,000 in 1870. In Minnesota the population increased from 172,000 in 1860 to 439,000 in 1870. Take any State you like, deduct the natural increase of population there and it can be demonstrated beyond the possibility of a doubt that the increase has never exceeded, with all their means of inducing emigrants to come in, with all the large eastern population pouring westward as directed by Horace Greeley, has not exceeded 250,000 in ten years. Looking at all this, I want to know how the Syndicate are going to sell their lands with such amazing rapidity and get such an enormous sum of money for them. Even if they could turn the lands into money to-day or within a reasonable time to meet the interest on the bonds, they would have, according to my calculation, but $57,000,000 to meet $64,000,000. As a simple question whether it is right and judicious on business principles, for the Government to make this contract with the Syndicate, it appears to me they are making a bargain which the people when they come to understand it will endorse. There are, it is said, other objections to this contract which ought to prevent an independent Parliament like this sanctioning it. I do not pretend, nor can any hon. member pretend that this contract is exactly what we would desire it to be. There are two sides to this as to every other bargain. If my figures are right, and I have assumed the value of the land at the rate stated by hon. gentlemen opposite, it is one we ought to accept. It is said in the first place the road-way, stock, and equipment are to be free of taxation. That is a great concession, I will admit; but the question arises, if we make them pay taxes, will we not have to increase our subsidy? What would the taxes amount to? The member for South Ontario (Mr. Glen) estimates the taxation from which this contract exempted the Syndicate at a fabulous amount. All I can say is, we cannot have our bread and eat it; we cannot say to this Syndicate: Build this road and take these lands, and we propose to take the lands from you acre by acre, and mile by mile, in the shape of taxation, while making you carry out your contract in full. The Syndicate would naturally say: "If you insist on taxing our lands and our road-bed, give us a larger bonus." The people of the older Provinces have already paid sufficient for their part. What is the exemption so far as the land is concerned? For many years the Company will not be entitled to the land, and it would not in any case be subject to taxation until the new Provinces were created. As to the road-bed, the pioneers of the older Provinces had to carry sacks on their backs for miles to mills and other places in order to get bread for their families. They had no road except a mere path through the wilderness. In time, as the country became settled, roads were built by the settlers, who had no railroad at their doors; in some of the counties they taxed themselves for gravel-roads, and pay large taxes to this day. Is it to be supposed that those men, if settled in the North-West, would grudge the taxes that would have been exacted from the road-bed or rolling stock of a railroad, the cost of which was borne by the people of the older Provinces. I want to know, judging by our past experience and by the experience of the older Provinces, whether there has been any place within our recollection or knowledge where they wanted a new road within ten years after the first was constructed. I do not know one such case in Ontario, with which I am more particularly acquainted. The alleged monopoly has been denounced to the people; we are taunted with sanctioning it, and a hue and cry has been raised about it; but I believe the people are a practical people, and when the matter is explained to them that this monopoly, although in theory it is one, yet in practice can hardly be said to exist.

Sir ALBERT J. SMITH. Then why was it inserted?

Mr. McCARTHY. It was inserted for a good reason. I recollect the hon. member for Westmoreland (Sir A. J. Smith) either advocating or sanctioning in the Railway Committee room, about two years ago, that no charters should be granted to any rival railway to our Canadian Pacific. I heard the hon. member for Lambton—I do not mean when leading the House or as a member of the Government, but since the new Government came in—suggest to the Minister of Railways the Session before last, in the Railway Committee room, that it ought to be the policy of the Government not to grant any charter to new railways coming into competition with the Pacific line. I say the Syndicate have a right, as business men undertaking the construction of 2,000 miles of railroad and agreeing to operate 2,600 miles, to contend that it was only reasonable that they should be protected against the possibility of competition on any paying section that there might possibly be. But it was said, why has the Syndicate power to carry a line to the United States? The answer is plain. This power is not given to other companies because they might build a railroad and turn the traffic away that fairly and honestly belongs to the Canadian Pacific Railway. If the Syndicate build a road to the boundary, tapping the railways of the American Union and connecting with our system, that will be done with the object of turning the trade from American channels and carrying it over the Canadian Pacific road; so the reason for allowing them to approach the boundary and denying it to other companies which would, practically, be for not more than ten or twelve years, is therefore manifest. For these reasons I have no hesitation in saying that I think this contract ought to be accepted. For these reasons I have no hesitation in saying—although when I first read the contract I was disappointed with the terms; and until I considered the matter, investi-

gated the subject and looked at the cost of other roads—being led away without knowing much of the subject, with the idea that the railway could be built for $10,000 per mile on the prairie, forgetting the necessity of equipment and losing sight for the moment of the loss entailed by the running of the road for fifteen or twenty years—losing sight of those costs with which the Syndicate are charged, forgetting that the land was not available to-day, to-morrow, or within the next ten or fifteen years—forgetting also the fact that out of the money realized for the land a considerable sum must be deducted for cost of administration, and carried away, perhaps, by the same feeling which has existed in the minds of hon. members as to the vast wealth of the North West—I did feel at first that the contract was not one that ought to be sanctioned; but when I came to investigate it calmly, to look into the authorities and obtain information, my mind changed, and I came to the conclusion which I hesitate not to announce that the contract is one which, in the interest of the country, Parliament ought to ratify. We have been told that there is a new and a rival offer, and if the contract is good the offer is better and should be accepted. I am free to admit, as the hon. member for South Wentworth (Mr. Rymal) told the House, that every hon. member who will endorse this contract, knowing the offer is on the Table, does so with the responsibility that he has to account to his constituents for not accepting the lower tender. $3,000,000 is no light sum to the people, and 3,000,000 acres of land should not be thrown away; but I am prepared to take the responsibility of stating for the reasons I am about to give that the offer should not be accepted. We all know that the lowest tender is not always accepted, that no man calls for tenders without intimating that he will not be bound to accept the lowest tender, except otherwise satisfactory. In this second offer, we have the names of many respectable men, some of large means, some of no means at all, and some with perhaps a fair amount of capital. We see men some of whom perhaps, are rich men—only one or two at all events, are railroad men who have not been conspicuous for their enterprise, and who have been very careful to look after their money, and have not, in other transactions and enterprises in their own particular parts of the country, done much to advance other than their own interest. We see them do what? Without making any inquiries, without coming to the Government and consulting engineers, examining profiles, or doing what any ordinary business men would do, in order to ascertain whether they could make money out of the contract, they come in a moment of political excitement, and under the feelings of political partnership, make an offer to the Government, and ask it to invite the House to accept it. These men are led on by whom? Mr. Herman Cook boasts that he is the author of the second Syndicate. He and Col. Walker were the main instruments in getting it up. Are the McMasters and the Howlands generally led by the Cooks and Walkers? Can anyone point to any transaction in which they were led by the nose by men such as the gentlemen I have named, and, as regards one of whom, at all events, it can safely be said that he is not a capitalist——

Sir ALBERT J. SMITH. Colonel Walker was a member of the Allan Company.

Mr. McCARTHY. If we say to the Government: "This offer ought to be accepted," what will be the result? They cannot build it, and they do not propose to build it for $5,000,000. They will have to float the scheme in the money market, where capitalists will want to know the circumstances under which the offer was made, and why it was made without any attempt at accuracy of detail, and without calculations which would be necessary. If it be supposed for a moment that we authorized the Government to accept that offer, and the gentlemen endeavored to carry it out, what would John Bull say when asked to give his money? He would want to know the story of the contract, and more particulars than satisfied hon. gentlemen opposite; he would want to know how the profits were calculated. The result of such an act would be that next Session His Excellency would come down to the House, as he did in the case of the Allan contract, and announce the failure of the schome. Again this disturbing element would be sent here to hamper the ordinary business of legislation and be the destruction of this Ministry and the ruin of that Government. Again would we have party warfare all turmoil in connection with the construction of the road, unless the contract entered into by the Government were ratified. It is said the second Syndicate has put up $1,000,000. Has that sum been placed in the hands of the Receiver-General? They took care not to do so. The most they have done is to endorse each other's notes. In fact, I happened to see a member of the second Syndicate go into one of the banks with almost as many bill stamps as he could carry. I have not the slightest doubt that the Inland Revenue Department will realize a considerable benefit from this one and a half millions which have been discounted. But is that sufficient to warrant us in going on? We know that in regard to the contract of 1872 Sir Hugh Allan was much better known than any other merchant in this Dominion, across the water; he was a man of great wealth and great enterprise, yet though he went across the Atlantic, though his million of dollars was in the hands of the Government, he could not float his scheme. I say therefore that in justice to ourselves we could not accept this second offer because it could not be carried out.

Mr. ROSS (Middlesex). What guarantee does your Syndicate give that they would carry out their offer?

Mr. McCARTHY. Does the hon. gentleman suppose—because if he does, I know his leader will not agree with him—that the Syndicate will not carry out the terms—that they are not able to go on with this scheme? The very fact that three months were taken up in making this contract shows that their offer was made in good faith. The hon. member for South Wentworth (Mr. Rymal) said he could not blame the Syndicate; that they were not men who would risk millions of money. To say nothing of their character as business men shows that we have every reason to believe that they entered upon the contract in good faith. Are we to permit these gentlemen to say that, after the Government went to England, after it was known that the Government were anxious to build the railroad by a company, after it was advertised that they wanted offers from the bankers and capitalists of Europe to undertake the construction of the road—and no offer was made—and after the contract under such circumstances was entered into—are we to say that, after all this, because a Canadian company come forward and offered to accept the building of the road for a less sum, the gentlemen who had made the first agreement were to be dismissed with contempt?

Sir ALBERT J. SMITH. It shows the importance of advertising for tenders.

Mr. McCARTHY. Does the hon. gentleman forget that the Government of which he was a member did advertise for tenders?

Sir ALBERT J. SMITH. These are new conditions.

Mr. McCARTHY. Does the hon. gentleman not know that not the slightest attempt at an offer was made during the time that he was in power in answer, to the call for tenders? We know that it took a long time to work the matter into its present shape, that it required weeks for these capitalists to acquaint themselves with the details of the work, and that it would have been useless

to advertise. I think it would have been an act of dishonor for the Government to say to these men, to whom they held out inducements to enter into the contract, that on the terms of the agreement being made known they had found others who were willing to do the work on slightly better terms than those which had been agreed on, and that therefore they could not induce Parliament to ratify the contract. That is the most important question, so far as our credit in Europe is concerned. But the most important point is this: that these men having made the offer in the manner I have briefly outlined, they could not have raised the money necessary in order to perfect the scheme. Now, Sir, I have endeavored to give my reasons for taking the course which I intend to pursue. I am in favor of the construction of the road at once, so long as it can be done without adding to the burdens of the people. I believe our prosperity depends upon our having a medium of traffic, independent of the whims of the American people. I am in favor of having the road built by a company, because I think it should be built on commercial principles. I favor the endorsement of the contract by Parliament, because, as I think I have been able to show, it is in the interests of the country that the second offer should not be accepted. For the reasons I have given I shall not vote for the amendment of the hon. member for West Durham (Mr. Blake), but for the adopting and carrying out of the original resolutions.

Mr. MILLS. Mr. Speaker, before addressing myself to the subject more immediately before the House, I desire to refer to a matter incidentally mentioned by me when addressing the House at an earlier period of this debate. I endeavored then to point out that our system of Government, when conducted as it should be, in accordance with the well understood wishes of the people, required, that a great measure changing the settled policy of the country, changing the constitution of the country or imposing unusual burdens upon the country, ought not to become law without popular sanction. I pointed out that this principle was recognised in dealing with the secularization of the Clergy Reserves; that, although the country had, in 1847 and again in 1851, pronounced in favor of secularization, yet, because the Legislature had declared that the representation was inadequate, and had increased the number of representatives, it did not venture to deal with the question until after an election was had under the reformed representation. I said:

"Mr. Hincks proposed to deal with the secularization of the Clergy Reserves. This, Lord Elgin—then Governor General—declined to accede to. He said you have reformed the representation of the people in Parliament. You have admitted by doing so that they were not adequately represented before. I do not think, on so important a question as the separation of Church and State, you should proceed to act upon the public expression obtained under a confessedly imperfect system of representation. In this view his advisers ultimately concurred, and another election was held."

A few days since I received a letter from Sir Francis Hincks, complaining of this statement in one particular, and which I am anxious to correct so far as he is personally concerned. Sir Francis Hincks, in one of his letters to me, says:

"There never was a difference on the subject between Lord Elgin and his advisers, and I feel strongly the imputation of having endeavoured to settle such questions as the Clergy Reserves and Seignorial Tenure in a Parliament which two-thirds of both Houses had declared to be an inadequate representation of the people. The uniform practice of the Imperial Parliament under similar circumstances was in accordance with the Ministerial view, and yet both Conservatives and Grits joined to insist on legislation on the most important question of the day, by a condemned Parliament; and when they knew that the opponents of the Government demanded a settlement, were in direct antagonism as to that settlement."

Sir Francis expressed his anxiety to learn how I came to be, as he says, misled. I at once informed him of my authority for the statement which I made. It will be in the recollection of many gentlemen from Ontario and Quebec, that in 1851 doubts had arisen as to the sincerity of the Government in reference to the questions referred to. Mr. Lafontaine, I believe, voted against Mr. Price's resolutions in favour of a repeal of the Imperial Act. When Mr. Baldwin retired and the Government was re-organized under Mr. Hincks, Mr. Malcolm Cameron and Dr. Rolph were taken in as representatives of the more advanced section of the Liberal party. They were pledged to a secularization of the Clergy Reserves. They were not committed to the views subsequently put forward that the Imperial Act should be repealed before the Canadian Legislature undertook to deal with the question. The measure altering the representation became law. The Legislative Assembly was somewhat abruptly dissolved and an appeal had to the country. Dr. Rolph, in addressing his constituents, defended himself from the charge of neglect of duty and bad faith, in not having dealt with the subject; and he gave as a reason, the opposition of the Governor General to legislation by a Parliament that did not adequately represent the people. I had no reason to doubt the accuracy of Dr. Rolph's statement. Sir Francis Hincks, in another letter to me, says:

"What you say of Rolph's speech and Lord Elgin's reference to 'consideration and discussion,' leads me to think it probable that Rolph may have argued for an immediate settlement in 1854 without a dissolution. I do not recollect that he did, but think it not improbable."

I think it is perfectly certain from Lord Elgin's despatch that a difference of opinion did exist in the beginning amongst his advisers, upon this subject. And with the permission of the House I shall read a brief extract from Lord Elgin's despatch, June 22nd, 1854, which will make the point perfectly clear. Lord Elgin, speaking of the Provincial Government, says:

"Some members of this body were strongly pledged to the secularization of the reserves, and it was believed that a proposal to carry out a measure of this description would be supported by a majority in the existing Assembly. After full consideration and discussion, however, my Executive Council arrived unanimously at the conclusion, that apart altogether from the merits of secularization it would not be consistent with their duty to undertake to legislate upon this subject in the Parliament as then constituted. The Clergy Reserve question was one on which it was notorious that the public mind in Upper Canada, more especially, was much divided, and the Imperial Statute on the subject had been repealed for the express purpose of facilitating a settlement which should be final, and in accordance with the deliberate views and convictions of the people of the Province. To attempt, therefore, to settle such a question in a Parliament which had been already declared by its own vote to be an imperfect representation of the people and by the exercise of what might be deemed the influence of the Government, was a course of proceeding obviously open to serious objection. In these views of the Executive Council I entirely concurred."

Before dismissing this subject, I would say that, having again looked at the political history of that time, I have no doubt that the views which I correctly attributed to Lord Elgin, were also the views of his Prime Minister, and that there was but a section of his advisers who favored legislation before dissolution. The House will see that the appositeness of the illustration is not at all affected by the question, as to whether two colleagues or three, in the beginning, differed from the Governor-General of that day, or whether the Governor-General had any strong opinion upon the question. The fact remains, that an appeal was had to the country before the Legislature would venture to deal with so important a public question upon which a majority of Parliament were agreed before an appeal was made. Having said this much in justice to a former Prime Minister of Canada, and in the interest of historic truth, I will now refer to matters more strictly pertinent to the subject in hand. The member for Frontenac (Mr. Kirkpatrick) quoted the following words from a speech of mine made two years ago:—

"Mr. Fleming, some years ago, estimated that the interest on the money required for the construction of the railway, and the cost of working the railway for many years would amount to $14,000,000 per year."

It will be seen that I simply quoted the words of Mr. Fleming to show the House that the cost would be very large, and that the non-productive sections ought not to be pushed forward with undue haste. I did not pretend to

to say that Mr. Fleming's estimate was strictly accurate. I did not know whether it was or not; but the hon. member for Frontenac assumes that it is all wrong. The hon. gentleman said:

"No wonder, entertaining and giving expression to these feelings, hon. gentlemen opposite should be utterly astonished at the idea of the Government resuming possession or allowing these contractors to build the road and then hand it back to the Government so that the Government would be at the cost of running it. No wonder they should raise a howl through the country when it was suggested that was the case."

The hon. member for Frontenac is mistaken, we did not howl, nor did we indulge in beastly noises of any other kind in reference to the matter. The terms of the contract were carefully concealed from us; and if we had been disposed to express our dissent in the manner named by the hon. member—by howling—the occasion for doleful noises did not arise. When I asked the hon. member for his own opinion, as to the cost of running the road and the interest on the money, I find the hon. gentleman's estimate quite as astounding as that of Mr. Fleming, which was based upon the cost of a much superior road. He informs us that the cost of running the road will be $6,000,000 or $8,000,000 a year. That the Syndicate will have to pay, on borrowed money, $3,000,000 yearly. Now we know that the interest on Government expenditure will be about $3,000,000 more; so that the hon. member for Frontenac finds the cost of the road about what Mr. Fleming estimated it to be, and he will hardly undertake to argue that the company are ready to sustain, out of their own pockets and the earnings of the road, an annual expenditure of $11,000,000. The hon. member again referred to the Colonization Railway Bill of the late Government, under which the Government might aid tributary roads to a limited extent. He did not accurately state its provisions. Under that Bill, east of the 102nd meridian, aid not exceeding 6,400 acres a mile could be granted with the approval of the House of Commons, and west of that meridian the maximum area was 7,680 acres a mile. Under the proposed scheme for building a road of the same character upon the prairies, the Government give 12,500 acres, and $10,000 per mile. According to our proposal, the same amount of land and money that is given for 900 miles of the central section, would build, 2,365 miles of railway. The hon. member says, that he wishes us to remember that branch lines will be built without any further subsidy or land grant. We say he does not know that. If branch lines are to be built out of this contribution, why was it not provided that they should be so built? Why give enough subsidy to 900 miles of railway to build nearly 2,400 miles? Why not make the subsidy correspond with the contemplated improvement? What farmer, who has lands to drain, will say to the person to whom he lets the contract of making a principal drain, "I will pay you four times what the drain is worth, and then you will have money enough to make any number of tributary drains." Do you think any one would act in so foolish a manner? It is said "O! but this case is different, these men have a special interest in building these roads." I don't think so. They have a special interest in selling out to some one else at a large profit. They can do so. You pay them nearly four times what the prairie section is worth. Suppose when Parliament rises, they say to the new Syndicate: You have offered to build this easy section for 2,500 acres of land and $1,666 less per mile than we have contracted for. This road can be built at from $10,000 to $13,000 a mile. What will you give us for our charter? Is there anything to prevent a sale? Is there anything to prevent these St. Paul gentlemen putting a large sum in their pockets, and leaving the work to be carried forward by men who have barely enough to build the road? What security has the country that this will not be done? All that the Government retain, as security, under this contract, is a mere bagatelle when compared with the amount actually received in excess of the cost of construction. The road may change hands a dozen times before the prairie section is completed, and not one dollar of what is given in excess, which some day is to be used in building branch roads, and which others say is to be used in paying losses, in working the ends, may remain with the Company at the end of three years. The whole may be absorbed by those who sell out to others who succeed them. I press this point upon the consideration of the House, and I tell gentlemen upon the Treasury benches, unless they prevent the transfer of interests in this undertaking, they are simply giving away the public revenues and the public lands without, in any way, strengthing the hands of those who who may ultimately undertake the construction of the railway. The member for Frontenac says, that we, last year, said the lands were bad. I don't think the hon. member will find any such statement. There may have been a difference of opinion as to the area of the fertile belt. I dare say there is a difference of opinion still. I don't know, and I am inclined to think my means of information has been quite as good as the means possessed by the hon. member. The hon. member last year, *voted* that these lands were worth $3.18 an acre. This year he says they are worth but $1.00: why this change? Has the hon. member had new light since last year? Has he discovered that he was mistaken? Is he now prepared to say that the quality of the land which he voted to be first class last year, has fallen into the third class this year? He says that we, this session, praised the country that last year we discredited it. This statement is wholly unwarrantable. We pointed out that good as the country might be, it was blighted by a vicious administration of its affairs which drove away the settlers. We said that five or six months winter was a drawback; that many would prefer a climate where the winters were less severe; and that the Government ought not to add other impediments to this one. We have postal guides and immigration pamphlets published at the expense of the Government, pointing to other fields of immigration than those of the Dominion, and until the followers of the ministry censure the cosmopolitan policy of their leaders, they are in no position to scrutinize what may have been said on this side of the House. The member for Cornwall says that the Sault line will promote annexation to the United States, because it will send immigration and traffic through American territory. The hon. member has peculiar notions. The effect of building the Sault line would be to bring the trade of the Western States and territories down the valley of the Ottawa. And if the trade of the American territory north of St. Paul would go eastward by the Sault, surely the trade of our territories to the north would not take a more southern route. But how is it now? We have no communication except through the United States. Is annexation being promoted? Are the people growing disloyal? Is the North-West less Canadian in feeling and sentiment than the provinces more remote from the United States? The Sault line gives us direct communication with the North-West seven years sooner than it can be obtained by the North Shore route. If there is danger of political contamination at all, is there no danger in seven years delay? We know that in the summer season the immigration will be by Thunder Bay and not along the south shore of Lake Superior. But if there is danger it must be perpetual so far as Ontario is concerned. By far the largest immigration to Manitoba and the North-West has been from Ontario. The south-western Peninsula must always carry on its traffic with the North-West through the United States. Its geographical position necessitates this. The south-western Peninsula, according to the hon. gentleman's theory, ought long since to have been ripe for annexation, and yet public sentiment has not set in violently in that direction. The hon. gentleman says we have hostile neighbors. I don't

think so. The people of the United States have for a quarter of a century been among our best customers. It is unwise, ungenerous observations, such as those of the hon. gentleman, which have tended to keep up a feeling of antagonism between the two countries, unworthy of either, and detrimental to the commerce of both. The patriotism of the hon. gentleman, which views all the rest of the world as our natural enemies, is the patriotism which belongs to barbarous and not to an enlightened age. It is only after tribes of men discover that they have common interests, that they cease to regard each other as enemies, and become one people. It is one of the merits of free trade that it has proved itself an enemy of the mercantile theory and of the spirit it engendered, and put an end to that system of warfare which the mercantile theory kept alive. It has been well said by Sir James Macintosh that:

"One nation has the same interest in the welfare of other nations, that a tradesman has in the prosperity of his customers. Not an acre of land brought into cultivation on the banks of the Mississippi, or in the wilds of Siberia which has not widened the market of English industry. It is nourished by the prosperity of the world, and it amply repays for all the benefits it receives. It can only be used in spreading civilization and enjoyment over the earth. If the blind and barbarous project of destroying English commerce, could succeed, it would have no other effect than that of ruining the countries, who, blindly and barbarously attribute their poverty to English wealth."

I would commend these words to the careful consideration of the hon. member for Cornwall. The First Minister told us that in the failure to adopt Sir Hugh Allan's contract nine precious years had been lost to the country. Sir, we all know how Sir Hugh Allan failed. He failed not only because the railway was to be constructed through a country wholly uninhabited and within a period which must have entailed enormous losses upon the proprietors of the road, but because the contract was tainted in his hands by his own misconduct and still more by the high crimes and misdemeanors of the Government. But I deny that the country has sustained any loss up to this hour by the failure of Sir Hugh Allan. I deny that the settlement of the North-West has been in any degree retarded by that event. The progress of the work under Government has been, at least as great as it could have been under Sir Hugh Allan's Company. I do not stand alone in this opinion. Let me read for the benefit of the First Minister the opinion of his colleague, the Minister of Railways. In the Session of 1879 the Minister of Railways said:

"I have no hesitation in saying that the work I have referred to, as involving an expenditure of over $28,000,000 of public money, has largely contributed to remove the difficulties and promote the progress of the entire undertaking. I believe, that as we originally looked to the development of the great North-West as the only basis upon which any government or company could undertake the construction of the Canadian Pacific railway, so we cannot but regard the expenditure of $18,000,000 of public money in permeating that difficult, almost inaccessible district of country between Lake Superior and the Red River, as money expended in a way that it is most likely to so develop, so improve, and so people the great fertile country of the North-West as to give us a substantial basis upon which we may hope to succeed in permeating the still more difficult and extensive region from the Rocky Mountains down to the shore of the Pacific. And although this expenditure of public money has not been made within the Province of British Columbia, I am free to say that that expenditure, in my judgment, has been made in a way much better calculated to secure the actual realization of this work than if every dollar had been expended in British Columbia, commencing at the shores of the Pacific, because no expenditure in British Columbia could materially contribute to the opening up of that great North-West region upon the development, and upon the peopling of which must necessarily depend the successful prosecution of that gigantic undertaking, the Canadian Pacific railway. Now, Sir, I have stated that we have great advantages in the construction of such a work as this. There has been a great advance made within the past five years: not only have we accomplished an important work in providing for an early, rapid, and easy communication through our own country, from the shores of Lake Superior to the Red River, but we have acquired information with reference to the North-West territories which is invaluable in its character."

I think this extract from the speech of the Minister of Railways is a sufficient answer to the observations made by the First Minister, with so much affected sadness, as to the nine years—the nine precious years lost to the nation. The

House has now two propositions before it. It is free to choose between them. It is not bound to take either. It may reject both. This contract, unauthorized by law, unsanctioned by Parliament, has no more force than if it had been signed by the most obscure person in the country. It is no more binding upon the House than the offer made by Sir William Howland and his associates. We are called here by the Crown to consider what we shall do with it. I trust we shall not fail to act in the public interest. I need not argue in favor of the proposition that this House is wholly unpledged to any particular line of action, by any thing which the Government may have done. The negotiations between the Government and any private company are far less important than negotiations resulting in a proposed treaty between two independent States. There are considerations arising when a treaty is to be confirmed or set aside which have no place in a negotiation of this kind. Well, do States, when treaties are made which they think not in their interests to confirm, feel themselves bound to ratify them? I will refer to two or three instances by way of illustration. During the Crimean War a conference of the great powers was held at Vienna; Lord John Russell, then Colonial Secretary, attended as a representative of Her Majesty, and Druen de L'Huys as the representative of the French Emperor. The treaty was not satisfactory to the Government of either; public opinion had pronounced against it in England, and it was not ratified. In 1868 negotiations were carried on between Lord Stanley, now Earl Derby, and Mr. Reverdy Johnson, the American Minister at St. James. A treaty was signed for the settlement of all difficulties growing out of the American War. After it had been signed, exceptions were taken to certain of its provisions by Lord Stanley's colleagues, and it was amended; exception was also taken by the President and the Secretary of State, and changes were accordingly made. The objections of the Senate were anticipated, and further changes were made. But this did not prevent the Senate of the United States from entering into a full consideration of the provisions of that treaty, and refusing to give it their sanction. Then we have the case referred to by the leader of the liberal party, the case of the boundary award; a case where the action of the Government clearly fell within the ordinary duties of administration; and although a former Parliament had approved of the action of the Government, the First Minister, disregarding that approval and repudiating, as he has done, the principle of continuity in government, has dealt with the question as one in which the action of Parliament is wholly unrestrained by what has already transpired. In all these cases the obligations upon those who have been called upon to consider the question, to follow in the lead of what has already been done, is infinitely stronger than in the case now under consideration. The hon. Minister of Finance admits that this House is free to confirm or reject. The hon. Minister admits that the prior negociations and the prior understanding between the Government and the Syndicate, ought to have no influence upon the conduct of this House. We have to look at this paper as if the signature of the Minister was not there. It is not a contract made under the law, it is a contract made outside the law. It has no vitality or force beyond what the sanction of Parliament may give it. It is to us a simple proposition; it is nothing more. It is of no higher character in point of law than the offer made by Sir William Howland and his associates. These two propositions are before us as propositions, and nothing more; and if all the Ministers had signed the one it would have given it no superior claim to our consideration. Both are proposals which involve a tax upon the country; both are proposals asking for large subsidies from the public treasury and from the public domain; they come within the most ancient functions of the People's House; and we, as representatives of the people—or, rather,

for this purpose, delegates of the people—would be betraying our trust if we allowed ourselves to be turned aside by any consideration from disposing of the matter in hand upon its merits. Now, as between the two Syndicates, we find a large difference in favor of the second proposition. There is a difference

In Cash of	$2,000,000
Lands of	9,540,000
Customs duties of	1,500,000
Making a total of	14,040,000

to the public Treasury of the Dominion. I know that hon. gentlemen opposite have undertaken to make out that the amount of duty remitted is much less than the amount which I have stated. But how do they do so? By suspending the provisions of an Act which they themselves have put upon the Statute Book, and by underestimating the amount to be derived under that part of the law which is at this moment operative. We have some hon. gentlemen tiesmating the operative provisions as affording a duty of less than $100,000. You have in sight of the Buildings a small bridge upon which one fourth of this sum was paid to the Government, and I understand that the Customs Department claims several thousand dollars more. It is folly then to hope to mislead the public by any such representations. Then we have the ordinary tax capitalized which according to the average rates of railway taxation, will represent at least five millions more, and we have the extra cnarge on freights for twenty years, which at the present Minnesota rates will represent a sum, the present worth of which, will be $25,000,000 more. So that the difference to the Country between the two offers, is at least $44,000,000. Now I ask the members of this House: Are you prepared to pay $14,000,000 from the Treasury and resources of Canada, and impose a burden of thirty millions of dollars upon the industry of a population of the North-West beyond what the offers before you render necessary? Why do you do it? It is vain to say that the second offer is not genuine, is a bogus offer, is a political trick. You know—the whole country knows,—that it is a genuine offer, an offer made in good faith, and backed up by a deposit into the hands of the Government of $1,400,000. The supporters of the Ministry know this is true. Let them summon Sir William Howland, or Mr. Gibson, or Mr. Hendrie, or Mr. Proctor, or all of them, and ask them whether they are not ready to proceed with the undertaking. Then I ask what is this extra sum to be paid for? Is it to save the Government? Are you prepared to impose a charge of $14,000,000 upon the country and $30,000,000 upon the future inhabitants of the North-West Territories, to save the Government from defeat? Is this the price that you put upon ministers? When ministers have grossly blundered, is this the sum that you are ready to make the country pay to protect them from its consequences? If you are determined to protect the Government at all hazards why not open neg. tiation with Stephen and company, and see how much they will take and retire? Ask their price and see how much you can save by paying for the release of your leaders. The First Minister informed us that a great deal too much was asked for building the Central Section. The new Syndicate ask, in cash, $7,333, and in lands, 10,000 acres; a mile worth $31,800; making $39,133 a mile. Now, as the cost of the road over the prairie is but $13,000 a mile, this would be $26,133 in excess of the expenditure, a very large sum, no doubt; but when we look at the proposition that the Government are urging upon the House, we find that they propose to pay in cash $9,000, and in lands 12,500 acres a mile, being $39,750 more, making a total of $48,750, or an excess of $35,750. Now, what reason did the First Minister give for accepting the more burdensome and rejecting the less burdensome offer? He says that three times the value of the road was too much to give, but four times its value is not too much. He says the second Syndicate will only build the central section. And why does he say this? Because they have made three propositions to the Government, any one of which they are ready to enter into a contract to carry out. What evidence does the First Minister adduce to show that they intend to build only the prairie section should they contract to build the whole of that which the Government propose to let to a Company? Simply this, that they have asked more to build the prairie section than it is worth. Did it never occur to the First Minister that if the one Syndicate would abandon the construction of the ends, because they receive $26,000 a mile too much for the prairie section, the other, which he proposes to overpay by nearly $36,000, would have a still greater reason for following the same course. But the First Minister answers, "O, but I remain in power to enforce the first offer, and I'll resign if the House accepts an offer $44,000,000 better. If the First Minister should resign, and my hon. friend from West Durham were called upon to form a Government, he could not conduct the business of the country with this House. He would be obliged to go to the country. If the First Minister and his friends are as strong as they profess to be in the country, the appeal would be made to no purpose. The right hon. gentleman would be again recalled to power, and the second Syndicate would be still under his control. But is it not apparent that the first minister does not believe he has the country with him? Ministers ought not to wait for a vote upon this measure. They ought to admit that their negociations were a mistake. They should either abandon the contract or release their friends from any obligation to support them. We have heard a great deal about patriotism in this discussion, but, I ask this House, could anything be more unpatriotic than the demand of the Government to be upheld at cost of $44,000,000 to the country? Let me ask the consideration of the House for a moment, to the First Ministers objection to the new offer. He says three times too much is asked for the central section. He proposes a sum four times too great, and what is his defence for this excess? Why, that there will be a loss on the extremities of the road which he insists on having built. Did he tell the House why this extra sum was not credited to the ends? Why are $31,000,000 in excess of the actual cost of these nine hundred miles handed over to the company? Why is it not secured by the Government in some way, in order that it may be made available for the purpose? Why is it not credited to the sections entailing the burden? Is it because that this House dare not vote to go on with the construction of the ends if their actual cost was known to the country? Is it for the purpose of concealing the ruinous folly of building the ends at the present time? Is it because you anticipate defeat and you propose to compel your successors to choose between the whole line and this exorbitant sum for the prairie section? The contract, if sanctioned, will be a scandal and a disgrace to this Parliament. The First Minister seems resolved on making Parliamentary Government unpopular in this country. A course more unconstitutional could not well be taken. Our bounden duty, under a system of Parliamentary Government, is to legislate for the present, but in legislating for the present to legislate in accordance with the principles of natural justice. We should allow the future to judge of its own necessities and provide for its own wants. What right has the Government to make contracts in reference to works not even to be begun until after the term of the present Parliament has expired? Against such a course I enter my most earnest protest. I do not wish myself to be bound by legislators rotting in their graves. I wish to leave to future Parliaments the freedom to judge of what is best in their own times, and the power to provide for what is best. The right hon. gentleman is not content to do this. He is afraid that ability and

patriotism and public virtue will die with him, and he insists upon looking after the interests of those whom he can never meet in this world, who will not have arrived here until after he has left it. I agree with Sidney Smith that those who moulder in the church-yards ought not to rule those who are sitting in the pews. The right hon. gentleman is now captain of the ship. He can sail east or west. He can determine its course for the time being. In my opinion he is not likely to remain in command very long and he may leave to his successor as much good advice as he pleases, but he ought not to undertake to scuttle the ship simply because he cannot continue master. The right hon. gentleman has suddenly discovered that monopoly is a good thing. Three years ago he entertained a very different opinion. Now he is afraid of the traffic being drained to the southward. Then he thought the southward draining was inadequate. If there is proper railway construction there can be no fear of the road being depleted. If the necessary facilities are afforded, the traffic of every section will take the shortest and cheapest line to the place of consumption, and it is to the interest of the country that it should. The right. hon. gentleman is afraid that if the North Shore line is not protected by a desolated and depopulated band along the boundary, fifteen miles in width, the North Shore line will have nothing to do. If it requires $30,000,000 in addition to the cost of construction to provide for the expenses of operating it, it had better be closed after it is built - a better use can be made of the money than to waste it upon the losses anticipated upon this railway. We are told that there are minerals in those regions. It may be so, but when they are discovered and their value ascertained a railway may then be undertaken by those who believe in its wisdom. I have already pointed out that so far as the immigration from Ontario is concerned lying west of the Ottawa district, it will go to the North-West by existing American lines, or by Mr. Beatty's steamers. The Sault line if built would furnish a summer line through Canada by the way of Thunder Bay. In the winter time there will be very little traffic or travel by any line, and a northern line if built would scarcely be used. I believe the country is heartily sick of political railways. The Intercolonial was built on the principle of gush, and it has already cost the country upwards of $45,000,000. The Great Western and the Canada Southern are American roads on Canadian Territory, and if the Sault connection were made the railways of Upper Michigan though built at the expense of American capitalists, would in a great measure become Canadian roads upon American territory. The Minister of Railways, two years ago, paid an excessive price for the Rivière du Loup road upon condition that the money should be spent in building a railway in western Michigan. Why did he do this? Was it not to draw American traffic over the Grand Trunk line, and now he opposes a proposal to expend money in Canadian territory to secure ten times the amount of traffic and to prevent a waste of $36,000,000 of money. The member for Cornwall says, that to say the British Columbia section could be built without an increase of taxation is a fraud upon the country. If so, it is a fraud in which his new friends concurred. The First Minister says we cannot postpone the British Columbia section without disgrace. He has not always been of this opinion. The hon. gentleman did not so vote in 1876. He did not then so speak. He has forgotten the language which he held toward his present colleague at that time. The right hon. gentleman tells us it was a part of the Imperial policy to build the British Columbia section. Let me say to him, Imperial policy should have Imperial support. Imperial policy is not entrusted to this Dominion. It rests with the Parliament at Westminster, and is to be upheld by burdens imposed upon those by whom the Commons of that Parliament is elected. Our policy should be national, not Imperial. The modern rule is that the power belongs to those upon whom the burden falls. Two years ago the hon. gentleman was of this opinion. Eight years after the union with British Columbia, he set out on a mission to England to make the Pacific Railway matter of Imperial concern. The report of that mission has never been laid on the Table of Parliament. But we have heard nothing of Imperial policy from that period until now, when it is dragged out as one of the rusty implements of warfare, from the armoury of the First Minister, to be used in this his hour of need. Several hon. gentlemen have alluded to the Carnarvon terms, as if some new obligation was imposed by them upon the country. The Carnarvon terms were subject to the condition expressed in the Act of 1874, that no expenditure on account of the Pacific Railway beyond the amount warranted by the taxation of 1871 was required to be made. And this was expressed in the resolutions communicated to Lord Carnarvon. Let me here read one of those resolutions, which establishes this point explicitly:

"The minute of Council of September 17th, contained a statement of reasons showing why some of these modifications should not be pressed, but the Government, actuated by an anxious desire to remove all difficulties, expressed a willingness to make these further concessions, rather than forego an immediate settlement of so irritating a question as the concessions suggested might be made without involving a violation of the spirit of any parliamentary resolution or the letter of any enactment."

These words, Sir, show beyond all room for cavilling or doubt, that the Carnarvon terms were to be subordinated to the resolution and to the law relating to non-increase of taxation. The First Minister in his speech at Bath said that no additional burdens were to be imposed upon the country, and yet he now intimates that what he then said was a sufficient notice to all parties that the Government were ready to receive tenders. The obligations of the Government reached, it was supposed, $30,000,000 in railway construction. The natural inference was that there would be no money subsidy—that the railway already constructed, or in the course of construction, would be handed over as so much cash; and that the remaining subsidy would be in lands only. What are the facts disclosed by this contract? The general burdens will be increased by $40,000,000 and the special burdens on the North-West will reach $50,000,000. The First Minister compares his speech at Bath with the manifesto of Mr. Mackenzie of 1874. There was no analogy between them. The member for Lambton was appealing to the country. It was a statement of public policy, upon which the public judgment was sought. It was acted upon by Parliament and by Ministers. The statement of the Premier at Bath was a vague and imperfect statement of facts still undisclosed, a statement which, if we are to judge by what subsequently happened, was calculated to mislead the capitalists of this country. One hon. member, the member for Victoria, Ont., informed us that the new Syndicate had not the credit to undertake the construction of the road. He then told us that they would build only the middle section of the road; that the Government would have to resign if the new Syndicate were supported by the House, and that the member for West Durham would become First Minister; but if we on this side are so unpopular with the country as the hon. gentleman says we are it would only be a few months until the First Minister and his friends returned again to power, and the small sum so spent would be well invested if the country saved $40,000,000 by the transaction. But let me notice further the statement as to the want of credit of the new Syndicate. What foundation is there for such a suggestion? They have already placed in the hands of the Government $1,400,000 as an evidence of their good faith. What is to give either Syndicate credit in the money market? Is it the great personal fortunes of its members? Nothing of the sort; it is the money which they are to receive from the Government, and the large

area of Territory. To say then that the new Syndicate has not the necessary experience or credit, is not the fact. There experience is at least equal to their rivals. The credit of each for this purpose is mainly what the Government subsidy makes it. An attempt has been made to discredit the new Syndicate because they have submitted to the Government a series of propositions. Did you ask for a definite proposition? Where is your advertisement? What had these gentlemen to guide them? Nothing but the discussion which took place in this House. For what are they maligned and misrepresented? Is it not because they gave to this House a choice in the matter? I do not complain that the Government have a policy upon the question, but I deny that Parliament is tied up to saying yes or no to the Government proposition. This House is above Ministers. If it is true to itself and to the people, it will not occupy its time in hounding capitalists, and men of wealth, belonging to this country, and who assist in upholding its prosperity, because without knowing the views of Parliament and refusing to anticipate its conclusions, they have submitted various propositions in conformity with the views which have been here expressed. There are not the less four propositions, because they are all embraced in one communication. They have offered to build the central and eastern sections and work the whole line. That is one offer. It is as distinct as if no other had been mentioned. They propose to do this for $22,000,000 and 22,000,000 acres of land. They ask no exemptions from duties, which is $1,500,000 paid in Customs duties. They ask for no restrictions upon railway construction. They ask for no exemption from taxation. They ask for no restriction upon the authority to regulate the tolls. They agree to a power of resumption. And they deposit security with the Government as a guarantee of their readiness to enter into a contract. Now I do not hesitate to say that these men are making this proposition in good faith. I say more. There is not a member on that side of the House who doubts it. The country will not doubt it, and no statement made to cast discredit on these gentlemen will prevent the public coming to the conclusion that these attacks are made to uphold the criminal folly of the Government who, contrary to law and contrary to the public interests, made a secret contract with the gentlemen of the first Syndicate. I do not say that Parliament should accept this second offer. I believe that by advertising a better offer could be had, but if either is to be accepted, it certainly should be the second. The hon. member for Halton asks, why recite this offer and the proposed contract if it is not intended to be accepted. The reason, Sir, is very obvious. The second offer being a better one is a reason for rejecting the first. That being done the House is free to say whether the second one ought to be accepted without an effort to do better. The hon. member said we ought not to ask the Government to do what we would not ourselves do were we in their places. The hon. member is confusing the action of the Ministers with the action of their supporters. The question is not what would we do were we in Ministers' places, but what will we do in our own places, as representatives of the people. Ministers may enter into foolish obligations from which they cannot recede; but is that any reason why all their supporters should follow them? If the hon. member is right no Government could be defeated upon any measure in Parliament. The hon. Minister of Finance says the late Government violated the Act of 1874, and the resolution of 1871 stipulating against the increase of taxation, on account of the Pacific Railway. I say the hon. Minister is mistaken. He says that his predecessor increased the taxation $3,000,000 for this purpose. The statements of the Minister of Finance is disingenuous and contrary to the facts. Taxation was increased to keep faith with British Columbia under this very resolution, and why? Because the existing revenues under a former rate of taxation were absorbed to meet new obligations. Let us look at the facts. The compensation to New Brunswick for the abolition of the export duty on logs, and the assumption of Provincial debts imposed annual charges

Amounting to	$ 819,349
The admission of Prince Edward Island	418,000
Steam Ferry and Railway expenses, P. E. I.	402,000
Mounted Police	200,000
Indian Treaties	350,000
Interest on Mr. Tilley's loan	450,000
Total	2,619,349
Tea duties restored	1,250,000

This was an addition to the annual expense of the country, greatly in excess of the revenues added by an extension of territory. To put British Columbia in exactly the same position in 1874 that she occupied in 1871 required an addition of not $3,000,000 to the taxation of the country, but $3,869,349 to the revenues of the country. It is not then a fact to say that the Government increased the taxation to keep faith with British Columbia in any other sense than keeping faith under this resolution. The hon. Minister of Finance in 1879 increased the taxation by $7,500,000, but he did it with so little skill, that he made little or no addition to the revenues of the country. The hon. member for Cardwell attacks the legal attainments of the leader of the Opposition, but the legal standing of the leader of the Opposition is too well assured to be affected by the misrepresentation or the scolding of the hon. member for Cardwell. The hon. member for Cardwell said:

"Will any one pretend or tell us that the impression the hon. gentleman left on the mind of the House was not that his opinion as a lawyer was that the Courts could not enforce this contract."

It is well to look and see what the hon. member for Lincoln said and the brief discussion that arose at the time. The member for Lincoln said:

"The Government can invoke the machinery of the Court of Chancery, which no one knows better than the honourable member for West Durham, to compel them to do what their contract say they shall do.

Mr. BLAKE. Then if I know anything about it, I deny that proposition.

Mr. RYKERT. If he denies that he will deny anything. If the Court of Queen's Bench will not grant a mandamus, the Court of Chancery will compel the Company to do it, and the hon. gentleman will go on and compel the railway company to go on and perform the terms of the contract.

Sir LEONARD TILLEY. Certainly, they can."

And with this encouraging opinion from the Minister of Finance, the member for Lincoln further said:

"And if they will not obey the mandamus of the Court the authority of the Court of Chancery can be invoked.

Mr. BLAKE. It is well laid down that a Court of Chancery will not enforce a railway contract.

Sir JOHN A. MACDONALD. I think the hon. gentleman is mistaken. Under ordinary charters when there is a permission for a company to build a railway, the Courts will not interfere; but when, as in this case, it is provided that the company shall build the railway it might be compulsorily enforced."

Now let me say that that depends on the nature of the work to be performed. It is clear that specific performance in such a case will not be enforced either under a contract or under a statutory obligation. Let me refer the First Minister to a case in which an application was made for an injunction to restrain a railway company from preventing the exercise of a right conferred by statute. It was refused by one of the Vice-Chancellors before whom the matter was heard. It was taken before the Court of Appeals. During the argument, Lord Justice James observed that:

"As far as my experience goes, the Court has never ordered anything which involves doing something from day to day for an indefinite period."

Lord Justice Mellish said:

"I feel the same doubt, and am disposed to think that a Court of Common Law would feel the same difficulty as to a mandamus."

In the decision Sir W. M. James said:

"Where what is required is not merely to restrain a party from doing an act of wrong, but to oblige him to do some continuous act involving labor and care, the Court has never found its way to do this by injunction. Both the learned Vice-Chancellors say that in all their experience they have never known such an injunction granted. My experience is the same. I think, therefore, that the order dismissing the bill must remain affirmed. At the same time, it is to be observed that the plaintiffs came here to enforce a right which the Act of Parliament gives them and which the Legislature intended them to have, and that they do not fail in the merits, the question as to the approval of the engineers being a mere thing thrown in, and the real question between the parties being throughout whether the plaintiffs have a right to use the railway at all."

The member for Cardwell says, that the proposed contract imposes no restrictions upon other railways. The hon. member is mistaken. Is it no restriction to say that no railway shall be built within fifteen miles of the border; that no railway shall extend eastward or to the south of south westward? Is it no restriction to say that no other railway shall have any connection with any American road? Is it no restriction to say that other railways shall pay tax, but that this one shall pay no tax? Is it no restriction to impose duties upon all the material required in railway construction upon other roads, and to impose none upon the material imported for this one? Is it no restriction to furnish this one with the capital to build a road if they see proper so to use it? The hon. member says that people will not object to the Company building branch lines. Certainly not, but they do object to the refusal to let others build. The hon. member has referred to the surveying expenses, and he says they are already included in the estimated cost of the work to be handed over to the Company. The hon. member is again mistaken. The First Minister has pronounced the offer made by the second Syndicate, a political dodge, a trick—a discreditable trick. The right hon. gentleman knows well that the offer was made in good faith. He knows that those who have made this offer to the House are ready to undertake the construction of the whole work, and that there are many others who are ready to join them. It is pretty clear that those gentlemen have not joined for the purpose of making a point against the Administration. The right hon. gentleman informed us that a change is to be made in the Consolidated Railway Act, by which the Government is in some way to have greater power in reference to the tolls, than they can exercise under the provisions of this contract. I have no hesitation in saying that the farce that we had played between the First Minister and the member for Halton, is a trick of the kind so frequently spoken of during this debate. How is the Government going to obtain a larger control over the railway than this contract gives them? How is the Government going to continue the vitality of a power, which, by the very terms of this contract is exhausted the moment it is exercised. Will the Minister say that they are going to give by a subsequent law a different meaning to the expressions here used, than that which they now bear? Is he going to say that the ten per cent. shall be paid upon the capital that the Company put into the transaction? You give this Company a certain sum. You expect them to use it in building this road. Are they to have no dividend upon it? I believe the sum given is more than sufficient to build all that they contract to build. Are they in that event, to have no dividend at all? But suppose you make this declaration, this Company may do what the Union Pacific did. They may contract with themselves. They may let the contracts for building at sums five times as great as the actual cost of the road. They may make the road represent a capital of $100,000,000 of their own money. There is nothing here to prevent that, and you propose to make it their interest to do so. Instead of correcting a mistake you propose to commit a greater blunder. Could there be a more abject exhibition of incapacity than has been exhibited in this contract, and in the attempt to explain away defects such as the one I have just referred to? The Premier has told us that we have had in this discussion a series of theatrical exhibitions; that we have had tragedy, comedy and farce. I don't quite agree with him. The comedy was played before Parliament met. The hon. gentleman appeared as chief comedian at Hochelaga. The farce is now being played by Ministers and their friends. The tragedy is yet to come. It will come with the elections.

Amendment (Mr. Blake) negatived on the following division:—

YEAS:

Messieurs

Anglin,	Geoffrion,	Olivier,
Bain,	Gillies,	Paterson (Brant),
Bechard,	Gillmor,	Pickard,
Blake,	Glen,	Rinfret,
Borden,	Gunn,	Robertson (Shelburne),
Bourassa,	Guthrie,	Rogers,
Brown,	Haddow,	Ross (Middlesex),
Burpee (St. John),	Holton,	Rymal,
Burpee (Sunbury),	Huntington,	Scriver,
Cameron (Huron),	Kiliam,	Skinner,
Cartwright,	King,	Smith,
Casey,	LaRue,	Sutherland,
Casgrain,	Laurier,	Thompson,
Charlton,	Macdonell (Lanark),	Trow,
Cockburn (Muskoka),	MacDonnell (Inverness),	Weldon,
Dumont,	McIsaac,	Wheler,
Fiset,	Malouin,	Wiser,
Fleming,	Mills,	Yeo.—54.

NAYS:

Messieurs

Allison,	Gault,	Merner,
Arkell,	Gigault,	Méthot,
Baker,	Girouard (Jacques Car.)	Montplaisir,
Bannerman,	Girouard (Kent),	Mousseau,
Barnard,	Grandbois,	Mutta't,
Beaty,	Hackett,	O'Connor,
Beauchesne,	Haggart,	Ogden,
Benoit,	Hay,	Orton,
Bergeron,	Hesson,	Ouimet,
Bergin,	Hilliard,	Patterson (Essex),
Bill,	Hooper,	Pinsonneault,
Bolduc,	Houde,	Platt,
Boultbee,	Hurteau,	Plumb.
Bourbeau,	Ives,	Pope (Compton),
Bowell,	Jackson,	Pope (Queen's),
Brecken,	Jones,	Poupore,
Brooks,	Kaulbach,	Richey,
Bunster,	Kirkpatrick,	Robertson (Hamilton),
Bunting,	Kilvert,	Rochester,
Burnham,	Kranz,	Ross (Dundas),
Carling,	Landry,	Rouleau,
Caron,	Lane,	Routhier,
Cimon,	Langevin,	Royal,
Cockburn (Northum'd),	Lantier,	Ryan (Marquette),
Colby,	Little,	Ryan (Montreal),
Connell,	Longley,	Rykert,
Costigan,	Macdonald (Kings),	Schultz,
Coughlin,	Macdonald (Sir John),	Scott,
Coupal,	McDonald (Cape Breton)	Shaw,
Coursol,	McDonald (Pictou)	Sproule,
Currier,	McDonald (Victoria, N.S.	Stephenson,
Cuthbert,	Macmillan,	Strange,
Daly,	McCallum,	Tasse,
Daoust,	McCarthy,	Tellier,
Dawson,	McConville,	Tilley,
Desaulniers,	McCuaig,	Tupper,
Desjardins,	McDougall,	Valin,
Domville,	McGreevy,	Vallee,
Doull,	McInnes,	Vanasse,
Drew,	McKay,	Wade
Dugas,	McLennan,	Wallace (Norfolk),
Elliott,	McLeod,	Wallace (York),
Farrow,	McQuade,	White (Cardwell),
Ferguson,	McRory,	White (Renfrew),
Fitzsimmons,	Manson,	Williams,
Fortin,	Masson,	Wright.—140.
Fulton,	Massue,	

Sir ALBERT J. SMITH moved, in amendment, that the said resolutions be not now read a second time, but that it be resolved, that in the opinion of this House, tenders

should be invited for the construction and operation of the railway, before Parliament is asked to ratify any contract for the same.

Mr. McCARTHY moved the adjournment of the debate.

Motion agreed to; and (at 5:45 o'clock, a.m. Wednesday) the House adjourned.

HOUSE OF COMMONS,

WEDNESDAY, 26th January, 1881.

The SPEAKER took the Chair at Three o'clock.

PRAYERS.

REPORT.

Mr. BOWELL presented the Trade and Navigation Returns for the fiscal year ending 30th June, 1880.

PACIFIC RAILWAY CONSTRUCTION IN MANITOBA.

Sir RICHARD J CARTWRIGHT enquired, How far the line of the Canadian Pacific Railway has been constructed beyond Portage La Prairie; also, how far the said line has been definitely located west of Portage La Prairie, together with the numbers of the townships through which the said line is intended to pass?

Sir CHARLES TUPPER. I beg leave to say, in reply to the hon. gentleman, that the track is laid twenty-two miles beyond Portage La Prairie; that the line has been definitely located beyond Portage La Prairie to the boundaries of the Province of Manitoba, thirty-four miles west of Portage La Prairie, and the location is through township twelve, and ranges eleven and twelve west.

CANADIAN PACIFIC RAILWAY.

House resumed adjourned debate on the proposed motion of Sir Charles Tupper for the second reading of the resolutions reported from the Committee of the Whole on the 14th January instant, granting certain moneys and lands for the construction of the Canadian Pacific Railway, and the motion of Sir Albert J. Smith in amendment thereto.

Sir ALBERT J. SMITH. Mr. Speaker, I am quite sure the House will be gratified to learn that I do not intend to deliver a speech of any considerable length on this occasion. Before proceeding to discuss the resolutions before the House, perhaps it will be as well to settle the matter which may be regarded as a personal one between the Finance Minister and myself. In the course of his speech the other night the hon. gentleman threw across the floor a challenge. He said he was prepared to go to my county and to meet me at any time. The hon. gentleman is the only representative in the Government from New Brunswick, and he holds all the patronage in his hands. Hitherto New Brunswick had two representatives in the Government, but the hon. gentleman, for some reason best known to himself, seems to prefer that he should be the only representative of that Province in the councils of the country. My hon. friend has also great advantage in this respect, that he has two very vile and abusive newspapers in New Brunswick under his control and subject to his inspiration, Their special mission seems to be to abuse and attack me, not only politically but personally, on all occasions. I am disposed to challenge my hon. friend the Minister of Finance, for his challenge is rather indefinite, and I do so in this form: if he will resign his seat I will resign mine; let him come to Westmoreland and run against me, and if I do not beat him by more than 500, that he and I will retire into private life. I think it was not very becoming of the hon. gentleman, who represents St. John by only nine votes, that he should flaunt a challenge across the floor to me, when he is aware that I have a majority in my county of between 600 and 700. I will give the hon. gentleman six weeks to consider this proposition.

Sir LEONARD TILLEY. I represent the whole constituency, for at the last election I was returned by acclamation.

Sir ALBERT J. SMITH. If you entertain that field, you will be the more ready to accept the challenge and put some one else in for St. John. Having thus briefly referred to the matter between the Finance Minister and myself, I will now proceed to offer some observations in relation to the amendment I moved last night. If there is one principle which should be regarded as sacred and should be adhered to on all occasions, it is the principle connected with the administration and conduct of public business—that public works should be let by public tender and competition. The advantages of carrying out that principle cannot be overrated. It prevents favoritism and corruption; it secures purity in the administration of the affairs of the country and prevents fraud. In this case it will not be denied that this principle has not only not been carried out, but has been absolutely violated. It cannot be contended for a single moment that the public had any notice of the intention of the Government to receive tenders for the construction of the Pacific Railway. The policy of the Government was recognised as settled during last Session, but was decided that this work should be constructed as a Government work and in no other way. Hon. gentlemen opposite approved of the policy then promulgated by the Government, and we also voted for the valuation given to the lands in that region. They also approved, and supported and sustained by their votes the estimates of the costs for the construction of the railway. The Minister of Railways told the House that this contract on the Table was made under the authority of the Act of 1872; but it turned out that that Act was repealed. The hon. gentleman also stated that this contract was made under the authority of the Act of 1874. My hon. friend, the leader of the Opposition (Mr. Blake), has clearly shown that that was not the case, and that there is no portion of it which is conformable to the contract; and, therefore, the Minister of Railways has failed to prove his contention that the contract was let under the authority of the Acts of 1872 and 1874. Now, as no notice was given that the Government intended to change and radically alter the policy of last Session, that they intended to receive tenders for the construction of this work, it seems to be a reasonable solution of the present difficulty that this contract should be abandoned and the work let out to public tender. I am satisfied that that will be more satisfactory to the people than any other course. Hon. gentlemen on the other side say that if this contract breaks down the Government must fall. Now, we on this side will undertake, and the leader of the Opposition has expressed himself in the same sense, to waive any such chance as that. We are not disposed to take any such advantage, and we want the country to understand that we do not seek to overthrow the Government by defeating this contract. It is well known that an offer has been made much more advantageous to the country than the terms of the present contract, and made, too, by a body of men as wealthy, as respectable, and as responsible as the members of the first Syndicate, and that they are prepared to construct this work from end to end for millions of dollars less than is asked by the first Syndicate. Why do the Government not accept it? Have they no regard

to economy in the revenues of the country? Why should they not endeavor to save from $10,000,000 to $20,000,000 by the acceptance of the second offer? But even that offer, in my view, is quite too much; I think the work can be done for a great deal less. The only argument advanced on the other side in favor of this contract is, that it is better than any other offer we have ever had. Now I am prepared to show, beyond controversy, that no offer was ever made, either by Statute or by contract, equal in enormity to this, and that this contract gives more than was ever proposed to be given before. Before coming to that it may be well for me to contrast, as my hon. friend the leader of the Opposition has contrasted, this contract with the provisions of the Act of 1874, and show wherein they differ. First, let us compare this contract with that made by the Government in 1872, with Sir Hugh Allan. Now, it is important to have the views of the Government on that day. I presume they endeavored to protect and guard the public interests. This contract shows precisely what the views of the Government were in reference to this transaction. There is no concession made in that contract such as we have now, and the Government have failed to give any reason for the change. The Allan contract provided that certain portion of the stock should be held in each of the Provinces of the Dominion. Why is it that there is no provision of the kind in this contract? It was then considered by the Government of the last importance that this work should be constructed by Canadians alone. It was then considered of the last importance to exclude foreigners and that the work should be a Canadian work. Why the change in this respect? We are told now that it is much better to give this contract to foreign capitalists, and so we have on the Syndicate Englishmen, Frenchmen, Germans, and Americans, but only two or three Canadians. It has been stated here, and has not been denied, that it is perfectly competent for George Stephen and his associates to go to New York and sell this contract to Vanderbilt, or any other great railway magnate. There is nothing to prevent foreigners holding this entire road, and holding all the valuable franchise and privileges which are conferred by this contract. I will venture to make the prediction that the leading men in that Syndicate now will not be six months hence in that corporation at all. Now, it seems to be a serious matter that foreigners should come in and control that whole contract, and eventually control the powers of this Legislature—because, by the terms of this contract, our powers are tied up, they are suspended by this contract in favor of the Syndicate. The Allan contract provided that all the directors should be British subjects and that the number should be thirteen. This contract simply provides that a majority of the directors should be British subjects, and it does not limit the number at all. Three directors would be quite sufficient to meet the terms of this contract if they own $25,000 of stock each. Now, this is a very important and serious change in the policy of the Government. Why has it been made? If there is money to be made in this contract our own people ought to have it. If there is money to be made in running this road, it is but right that Canada should get the benefit of it. In 1872, when the Government was composed of nearly the same gentlemen as now, they thought then that this railway should be a British institution. Now, they seem to think it is best to hand it over to foreigners, and they have failed to give any explanation of this change of view. The Allan contract gave $30,000,000 in cash, this contract gives in cash and railways $60,000,000. The Allan contract gave no choice in selection of lands, this one gives a large measure of choice to the Syndicate. The Allan contract gave no exemption from taxation or from Customs duties as this does. If it is right now that these exemptions should be made, why was it not equally right in 1872? I say that this exemption from taxation applies not only to the main line but to all its branches that may hereafter be constructed under this contract. The Company have liberty to construct branches everywhere, anywhere, and at any time, one hundred or two hundred years hence, and the exemptions will apply to the branches so far in the future. If that is not the intention, I would suggest to the First Minister that he should look into it and have it made clear, as I am satisfied the Syndicate considered that to be the construction of the contract.

Sir JOHN A. MACDONALD. It is a mistake, I can assure the hon. gentleman.

Sir ALBERT J. SMITH. Then you have not put it so in the contract. The Allan contract made no exemption from import duties; this contract does. The Allan contract provided for the taxation of the land grant at once; this contract provides for the exemption of the land grant for twenty years, and as some portions of the land will not be granted until the tenth year, these exemptions will last for thirty years. The Allan contract gave no exclusive privileges for the construction of railways in that country. It left this Parliament free to exercise their discretion in conferring on any parties the right to construct railways in that country. This power is taken away by this contract; the hands of the Legislature are tied up; no one can obtain power to build railways except in such directions as to serve the interests of this corporation. Under the Allan contract the Government had power to regulate tolls. This contract gives no such power until the Company have earned 10 per cent. of the capital invested in the road. It is said we are going to have a modification of this clause, as we certainly should, or else the Company will have power to do as they choose in respect of tolls. I would like to ask my hon. friends from Manitoba, what they expect when the Pembina Branch is handed over to those men, who own the railways on the other side, and who will at once have power to enforce such tolls as they please; because the 10 per cent. clause applies only to the whole road after it is constructed. I listened last night with great attention to my hon. friend from North Simcoe (Mr. McCarthy), who, I must do him the credit to say, did frankly and fairly endeavor to answer the arguments put forward by gentlemen on this side, and he is the only gentleman on that side who did attempt to do so. I was very much amused at the hon. gentleman's great ingenuity. He told us that his first conviction, on reading this contract, was that it was outrageous, that it could not be justified, and that he could only feel justified in ratifying that contract by repudiating entirely the value given to the land by the Government last Session.

Mr. McCARTHY. That was not my statement. I accepted the value given to the lands by the Government, and the value placed upon them by the hon. gentleman and his party—$3.18 per acre—not because I thought that was their value, but merely for the sake of the argument, and I said that——

Sir ALBERT J. SMITH. My hon. friend last Session sustained the policy of the Government in placing that value upon them.

Mr. McCARTHY. No, no.

Sir ALBERT J. SMITH. Of course he did, when this matter was regarded as a Government work. Under the Allan contract the Government had power to appoint officers to see that the work was faithfully performed, which was a very necessary provision; but under this contract they have no such power. Under the Allan contract, the Union Pacific Railway was simply to be an approximate standard, a sort of general guide for the construction of the railway; but it did not stop there. It provided for an improvement in the

alignment and grades wherever that could be obtained, without undue expenditure. A letter has been put in, which has no legal effect whatever, and the standard is to be that of the Union Pacific Railway when first constructed. When the Allan contract was made, no portion of the Canadian Pacific Railway was built, and no portion could be handed over to the Company; by this contract, all parts of the railway constructed is to be handed over immediately on the consummation of this contract, and we know that they are profitable and are producing a large revenue, even now. It has been said by hon. gentlemen opposite, from the hon. the First Minister down, that this is the best offer ever made for the construction of the Canadian Pacific Railway. No offer was made under the Act of 1874, so that the only previous offer we ever had was that of Sir Hugh Allan. The discussion on the part of hon. gentlemen opposite, has proceeded on the fallacy that this Company are to do all that Sir Hugh Allan's Company were to do. Sir Hugh Allan's contract was to build 2,700 miles of railway, for which he was to get $30,000,000 and 50,000,000 acres of land; or, $11,111 in cash and 18,400 acres per mile. Under this contract, which hon. gentlemen opposite say is more favorable than the Allan contract, the Syndicate gets for building, not 2,700, but 1,900 miles, $25,000,000 cash and 25,000,000 acres. Deducting $700,000 for the first 100 miles west of Winnipeg, over which the Company has to pay cost price, leaves $24,300,000 which the Company will get in cash from the Government, or $12,800 cash per mile, in addition to the railways now being and to be completed, and the cost of survey, which amounts to $32,000,000, or $16,842 per mile, making a total of $29,642 per mile in cash. Then this Company are to get 25,000,000 acres or 13,156 acres per mile; valuing the land at $1 an acre total subsidy is equal to $42,798 per mile, while under the Allan contract the total subsidy only amounted to $29,511 per mile, taking the lands at the same price, $1 per acre; making a difference in favor of the latter of $13,000 per mile. In addition to getting $13,000 per mile more than the Allan Company, this Syndicate got the Pembina Branch, which I have no doubt, in a year or two, will give a net profit of $100,000 per annum. These calculations cannot be controverted. Under the circumstances, is it not proper this work should be put up to public competition, so that every man should have a fair chance to compete for this contract, it would save millions and millions of dollars to the country. These gentlemen of the Syndicate, could in another year, if they choose, sell the whole thing at an enormous profit. Therefore, I move in amendment:

"That the said resolutions be not now read a second time, but that it be resolved, that in the opinion of this House tenders should be invited for the construction and operation of the railway, before Parliament is asked to ratify any contract for the same."

Amendment (Sir Albert J. Smith) negatived on the following division:—

YEAS:

Messieurs

Anglin,	Flynn,	Mills,
Bain,	Geoffrion,	Olivier,
Béchard,	Gillies,	Paterson (Brant),
Blake,	Gillmor,	Pickard,
Borden,	Glen,	Rinfret,
Bourassa,	Gunn,	Robertson (Shelburne),
Brown,	Guthrie,	Rogers,
Burpee (St. John),	Haddow,	Ross (Middlesex),
Burpee (Sunbury),	Holton,	Rymal,
Cameron (Huron),	Huntington,	Scriver,
Cartwright,	Killam,	Smith,
Casey,	King,	Thompson,
Casgrain,	LaRue,	Trow,
Charlton,	Laurier,	Weldon,
Cockburn (Muskoka),	Macdonell (Lanark),	Wheler,
Dumont,	Macdonell (Inverness),	Wiser,
Fiset,	McIsaac,	Yeo.—53.
Fleming,	Malouin	

NAYS:

Messieurs

Arkell,	Fulton,	Merner,
Baker,	Girouard (Jacques Car.)	Methot,
Barnard,	Grandbois,	Mongenais,
Beaty,	Hackett,	Mousseau,
Beauchesne,	Hay,	Muttart,
Benoit,	Hesson,	Ogden,
Bergeron,	Hilliard,	Quimet,
Bergin,	Hooper,	Patterson (Essex),
Bill,	Houde,	Platt,
Bolduc,	Hurteau,	Plumb,
Boultbee,	Ives,	Pope (Compton),
Bourbeau,	Jackson,	Pope (Queen's),
Bowell,	Jones,	Robertson (Hamilton),
Brooks,	Kaulbach,	Ross (Dundas),
Bunting,	Kilvert,	Rouleau,
Burnham,	Kirkpatrick,	Routhier,
Cameron (Victoria),	Kranz,	Royal,
Carling,	Landry,	Ryan (Marquette),
Caron,	Lane,	Ryan (Montreal),
Cimon,	Langevin,	Rykert,
Colby,	Lantier,	Scott,
Connell,	Little,	Shaw,
Costigan,	Macdonald (King's),	Sproule,
Coughlin,	Macdonald (Sir John),	Strange,
Coupal,	McDonald (CapeBreton)	Tassé,
Coursol,	McDonald (Pictou),	Tellier,
Currier,	McCallum,	Tilley,
Dawson,	McCarthy,	Tupper,
DeCosmos,	McConville,	Valin,
Desaulniers,	McCuaig,	Vallée,
Desjardins,	McDougall,	Vanasse,
Domville,	McGreevy,	Wade,
Doull,	McInnes,	Wallace (Norfolk),
Drew,	McKay,	Wallace (York),
Dugas,	McLennan,	White (Cardwell),
Farrow,	McQuade,	White (Renfrew),
Ferguson,	McRory,	Williams.—113.
Fortin,	Massue,	

Mr. BÉCHARD. When, the other day, I had an opportunity of stating some of the reasons which, in my judgment, made it my duty to dissent from the policy embodied in the resolutions before the House, I contended this whole subject should be laid before the people for their decision at the polls. The ground on which I based my contention was that, in a question of such great consequence for the weal or woe of this country, the people should have an opportunity of pronouncing on this new policy and scheme submitted by the Government. True, this Pacific Railway question has been before the people for years, and that it has been the settled policy of the country to build a road connecting the eastern with the western Provinces, and that this road should be continued to the Pacific coast; but it is equally true that the policy now before us to attain that end is completely new to the people. The only scheme on which the people had an opportunity of pronouncing is the scheme of 1872, which we subsequently embodied in that of 1874, and which, up to this time, seems to have been regarded as the settled policy of the country with regard to the construction of the Pacific Railway. The Act of 1874 provided that the railroad should be constructed without increasing the rate of taxation. This provision was reaffirmed in the Session of 1876, proposed by the hon. member for East Middlesex, and which received the almost unanimous support of the House. No such provision can be found in the scheme now before us. By the scheme of 1874, it was provided that if the road or any portion of it was constructed by a company, tenders should be called for before the contracts were let. This principle has not been observed in the present case, as the contract has been given without any tenders being invited, although capitalists are seeking the chance of investment. By the same Act of 1874, the Governor in Council retained the power to purchase the road if found an interest to the country. Such a provision is not to be found in the present bargain. By the Act of 1874, the Governor in Council obtained the control and the right of regulating the tolls on the railway, and the right was reserved to Parliament to grant charters for the construction of other roads. These rights

are by this scheme given up and surrendered to a company, which might exercise these powers so as to create an injurious monopoly to the interests of the country. It is clear that this scheme differs in many particulars from the scheme of 1874, which has been considered as the settled policy of the Company, with regard to the construction of the Canadian Pacific Railway. We do not know what is the real sentiment of the people at present with reference to this scheme. All we know is that meetings have taken place in different parts of the country, some in favor of it and others pronouncing against it; also that petitions have been sent to the House, some in favor of the contract and others opposing it. After these manifestations of public opinion in opposite directions, I believe it is difficult for anyone of us to say what is the real sentiment of the people with regard to the question, and I think that the only way of ascertaining it would be an appeal to the judgments of the people. I will therefore move the following amendment:—

"That the said resolutions be not now read a second time, but that it be resolved, that prior to, and during the last general election, it was the policy of all parties, that the arrangements for the construction of the Canadian Pacific Railway should be such as the resources of the country would permit, without increasing the former rates of taxation, and that the work, if to be constructed by a company, should be let only after tenders had been obtained therefor, and should be subjected to purchase by the Government at ten per cent. over cost, after deducting the public expenditure; and that the property and stock and land grant of the Company should be subject to taxation and that the Governor in Council should have the unrestricted right, from time to time, to regulate the tolls to be taken, and to prescribe the accommodation to be given, and that Parliament should be free to charter such other railways, as the public interest might require. That the Contract respecting the Canadian Pacific Rail ay, laid on the Table, involves violations in the above, and other particulars of the settled policy, in reference to the Canadian Pacific Railway, and should not be ratified till after the people had had the opportunity of expressing their opinion through the medium of a general election."

Amendment (Mr. Béchard) negatived on the following division:—

YEAS:

Messieurs

Anglin,	Flynn,	Mills,
Bain,	Geoffrion,	Olivier,
Béchard,	Gillies,	Paterson (Brant),
Blake,	Gillmor,	Pickard,
Borden,	Glen,	Rinfret,
Bourassa,	Gunn,	Robertson (Shelburne),
Brown,	Guthrie,	Rogers,
Burpee (St. John),	Haddow,	Ross (Middlesex),
Burpee (Sunbury),	Holton,	Rymal,
Cameron (Huron),	Huntington,	Scriver,
Cartwright,	Killam,	Smith,
Casey,	King,	Sutherland,
Casgrain,	LaRue,	Thompson,
Charlton,	Laurier,	Trow,
Cockburn (Muskoka),	Macdonell (Lanark),	Weldon,
Dumont,	MacDonnell (Inverness),	Wheler,
Fiset,	McIsaac,	Wiser,
Fleming,	Malouin,	Yeo.—54.

NAYS:

Messieurs

Arkell,	Fulton,	Méthot,
Baker,	Gigault,	Mongenais,
Barnard,	Girouard (Jac. Cartier),	Mousseau,
Beaty,	Girouard (Kent),	Muttart,
Beauchesne,	Grandbois,	Ogden,
Benoit,	Hackett,	Orton,
Bergeron,	Hay,	Ouimet,
Bergin,	Hesson,	Patterson (Essex),
Bill,	Hilliard,	Pinsonneault,
Bolduc,	Hooper,	Platt,
Boultbee,	Houde,	Plumb,
Bourbeau,	Hurteau,	Pope (Compton),
Bowell,	Ives,	Pope (Queen's),
Brooks,	Jackson,	Richey,
Bunting,	Jones,	Robertson (Hamilton),
Burnham,	Kaulbach,	Ross (Dundas),
Cameron (Victoria),	Kilvert,	Rouleau,
Carling,	Kirkpatrick,	Routhier,
Caron,	Kranz,	Royal,
Cimon,	Landry,	Ryan (Marquette),
Colby,	Lane,	Ryan (Montreal),
Connell,	Langevin,	Rykert,
Costigan,	Lantier,	Scott,
Coughlin,	Little,	Shaw,
Coupal,	Macdonald (King's),	Sproule,
Coursol,	Macdonald (Sir John),	Strange,
Currier,	McDonald (Cape Breton)	Tassé,
Cuthbert,	McDonald (Pictou),	Tellier,
Daly,	McCallum,	Tilley,
Daoust,	McCarthy,	Tupper,
Dawson,	McConville,	Valin,
Desaulniers,	McCuaig,	Vallée,
Desjardins,	McDougall,	Vanasse,
Domville,	McGreevy,	Wade,
Doull,	McInnes,	Wallace (Norfolk),
Drew,	McKay,	Wallace (York),
Dugas,	McLennan,	White (Cardwell),
Elliott,	McQuade,	White (Renfrew),
Farrow,	McRory,	Williams,
Ferguson,	Massue,	Wright.—122.
Fortin,	Merner,	

Mr. BÉCHARD.

Sir RICHARD J. CARTWRIGHT. Before the motion is carried, I have a word or two to say in respect to another amendment which I propose to submit for the favorable consideration of the House. The House has come to the decision that it will take no steps to ascertain whether it could obtain more favorable terms for the construction of the road than the contract now on the Table, that it will not allow the people to express their opinion on the question of whether or not this contract should be accepted. It now remains to point out the extraordinary and exorbitant character of the terms which we are asked to give for the purpose of obtaining the construction, not of the Pacific Railway, but of certain portions of that road. Perhaps one of the most extraordinary features of this extraordinary bargain, is the apparent absence of all valuable consideration for the enormous sum of money which the people of Canada are asked to give away, for the many valuable tracts of land which they are to part with, and for the extravagant privileges—in themselves worth an enormous sum of money—with which under this contract the Syndicate are to be endowed. This was not the case in any of the former arrangements proposed to be effected. Whatever may have been said as to the wisdom of the Allan contract I, for one, took objection to it, not because I thought that the terms therein proposed were in themselves exorbitant, but because I saw clearly, what has since been demonstrated, that the terms then proposed to be given would never have enabled the contractors to construct more than a small portion of the railway they were asked to undertake. Under the terms proposed by the hon. member for Lambton, although it is true that they were in some respects better than the Allan contract, we had at any rate this enormous advantage: that the people of Canada would have known what they were called upon to expend and the whole work would have been taken off their hands, and that any sum of money expended by Parliament was to be reckoned against and deducted from the sum which was to be given to the contractors who should undertake that work under the terms of 1874. It is also to be borne in mind that in both these arrangements very careful provision was made against certain gross and palpable dangers which it was clearly apparent would be likely to be incurred if we were to entrust any great corporation with the task of constructing the Canadian Pacific Railway. Moreover, they were free from those monstrous and very objectionable privileges, to which so repeatedly and so justly attention has been called in the debates on this subject for some weeks past. It is not my present business to attempt to explain the mysterious causes which have induced hon. gentlemen of long experience and official standing to bring down to the House a contract which the youngest of their supporters must have seen at a glance contained within it an enormous number of provisions which could not fail to excite bitter dissatisfaction among the people—a dissatisfaction which will grow and increase more and more, day by day, according as the people of Canada begin to understand how violently their rights have been taken away from them, and how

little consideration they are to receive for all they are called upon to expend. What I desire in my amendment mainly to do, is to call attention to the exorbitant character of the terms which are now offered. I want to consider this question in its business and commercial aspect mainly, I want to examine it with reference more expressly to what we might call the cash side of the question, to what we could do with the $60,000,000 which we propose to hand over as part consideration, and part only, to the Syndicate, for the task of undertaking the construction of the Canadian Pacific Railway. According to the estimates which have been laid upon the Table of the House, we have, up to date, spent within a small fraction of $20,000,000 in hard cash in the various surveys and works of construction on that road. According to the estimates submitted by Mr. Sandford Fleming in addition to the $25,000,000 which we are to give the Syndicate, we are to pay some $14,000,000 or $15,000,000 more for the purpose of completing those portions of the railroad, which we are to finish within the next ten years, and which are to be handed over to and owned by the new Canadian Pacific Railway Company. It may be, that in spite of looking at the character of these works, the greatly reduced standard on which they are to be constructed, the amount will be a great deal larger than I have stated; but for the purposes of this argument, I propose to use only Mr. Fleming's estimate as submitted to us in the spring of the present year. Before giving away this large amount of money, independently of the land and the privileges to which I have alluded, I think it is pertinent that we should consider briefly these three points. First of all, what we could get for these $60,000,000—that is the $20,000,000 we have spent, and the $40,000,000 we propose to expend—were we to retain the expenditure of that sum within our own hands. Next, Sir, a word or two as to the reasons why we are not to obtain the advantages which we could secure, by keeping that expenditure in our own hands; and, lastly, I want to consider what consideration we are to receive, if we choose to give away the $60,000,000 to these gentlemen. Now, Sir, no matter how wide the difference of opinion between the two sides of the House, there are some few facts which I think are tolerably well agreed upon between us I think, Sir, that every man who knows anything of the condition of things in the North-West, every man who has paid any intelligent attention to the progress and the working of railroads, both in our own country and on the other side of the borders, must have come to the conviction that whatever may be said as to the other portions of the road, there can be no reasonable doubt that the Pembina Branch, the Thunder Bay Branch, and the 900 miles of prairie section from Selkirk westward, are likely, in all probability, within a very short time, probably almost from the moment of their construction, to pay a very considerable return, probably a fair interest on the money they have cost us. I think, also, that all members of this House, particularly those who have taken occasion to examine the wonderful progress of settlement on both sides of the border, are agreed that the greater proportion at any rate of those lands within the fertile belt which we are about to hand over to the Syndicate, will become extremely valuable the moment that 900 miles is built. On that point there can be no dispute, and with respect to those lands which lie close to the railroad about to be constructed, I entertain no doubt a ready and speedy sale within the next three or four years may be calculated upon, and at rates, to say the least, quite as favorable as those assumed by the right hon. First Minister last year, and which was assumed by the hon. member for West Durham as representing the true value of those lands. Then there is a third point on which we also agreed, and that is, that this eastern section of 650 miles is not likely to pay any return, and probably will not allow us to count on receiving, even working exponses, during a considerable number of years. It is true that there are other points on which a wide diversity of opinion exists. There is a very wide variance between the two sides of this House, as to whether there is any necessity at this moment for constructing the eastern section at all. There is also a wide difference of opinion as to whether—given the necessity for constructing the eastern section—there is, or can, in the nature of things, be the smallest pretext or the smallest justification for providing now at enormous cost for the working expenses of a road which is not to be completed, or go into actual operation for ten years from date. There is another point on which I will say but a few words, and that is the question of the propriety of the Dominion owning this line itself. Now, Sir, I do not at all mean to say that I am entirely in accord even with my hon. friends on this side—and I believe there is the same difference of opinion on the other side of the House—but, I say that, for some years back, the more I come to consider what railroads mean in a country like that, the more strongly I have become impressed, speaking for myself alone, with the advisability of the Government of Canada retaining, at any rate, the control and the ownership of the main portion of the Canadian Pacific Railway line, whether it does or does not intend to run it. In support of that opinion, I may refer, not merely to the experience of many Euro, ean countries where the receipts from railroad, by no means so essential to the prosperity of the country, form a large part of their revenue, but to the well known fact that in our Australian colonies, where the condition of society closely resembles our own, where all the reasons exist against the profitable working of a Government road that can by possibility exist in such a country as the North-West, Government roads are, at this moment, well and profitably worked, and the returns from them form a very appreciable portion of the revenue of the e Australian colonies. Now, I want briefly to summarize the case. I put aside the question of monopolies, the question of exemptions, the question even of the value of land for the moment. I call attention to this plain and simple fact, that as regards the $40,000,000 which we are about to give to the Syndicate, either in the shape of work which we are bound to construct and present to them, or in a cash subsidy of $25,000,000, it is perfectly clear, even if you take what hon. gentlemen say is the inflated estimate of Mr. Sandford Fleming, or if you take the statement made by the Minister of Railways himself, that, were we to take into our own hands the expenditure of that $40,000,000, we could construct, without the aid of any Syndicate, without the aid of any company, and within a much shorter period than ten years, so far, at any rate, as the profitable portion of the work are concerned—which alone the Syndicate is charged with in that particular section—we could construct the entire line of railroad from Lake Superior to the shores of the Pacific at Port Moody. We would then retain our land, which would become, the instant the prairie section was constructed, an asset of very great value. We would have our railway in our own hands to do what we please with, we would be free from all these exemptions and all these land monopolies, which no man, even if willing to swallow the whole scheme, has yet been found hardy enough to stand up in his place in the House and defend as things good in themselves. Now, I need not point out to you that, taking the proposition laid down by the Minister of Railways himself; taking it for granted, as I believe we may take it for granted, that with very moderate energy the whole prairie section, at any rate, might be constructed within four or five years from the present date; taking it for granted, as we know would be the case, that the moment the first 400 or 500 miles of that section were constructed, the lands of their vicinity would become immediately saleable,

would become, as I have said, an asset of great value; I submit that the people of this country, by adopting that plan, would be in an enormously better position to enter into any contract or arrangement for the construction of the remaining section, and what is more to the purpose, we would obtain better surveys, and we would be in a position to complete the whole in quite as short a time as we are likely to do under the present arrangement. Sir, it has been, I think, a great source of injury to us that we have failed to apprehend in this discussion, that the Government in particular have failed to apprehend the enormous difference in the rates of progress between a country like the North-West and a country like that with which we have been in the habit of dealing. No man who has paid the smallest attention to the growth of states, and the growth of cities on the American side of the border, the moment they were supplied with fitting means of railroad development, but must know that I am speaking the simple truth when I say that there is every reasonable ground to believe that its trade would be a prize eagerly sought for by all capitalists who possess means enough to establish railway communication with it. I say that the whole position has been revolutionized since 1874, and especially from the very moment that railroad communication was effected by the St. Paul and Manitoba Railway Company with the Province of Manitoba. I say that the Government failed greatly in their duty, in that knowing this they utterly ignored those facts, and have utterly put out of sight the still more important fact that the enormous reduction which has taken place in the cost of operating railroads, gives us the power of extending colonization and of extending the development of that country to an extent which would have been utterly undreamed of a few years ago. Why, Sir, when my hon. friend from Lambton sat down to consider the details of his Bill it is a well-known fact that the utmost limit to which we thought it likely we could extend cultivation from Winnipeg westward, at the rates which were given to by railway authorities as the lowest at which roads could be fairly and profitably worked, was about 400 miles; so that, on the same terms we ought to-day to expect to carry produce for a distance of 1,200 miles west of Winnipeg. Now, Sir, let us assume, in spite, I think, of all reasonable objections, that it is the fixed will of this House, even if it be not the fixed will of the people of this country, to build the whole of this road as the Government propose. We know perfectly well that the British Columbia section is not to be finished until 1890. We know perfectly well—the contract states it clearly enough to be the intention of the contractors and the Government—that the 450 miles from Jasper to Kamloops are not to be begun, in all probability, for four or five years. We know that the prairie section and the Thunder Bay section, which will pay from the moment of their construction, can be completed by 1883, and will, in all probability, be completed by 1884; and I can conceive nothing more foolish, nothing more unbusiness-like, nothing which promises to give less to the people in return for the money they expend, than this project of constructing this road now from end to end, when by simply deferring its construction for three or four years, you would so enormously increase the value of the assets you have to give, and when it is plain you are able to build it for the identical sum of $60,000,000, which you propose to hand over to the Syndicate in cash or in works. Sir, what are we to get, and what are we to give? All these hon. gentlemen offer to us, is the construction of the eastern section—not within a short space of time—not within two or three or four years, the time in which all the other and valuable portions of the road may be constructed. Not so; we are not to get one iota of benefit from this eastern section for ten years. The whole of the rest of the road is to be built at our own expense; for I have not the slightest doubt, even on the evidence which has been submitted to us, that it would be an easy task for the Government to construct the road from Selkirk to Kamloops for the identical $25,000,000 which they propose to hand over to the Syndicate; and if there be any correctness in the calculations submitted by the hon. Minister of Railways, showing that he expected to make a very large reduction in the estimated cost of the work which we ourselves have undertaken to construct, there can be no doubt that the $25,000,000 would much more than discharge all the cost of constructing that section. So all we get is this eastern section ten years hence. For that we are to give 2,000 miles of railroad, mostly paying road, constructed at our own expense; we are to give 25,000,000 acres of land, the greater part of which, at any rate at the instant the prairie section will be constructed three years hence, will be worth at least $3.25 an acre; we are to give also outrageous privileges, outrageous exemptions, outrageous monopolies, worth incalculable sums of money, and which will grow in value when the Company set vigorously to work to construct their road. Now, who really wants this eastern section at such a price? Certainly not the gentlemen who sit on this side of the House. Certainly not, judging by their words, the gentlemen on the other side, for no man has risen to express such a desire with any degree of enthusiasm. I doubt, if we could penetrate the secrets of that mysterious chamber, whether we would not find that in their hearts even a majority of the members of the Government are opposed to the construction of this road at such a price. The Syndicate do not want it. The terms of the contract show that clearly. Is it to be constructed in order to enable us to keep faith? Well, Sir, I say this,—whatever may be said as to the terms of the original contract the House should remember that if the Carnarvon terms did nothing else, they freed us completely and absolutely from the necessity of constructing this same eastern branch one hour sooner than we saw fit. British Columbia did not demand the construction of that eastern section. British Columbia said frankly enough, when the negotiations were proceeding, that what they required was the road constructed through their own territory, and they did not care whether the eastern section on the northern side of Lake Superior was built or not. Is it for commercial purposes that this section is advocated? Why, it has been shown here in the clearest possible manner, that the construction of a road to Sault Ste. Marie would give us all the commercial advantages which we can ever hope to reap from the construction of the road on the north shore of Lake Superior, and would give us in addition an enormous portion of the trade of the American North-West which we shall have no chance of obtaining in any other way. Now, Sir, during nine months of the year—or ten months, if the hon. Minister of Railways is to be believed—this North Shore line will have a most formidable competitor through our own territory, because the moment the Sault Branch is constructed—and I do not believe the Government, with all their majority, will refuse to allow the construction of that road—during the entire time navigation is open, almost the whole of the heavy freight will take the easy water route from Thunder Bay, either to Sault Ste. Marie or some other lake port on Lake Huron, and the line north of Lake Superior will have very little to do. I doubt very much whether it will be found profitable to run even one train per day, if that line is ever opened, ten years hence. Is it to secure British connection that this road is to be constructed? Well, Sir, it was well pointed out that during these ten years, if you choose to grant these outrageous privileges to this corporation, it may well cease to be a matter of practical moment to the people of Canada by whom or how connection is established with the North-West. Sir, I say that of all the imaginable foolish pleas that have been advanced, that plea certainly appears to me

to be the worst and least founded on reason. There is not one of these privileges proposed to be granted to this Syndicate which will not excite in the minds of the people of the North-West more dissatisfaction, and more discontent with Canadian rule and Canadian law, a thousand times, than we could neutralize by all the advantages which could be gained by constructing this line north of Lake Superior, were it constructed to-morrow instead of ten years hence. We are asked to expend $40,000,000 within the next ten years, or an average of $4,000 a year in bonuses to the Syndicate, or for works of construction we have ourselves undertaken. That will entail from $180,000 to $200,000 a year interest on our annual expenditure, and at the end of ten years we will find ourselves saddled with nearly $2,000,000 a year in the shape of interest, to be paid on account of the sum now proposed to be given. For that we will have absolutely nothing, though we will have parted with our road, and our money, and our lands. A plea has been made that it is necessary to grant these sums, because, large sums of interest will become due during construction. I invite hon. gentlemen who talk about interest to look at the enormous gift which is given in the first instance to these gentlemen. They get the Pembina Branch which now pays $70,000, and which very soon will pay $150,000 or $200,000 a year. They are to get 100 miles of road extending westward from Selkirk without the expenditure of a penny of theirs, and they get 1,250,000 acres of land which they may, if they choose, put in the market and dispose of at once at a very large sum. No man will contend they will be called on to incur any expenditure on account of interest for the construction of the 900 miles west of Selkirk. The only amount on which they will possibly be called to pay interest will be the sum expended in the construction of that part of the line which they may choose to build north of Lake Superior; and for that section they get some $15,000 per mile advanced as each twenty miles are completed. They will be made a present of the Pembina Branch and the 100 miles westward, and the proceeds, whatever they may be, of 1,250,000 acres of land which they will become possessed of the instant that road is constructed. It is clear, therefore, there is not the slightest ground for alleging these people will be out of pocket for more than a most insignificant amount during the whole process of construction of these two sections. If this matter was an unutterable folly before, a folly unaccountable on any known principles, it ceased—as soon as they obtained, from men equal in standing, ability, and commercial position to the gentlemen of the present Syndicate, an offer which would enable us to construct this road for many millions of money and acres of land less than the offer now before us—to be a folly and became a positive crime, for which they will soon be called to account by the people whose representatives they are, and to whom they dare not on such a question as this appeal. Sir, I move in amendment:

"That the resolutions be not now read a second time, but that it be resolved that the contract respecting the Canadian Pacific Railway involves a total expenditure by the country in connection with that work of about $60,000,000, exclusive of interest, and the cession of 25,000,000 of acres of choice lands, worth, at the estimate of the Government last year, at least $79,500,000, making a total consideration of about $140,000,000, while the railroad itself is estimated by Government to cost not more than $84,000,000, and that the consideration proposed to be given is excessive, and that the contract is, in the highest respect, objectionable."

Amendment (Sir Richard J. Cartwright) negatived on the following division:—

YEAS:

Messieurs

Anglin,	Flynn,	Olivier,
Bain,	Geoffrion,	Paterson (Brant),
Béchard,	Gillies,	Pickard,
Blake,	Gillmor,	Rinfret,
Bordeu,	Glen,	Robertson (Shelburne),
Bourassa,	Gunn,	Rogers,
Brown,	Guthrie,	Ross (Middlesex),
Burpee (St. John),	Holton,	Rymal,
Burpee (Sunbury),	Huntington,	Scriver,
Cameron (Huron),	Killam,	Smith,
Cartwright,	King,	Sutherland,
Casey,	LaRue,	Thompson,
Casgrain,	Laurier,	Trow,
Charlton,	Macdonell (Lanark),	Weldon,
Cockburn (Muskoka),	MacDonnell (Inverness),	Wheler,
Dumont,	McIsaac,	Wiser,
Fiset,	Malouin,	Yeo.—53.
Fleming,	Mills,	

NAYS:

Messieurs

Allison,	Fitzsimmons,	Massue,
Arkell	Fortin,	Merner,
Baker,	Fulton,	Méthot,
Bannerman,	Gigault,	Mongenais,
Barnard,	Girouard (Jac. Cartier),	Mousseau,
Beaty,	Girouard (Kent),	Mutart,
Beaucheane,	Grandbois,	Ogden,
Benoit,	Hackett,	Orton,
Pergeron,	Hesson,	Ouimet,
Bergin,	Hilliard,	Patterson (Essex),
Bill,	Hooper,	Pinsonneault,
Bolduc,	Houde,	Platt,
Boultbee,	Hurteau,	Plumb,
Bourbeau,	Ives,	Pope (Compton),
Bowell,	Jackson,	Pope (Queen's),
Brecken,	Jones,	Richey,
Brooks,	Kaulbach,	Robertson (Hamilton),
Bunster,	Kilvert,	Rochester,
Bunting,	Kirkpatrick,	Ross (Dundas),
Burnham,	Kranz,	Rouleau,
Cameron (Victoria),	Landry,	Rou hier,
Carling,	Lane,	Roya',
Caron,	Langevin,	Ryan (Marquette),
Cimon,	Lantier,	Ryan (Montreal),
Colby,	Little,	Scott,
Connell,	Longley,	Shaw,
Costigan,	Macdonald (King's),	Sproule,
Coughlin,	Macdonald (Sir John),	Strange,
Coupal,	McDonald (Cape Breton),	Tasse,
Coursol,	McDonald (Pictou),	Tellier,
Currier,	McCallum,	Tilley,
Cuthbert,	McCarthy,	Tupper,
Daly,	McConville,	Valin,
Daoust,	McCuaig,	Vallée,
Desaulniers,	McDougall,	Vanasse,
Desjardins,	McGreevy,	Wade,
Domville,	McInnes,	Wallace (Norfolk),
Doull,	McKay,	Wallace (York),
Drew,	McLennan,	White (Cardwell),
Dugas,	McLeod,	White (Renfrew),
Elliott,	McQuade,	Williams,
Farrow,	McRory,	Wright.—127.
Ferguson,		

It being Six o'clock the Speaker left the Chair.

AFTER RECESS.

Mr. BURPEE (Sunbury). The House has before it an offer to build the whole line for a grant of $25,000,000 and 25,000,000 acres of land with exemptions and concessions which are not contained in the second offer, but which are quite as objectionable as the amount of extra money and land granted by the first contract. If we are restricted to making a choice between those two offers, I much prefer the second, but in my opinion neither of them should be accepted. I hold that public tenders should have been invited for building the road; and if this course had been followed and the change of policy on the part of the Government made known, much more favorable offers than the second one now before the House would have been submitted. The policy in 1872 and 1874, as detailed in the Acts of those years, was to build the line by a private company, by means of land and money grants. The policy of the Government in 1879 was to build the road out of the proceeds of 100,000,000 acres of land set apart for that purpose, and Imperial aid was to be invoked. I agree with that policy with some exceptions, which also apply to the policy of 1880. It appeared from the speeches of members of the Government, both in the House and elsewhere, that their

policy as regards the route was to be somewhat changed. According to the resolutions of 1879, it was to be a through route in British territory. The policy of 1880, judging by the speeches of hon. gentlemen opposite, was to take up the Sault route and appropriate a sum for the building of that road, leaving the line along the north shore of Lake Superior untouched for a time. This was understood to be the policy of the Government; and I so understood it, and it was so understood by the country. The people could not have expected that a change of policy would have been made so suddenly, and it is quite out of reason to expect that offers could be made on a change of policy of which the public knew nothing. I objected then to building the British Columbia section of the road until it was required for commercial purposes, and until it could be built for less cost, and until money should accumulate from the sale of those lands which might go towards defraying the expense of construction. I object now to the resolutions before the House, because they will involve an increase of the debt and the retention of the heavy rate of taxation already imposed, if it will not cause it to be increased. I object to them, also, because the contract binds, not only this Parliament to build the railway, but future Parliaments to go on and construct the road upon the terms which this Parliament has determined. I think we should postpone building the British Columbia end—and my resolution is to that effect—because it is not now required. It is not now needed, I contend, for commercial purposes. According to the latest available returns, the population of British Columbia is 11,000. I know it is contended by some hon. members that the population is from 20,000 to 25,000; nevertheless, it is very small, not exceeding that of an ordinary county in other parts of the Dominion. We have, then, British Columbia, with a small population at one end of the proposed railway; we have 600 miles of very sterile country from Port Moody to Jasper Valley, through which it will be very difficult to build a railway. From Jasper Valley to Manitoba we have 800 or 900 miles of good land, but unsettled, making a stretch of 1,300 or 1,400 miles of unsettled country between British Columbia and Manitoba. I submit that until British Columbia has more population, and the country between Manitoba and Jasper Valley has a reasonable amount of settlers, that the railway will not be required for commercial purposes, and it will be madness to build a road at the present time. I, moreover, object to the Dominion proceeding with the work, because it will add largely to our debt and increase the rate of taxation. Our debt in 1871, at the time British Columbia was admitted into the Dominion, was $77,700,000. The debt at present is, by the Public Accounts of 1880, $199,000,000 gross in round numbers, and $157,000,000 net. So it has more than doubled during that time. Then our debt was $22 per head; now it is nearly $40 per head, or almost double. Our population has increased, certainly, during the last decade, but it cannot amount to more than 17 or 18 per cent., while that debt has increased over 100 per cent. I submit that we should pause before committing the country to the construction of that portion of the road in British Columbia which will be unproductive if built and will add so largely to our debt. If we build the British Columbia end, according to the estimate of the hon. the Minister of Railways, last year, made from Mr. Sandford Fleming's reports, it will cost $30,000,000 for a very inferior colonization road. If we build it, according to the present contract, it will amount to $19,500,000 at least. The estimate for the Onderdonk section is $10,000,000, and for the road between Yale and Port Moody $3,500,000; and the contract on the Table gives $6,000,000 besides, for that portion of the road between Kamloops and Jasper Valley, making in all $19,500,000, besides 7,500,000 acres of the best land in the fertile belt, and other advantages more valuable than the money to the people of the North-West.

Mr. BURPEE (Sunbury).

I have another objection, namely, that we can build the road cheaper, when the prairie section is settled up to the Rocky Mountains. All experience goes to show this fact. Since 1871 the means and appliances for the building of railroads have increased so as to cheapen the construction very largely, probably 25 per cent. If this road were carried to the Rocky Mountains, the facilities for getting materials into that country would diminish the cost of construction. For these reasons, I think that we should pause before we go any further in the construction of the British Columbia end of the road. I admit that both parties are bound to build the road sooner or later, under certain restrictions, one of them being that it should not add to the rate of taxation. The Government of 1878 agreed to build it in ten years, and that of 1874 in twenty years. Although I admit that we are bound, sooner or later, to build this road, I deny that we are bound to build it unconditionally. The organs of the Government say we are bound to build it at once, that being the one particular point they insist on. They are glad of an excuse to sanction a contract that they know is detrimental to the interest of the country. On the Ministerial side several hon. gentlemen, and notably the Minister of Finance, and the member for Jacques Cartier (Mr. Girouard) have asserted in emphatic terms that we were bound to build it—that our refusal would be repudiation, a breach of faith, and would bring disgrace on the Dominion, notwithstanding the increased debt and taxation it will entail. The member for Jacques Cartier said the resolution of the House limiting the construction of the road so as not to add to our rate of taxation, which taxation clause is embodied in the Acts of this Legislature, had no force. Though he may be a good constitutional and Statute lawyer, which I do not profess to be, I think he is mistaken. In the first resolution with regard to the admission of British Columbia, the condition was that it should not add to the rate of taxation, and in the Acts of 1872–4 and the resolutions of 1876, that condition is reaffirmed. I will refer, as an example of those resolutions and provisions, to two clauses in the Act of 1874, as follows:—

"And whereas the House of Commons of Canada resolved in the Session of the year 1871, that the said railway should be constructed and worked by private enterprise and not by the Dominion Government, and that the public aid to be given to secure its accomplishment should consist of such liberal grants of land and such subsidy in money or other aid, not increasing the then existing rate of taxation, as the Parliament of Canada should thereafter determine, and whereas the Statute thirty-fifth Victoria, chapter seventy-one, was enacted in order to carry out the said agreement and resolution; but the enactments therein contained have not been effectual for that purpose."

"And whereas the Legislature of this present Session, in order to provide means for meeting the obligations of the Dominion, the rate of taxation has been raised much beyond that existing at the date of the said resolution; and whereas it is proper to make provision for the construction of the said work as rapidly as the same can be accomplished without further raising the rate of taxation"

That is from the Act of 1874, and it is detailed in the other Act in about the same language. And though there are legal gentlemen on the other side competent to give an opinion on the subject, one of their number—I refer to the hon. member for Halton (Mr. Macdougall)—has given an opinion which we may fairly set against the views of other hon. gentlemen on that side. He was a member of the Government when the negotiations with British Columbia began; he was Minister of Public Works and had special charge of those negotiations. He is a legal gentleman, and has had a good deal of parliamentary experience. In a speech which he delivered in the House last year he used these words:

"I will ask the indulgence of the House while I go back to an earlier chapter in the history of this question than that which the hon. gentleman detailed to us. I do so for the purpose of showing that there are reasons why members of this House ought not to concur in the doctrine set up, in some quarters, as to the obligations of Canada towards British Columbia, respecting the Pacific Railway. I deny that there is any evidence to support the statement that we are under a treaty obligation with British Columbia to expend millions and millions, whether we can afford it or not, to build this railway."

This, Sir, is an opinion from a gentleman not only well qualified to give an opinion, but who was and is now in full sympathy with hon. gentlemen opposite. I think I am justified in saying, therefore, that it was not the intention of the parties who made the original contract that it should be regarded as one of the nature—which hon. gentlemen opposite say should be regarded in the nature—of a treaty. We find that it was not the Dominion that sought to induce British Columbia to enter the Union, but it was the people of British Columbia who made the first advance. They commenced the agitation in 1867—about the time that the negotiations were going on for the Union of the older Provinces—by means of holding public meetings and passing resolutions. I shall here read a portion of the Order in Council which was passed in answer to the application from a portion of British Columbia to enter the Union:

"That it appears from these resolutions and the memorial of the committee appointed at the public meeting, which accompanies them, that the Legislative Council of British Columbia, on the 18th March, 1867, unanimously adopted a resolution requesting His Excellency Governor Seymour 'to take measures without delay to secure the admission of British Columbia into the Canadian Confederacy on fair and equitable terms.'"

Then we find that a meeting was held in Cariboo, which the following is an account:—

"The people of Cariboo, the next most populous and influential portion of the colony, held in December a highly enthusiastic meeting, and unanimously passed resolutions in favor of immediately joining the Dominion of Canada."

We were informed that all the newspapers except one, five in number, supported Confederation. The hostile paper was in favor of annexation to the United States.

"The Legislative Council, the only Legislative body in the colony, is made up of a majority consisting of Heads of Departments, Gold Commissioners, Magistrates and others subject to Government influence, and cannot be relied upon to urge Confederation, as it ought to be at the present juncture, and, therefore, they appealed to Canada to help them."

Here are the terms which the people of British Columbia asked for at the time:

"1. Canada to become liable for the public debt of the Colony, estimated at $1,500,000.

"2. Canada to provide for Federal officers and services.

"3. To grant a fixed subsidy and *per capita* subsidy sufficient to ensure the support of the Local Government, in addition to the powers of taxation reserved to Provincial Governments in the British North America Act.

"4. Representation in the Senate and Commons of Canada.

"5. The construction of a trans-continental waggon road from Lake Superior to the head of navigation on the Lower Fraser, within two years after the time of admission. This is regarded as an essential condition.

"6. Popular representative institutions, insuring responsible control over the Government."

Now, Sir, these are the only conditions that were made at that time. British Columbia did not ask for the railway at all. Subsequently, however, negotiations took place from time to time between British Columbia and the Governments of Canada and Great Britain, the result of which was that delegates were sent from British Columbia to Ottawa to negotiate terms of admission into the Union. I will read from the terms what those delegates were authorized to offer:

"8. Inasmuch as no real Union can subsist between this Colony and Canada without the speedy establishment of communication across the Rocky Mountains by coach road and railway, the Dominion shall, within three years from the date of Union, construct and open for traffic such coach road from some point on the line of the Main Trunk Road of this Colony to Fort Garry, of a similar character to the said Main Trunk Road, and shall further engage to use all means in her power to complete such railway communication at the earliest practicable date, and that the surveys to determine the proper line of such railway shall be at once commenced, and that a sum of not less than $1,000,000 shall be expended in every year from and after three years from the date of Union, in actually constructing the initial sections of such railway from the seaboard of British Columbia to connect with the railway system of Canada."

All that British Columbia delegates asked was an expenditure of $1,000,000 per annum, not on their own end of the road, but on the whole line. The hon. member for Halton (Mr. Macdougall) explained this matter in his speech that year so much better than I can do it myself, that I will take the liberty of reading a portion of his remarks on the subject:

"On presenting those terms at Ottawa, and discussing them with the Canadian Government, an alteration of this clause was proposed to the British Columbia delegates, with respect to the railway, as follows:—

"'The Government of the Dominion undertake to secure the commencement simultaneously within two years from the date of the Union, of the construction of a railway from the Pacific towards the Rocky Mountains, and from such point as may be selected east of the Rocky Mountains, towards the Pacific, to connect the seaboard of British Columbia with the railway system of Canada; and further, to secure the completion of such railway within ten years from the date of Union.'"

"That condition or term in the Act of Union was a voluntary proposal of the Government of Canada. The Government of British Columbia proposed that we should undertake the construction of a railway at the rate of $1 0 0,000 a year, which, if the estimate of the Chief Engineer that it would cost $100,000,000 be correct, would require 100 years instead of ten to complete the Pacific Railway. My contention is, that, so far as this Parliament is concerned, we are not bound by the terms of Union respecting the railway in the absolute sense or to the extent which some hon. gentlemen even on this side of the House contend. It was a voluntary proposal of our own; a *nudum pactum* as lawyers would say, because we received no consideration for it. It is true the British Columbia delegates did not object to it. They were very glad to find that the people of Canada were so anxious to establish rapid transit across the continent. But that, like any other decision of Parliament, was subject to modification. The condition that the resources of the country would enable the Government to 'secure the completion' of the work in ten years was always understood. Nay, more, it was expressly stipulated. We promised British Columbia, and we promised everybody, that we would build the railway if we could. But Parliament did not deprive itself of its legal, natural, constitutional right to modify or repeal any law in the Statute-book, or any schemes or undertakings which might be found impracticable. British Columbia, being part of the Dominion, can have no right to complain, unless it can show that we have the means, or that they are within our reach, and that it is to the interest of the country to proceed with the construction of the railway in their Province. As members of this House, and representatives of a portion of the people of the Dominion hon. gentlemen from British Columbia have the right to present their case in the best way they can. But to say that the transactions of 1871 are in the nature of a treaty that this Dominion consists of separate parts which have treaty obligations one with another, and that we are bound at all hazards, and under all circumstances, whether we have the means or not, to carry out anything that a previous Parliament may have proposed in reference to public works in any Province—that proposition, Mr. Speaker, cannot be maintained."

This is the opinion of the hon. member for Halton. I stated that delegates from British Columbia came here, and that the Government arranged the terms of Union with those delegates. But while resolutions embodying those arrangements were being passed through this House, providing for the building of the road in ten years, hon. gentlemen on both sides of the House became alarmed. They thought the Government were undertaking a task beyond the resources of the people of this country, and there was difficulty about passing the measure. The majority of the Government had been sixty or seventy, and during the passing of those resolutions it dwindled down to ten or fifteen, so that they passed a resolution to the effect that the building of this road should not increase the rate of taxation. The bargain being on the condition I have stated, I do think the country is not bound to go on with the work in British Columbia, irrespective of the burdens to be imposed on the people. The hon. Minister of Railways, when proposing the construction of the Yale-Kamloops section last year, said that he had power to delay the work for a year or more, and that although by the Carnarvon terms the Government agreed to spend $2,000,000 a year in British Columbia, yet they did not intend to spend $1,0 0,000, and, so far as he was concerned, he ignored those terms. In fact, by a return brought down to the House this Session, we find that the expenditure in British Columbia this year has not exceeded $400,000. But the Carnarvon terms have been referred to, and gentlemen opposite appear to put a good deal of emphasis on what are called the Carnarvon terms, substantiating their position by the assertion that the Dominion is bound by those terms to the immediate construction of the whole road. The fact is, the Carnarvon terms were not in the nature of an award, but only a recommendation of Lord Carnarvon for the purpose of satisfying British Columbia,

The recommendation was that Canada should build the Vancouver Island railroad, and expend $2,000,000 per annum on the mainland. The member for Lambton (Mr. Mackenzie), on the part of the Government of the day was, no doubt, very anxious to do all in his power to satisfy British Columbia and carry out the arrangement made with that colony. He may or may not have gone too far in that direction. For my own part I think he did go too far. But he consented, subject to the resolutions and Acts of Parliament prohibiting an increase of the rate of taxation for that purpose. He could not if he would bind the country contrary to the Acts of Parliament. But what does Mr. Mackenzie himself say about it? I think he is more capable of interpreting his own intentions and acts than gentlemen opposite. In a speech he made in this House last Session, he said:

"When we assumed the responsibility of accepting the proposals of Lord Carnarvon we did so as a matter of course, subject to the reservation made in the Order in Council and to the enactments already in existence, and the parliamentary resolutions prohibiting increased taxation."

Parliament did not sanction the recommendation of Lord Carnarvon. In fact in one important particular it refused to do so by rejecting the Bill for the construction of the Vancouver Island Railway. I submit that if Canada is not bound to build the whole road unconditionally and at once, without reference to the rate of taxation imposed, and if that portion of the road situated in British Columbia be not required for commercial purposes at present and will not be for many years to come; if that portion of the road can be much more cheaply built after the eastern portion of the Pacific Railway has been built to the Rocky Mountains, and the prairie country has a reasonable amount of population, and if it is a fact that this section of the road will be unproductive and burthensome if built now, as is admitted, by gentlemen opposite, what madness, what infatuation to persist in doing so when by doing so the present exorbitant rate of taxation must not only be kept up but increased. I have already stated that the gross debt of the Dominion is $199,000,000, the net debt $157,000,000; if the present contract is carried out it will add at least $40,000,000 more to our obligations. I venture to predict that in ten years when the contract terminates, if indeed it does at that date, if the Government do not ignore all public works in other parts of the Dominion, that our debt will reach the enormous amount of from $230,000,000 to $240,000,000. The interest on that sum will amount to about $12,000,000 annually. A debt of such magnitude will bear heavily on the resources of the people of this country. It must necessarily be detrimental to our best interests and retard our future progress. It will make Canada a dear country to live in, increase the price of manufactures and the cost of products to all classes of consumers. And this in the face of the fact that our debt per head to-day is just about as high as the rate per head is in the United States. While they are rapidly settling their debt we are rapidly increasing ours. Our relative positions in this respect is fast changing; and the United States is a country with which we will have to compete in manufactures as well as in the competition for emigrants and settlers. But it is contended that the sale of lands in the North-West Territory will be sufficient to recoup the Dominion for the outlay on this road. I do not think there are any good grounds for such an assumption, and I think it must be a very sanguine or reckless person who would rely upon such a source to relieve us of our liabilities. Our experience in the older Provinces proves the fallacy of this contention. Several of the older Provinces who have their Crown lands under their own control, from which they derive more or less revenue—these Provinces also have their Dominion subsidy, and other sources of revenue, yet they find very great difficulty in keeping their expenditure within their income. Our experience in Manitoba and the North-West Territory, up to this time, will give us some idea of the expense to be expected in that territory, for which purpose the member from Perth (Mr. Trow) gave a statement a few evenings ago of the expenses incurred in establishing a Government in Manitoba and governing the North-West. He stated that the sum of $14,000,000 had been spent in Manitoba and the North-West Territory since we acquired that country, outside of the railway expenditure, and that we received from Customs dues, Excise, and sales of lands less than $1,700,000. In this calculation there are items which would not justly be chargeable to the establishment of a new Province, but the following items will show how large an expenditure has been made for the purpose of establishing the Province of Manitoba and governing that territory: We have paid for Mounted Police, in all, $1,935,000; for Emigration, $1,542,000; Public Works, Buildings, &c., $1,378,000; Dominion Land Surveys, $1,186,000; Indian Treaties, $1,554,000; Military Expedition to Manitoba, $756,000; Subsidy to Manitoba, $698,000; Relief of Settlers, $83,000; making in all about $9,000,000 in round numbers. We have received in Customs, $1,381,000; Excise, $148,000; Sales of Land, $139,000; total, $1,667,000. This shows the enormous cost likely to be incurred by the Dominion in the establishment of new Provinces in the North-West. Of the lands in the North-West this contract which we are now asked to ratify gives to this Syndicate 25,000,000 acres of the best lands in the fertile belt. The Hudson Bay Company has reserved for themselves 50,000 acres around forts, &c. The same company have five per cent. of the balance of the whole North-West also reserved. There are large reserves for Indians, and also for schools; the whole of which will absorb the major portion of the best lands of that country. I do think he would be a very reckless man indeed that would calculate to pay off our large liabilities from the remaining portion of our lands in that territory. Additional railways will have to be constructed for the purpose of developing that region of country. Provinces will have to be established as population increases, and Local Governments will have to be subsidized for their maintainance; and I contend that the expenditure necessary for those purposes will require all the moneys accruing from Customs, Excise and sales of land. Faith must be kept with British Columbia, is the argument most relied upon by the supporters of the Government. But have the other Provinces no claims on this Dominion? Is there not a stipulation in the resolution and Acts referred to that the road should not be built faster than the resources of the country will admit, without increasing the rate of taxation. Has faith been kept with the older Provinces in that respect? Has not our rate of taxation been enormously increased? Have they no right to complain? I think they have. While millions upon millions are expended, nay, squandered, in British Columbia and the North-West, on unproductive works, the people of the Maritime Provinces are refused the smallest concessions in aid of much needed improvements, and when they ask for necessary expenditures they are told that there are no funds. I contend that we should postpone the building of the British Columbia section until the commercial necessities of the country demand it, and our financial position will warrant the expenditure. I will therefore move the following amendment:—

"That the resolution be not now read a second time, but that it be resolved, that at present the construction of the Canadian Pacific Railway is premature and would involve the country in an expense beyond its reasonable capacity, and would lead to the maintenance of too high a rate of taxation, while the postponement of that part of the undertaking till after the prairie section is finished, would enable it to be constructed at a much less cost and within a reasonable time."

Amendment (Mr. Burpee, Sunbury) negatived on the following division:—

YEAS:

Messieurs

Anglin,	Flynn,	Mills,
Béchard,	Gillies,	Paterson (Brant),
Blake,	Gillmor,	Pickard,

Borden,	Glen,	Rinfret,
Bourassa,	Gunn,	Robertson (Shelburne),
Brown,	Guthrie,	Rogers,
Burpee (St. John),	Haddow,	Ross (Middlesex),
Burpee (Sunbury),	Helton,	Rymal,
Cameron (Huron),	Huntington,	Scriver,
Cartwright,	Killam,	Smith,
Casey,	King,	Sutherland,
Casgrain,	LaRue,	Thompson,
Charlton,	Laurier,	Trow,
Cockburn (Muskoka)	Macdonell (Lanark),	Weldon,
Dumont,	MacDonnell (Inverness)	Wheler,
Fiset,	McIsaac,	Wiser,
Fleming,	Malouin,	Yeo.—51.

NAYS:

Messieurs

Allison,	Gigault,	Manson,
Arkell,	Girouard (Jac. Cartier),	Massue,
Baker,	Girouard (Kent),	Merner,
Bannerman,	Grandbois,	Méthot,
Barnard,	Hackett,	Mongenais,
Beaty,	Hay,	Mousseau,
Beauchesne,	Hesson,	Muttart,
Benoit,	Hilliard,	Ogden,
Bergeron,	Hooper,	Orton,
Bergin,	Houde,	Ouimet,
Hill,	Hurteau,	Patterson (Essex),
Bolduc,	Ives,	Pinsonneault,
Boultbee,	Jackson,	Platt,
Bourbeau,	Jones,	Plumb,
Bowell,	Kaulbach,	Pope (Compton),
Brecken,	Kilvert,	Pope (Queen's),
Brooks,	Kirkpatrick,	Poupore,
Bunster,	Kranz,	Richey,
Bunting,	Landry,	Ross (Dundas),
Burnham,	Lane,	Routhier,
Carling,	Langevin,	Royal,
Caron,	Lantier,	Ryan (Marquette),
Cimon,	Little,	Ryan (Montreal),
Colby,	Longley,	Rykert,
Connell,	Macdonald (King's),	Scott,
Costigan,	Macdonald (Sir John),	Shaw,
Coughlin,	McDonald (Cape Breton)	Sproule,
Coupal,	McDonald (Pictou),	Strange,
Coursol,	McDonald (Victoria, N.S)	Tassé,
Currier,	Macmillan,	Tellier,
Cuthbert,	McCallum,	Tilley,
Daly,	McCarthy,	Tupper,
Dawson,	McConville,	Valin,
DeCosmos,	McCuaig,	Vallée,
Desjardins,	McDougall,	Vanasse,
Domville,	McGreevy,	Wade,
Doull,	McInnes,	Wallace (Norfolk),
Drew,	McKay,	Wallace (York),
Dugas,	McLennan,	White (Cardwell),
Elliott,	McLeod,	White (Renfrew),
Farrow,	McQuade,	Williams.
Fitzsimmons,	McRory,	Wright.—127.
Fortin,		

Mr. LAURIER. Mr. Speaker, I have a motion to make in amendment to the main motion, tending to substitute the Sault Ste. Marie Branch for the section to the north of Lake Superior. I am astonished to see the objections that have been made against the Sault Ste. Marie line, and repeated by a great part, I may say, by the whole Conservative press in the Province to which I myself belong. Nevertheless, I still believe that, in the interest of the Dominion, the line of railway to the south of Lake Superior is infinitely preferable to the eastern section of the proposed Pacific Railway. In this matter every one should take into consideration not only the local interests of his own Province, but the general interest of the Dominion. Every one, however, is allowed to take note of the particular facts of such a policy, and the particular results that it might have. It is from that standpoint, especially, that the Sault Ste. Marie Branch has been discussed by the Conservative press of the Province of Quebec. I do not in the least oppose the position taken by the press on this point, with regard to the choice either of the route to the north of Lake Superior, or of the route to the south of Lake Superior. I oppose only the conclusions that are arrived at, and the premises from which they are drawn. A paper, published in the city that I have the honor of representing, has gone so far as to say that it could not conceive how a French-Canadian could possibly vote against the route to the north. I confess, for my part, that I do not conceive, nor do I understand, such language. This is not merely a question of race. Her Majesty's subjects in the Province of Quebec have—not in this matter—interests that can be separated from those of their fellow-countrymen of other nationalities. All the inhabitants, in general, of the Province of Quebec have not, in this matter, interests distinct or separate from those of their fellow-countrymen of other Provinces. This question is not a local one. It is a general question, affecting alike all the Provinces of the Dominion, but from which a part of the Dominion—and I believe that this part is the Province of Quebec—may draw greater profit than another. What I reproach the Conservative press with is to have misunderstood the question. This, as I have already said, is not a local question, but a national one; and when the paper to which I have alluded expressed its views on this question, what it meant and what it said was simply this:

"That it was of the greatest importance for the Province of Quebec, which had sacrificed considerable in order to build a road across its own territory to connect the Ontario railways and to draw the western trade into the heart of the Province."

And what this paper maintained was that by abandoning the route to the north of Lake Superior, all communication with the North-West would be broken, and the trade of that country would be obliged to go, as it is now, by way of Chicago and St. Paul, instead of coming directly by the railways of the Province of Quebec to the ports of Montreal and Quebec. If the first part of this proposition were true, the consequences would be equally true, but the first part of this proposition is groundless. It is not true that by abandoning, as we propose to do for the time being, the construction of the section to the north of Lake Superior, we break off all communication with the North-West, thus closing our doors to the trade of those regions. This proposal would be true were we to propose an abandonment, pure and simple, of the line to the north of Lake Superior. What we propose is not the abandonment of the line to the north of Lake Superior; it is not to close our doors to the western trade. What we propose is merely to substitute one line for another; to substitute the route to the south of Lake Superior for the line to the north, and that only temporarily. Thus it is not breaking off communication with the North-West; it is not closing the doors to the trade of the North-West; it is merely substituting one line for another. Now, the advantages to be derived, not only for the whole Dominion but for the Province of Quebec in particular, from the line of railway to the south of Lake Superior are such that it seems to me that any man who would look at the matter with an impartial eye could not do otherwise than admit that the line I propose is infinitely superior to the one I propose to abandon for the present. You, in proposing the line to the north of Lake Superior, in proposing to make connections with the North-West Territories, you have simply in view the drawing on to the territory of the Province of Ontario and the Province of Quebec the trade that will one day exist and that is to result from the settlement of the North-West Territories. By adopting the line to the north of Lake Superior, you limit the traffic to our territory alone; whereas by adopting the line to the south of Lake Superior you not only draw to our lines the trade of our own North-West, but at the same time you draw the trade of the whole American North-West. That is the immense advantage that would be derived from the building of the line to the south of Lake Superior, instead of the line to the north of Lake Superior. But that is not the only advantage. There is, moreover, the financial advantage; there is, besides, the saving in the construction of the line; there is, moreover, the question of the opening up of the trade of the North-West. Under all these aspects, the line that I suggest to the Government, the line to the

south of Lake Superior, is infinitely superior to the north of Lake Superior. Let us take for a moment merely the question of economy. By the contract you are obliged to build, according to the estimate of the contract itself, 650 miles with a subsidy of $15,384 61 per mile, being a total of $10,000,000, with an additional land subsidy of 9,615.35 acres per mile, being a total of 6,250,000 acres. Now, we have on the Table of this House a proposal that was made some time ago to the Government, and that was laid before us a few days ago, by a powerful company, at the head of which is a man well known in this country, and whom I need not name. This Company proposes to build the Sault Ste. Marie Branch for an amount that really cannot be compared with the subsidy that we will have to pay for the construction of the line to the north of Lake Superior. The Sault Ste. Marie Branch is 290 miles long, and the Company to which I have just alluded offers to build this line for a subsidy of $4,000 per mile, and an additional land grant of 4,500 acres per mile, being a total subsidy of $1,600,000 in money, and a total land grant of 1,160,000 acres. By making that saving we have immediate communication with the North-West; I therefore show that the advantage, from a financial point of view, will be considerable, and, in the present state of our finances, no one will say that it is a trifling advantage. But if, in spite of the advantage given us from a mere financial point of view, you persist in constructing the line to the north of Lake Superior, you lose the traffic of this line during seven years. According to the terms of the contract the Syndicate is obliged to finish this road in the space of ten years, that is to say, in 1890; whilst by the proposal for the building of the Sault Ste. Marie Branch, the company that made the offer to the Government proposes to construct the road and to open it to traffic in three years hence. Now, that is not a matter of small importance for the Province of Quebec and for the Dominion at large; it is important for us to open up as soon as possible the trade of the North-West. The fact is that the whole discussion has so far turned on the importance there is for the Dominion to unite the territories of the North-West with the eastern Provinces, yet, according to the terms of the contract that you are about to ratify, this communication will be complete before ten years. It is only in ten years that the products of the North-West will be able to be carried by the Quebec line; whereas, if you adopted the Sault Ste. Marie line you would have the North-West trade in three years. As I have already said, this is not a matter of small importance for us. If in the Province of Quebec so much importance is attached to the question, it is on account of the financial position of the country; and at the present time, the country has undertaken considerable obligations, greater indeed than its resources warranted, for the construction of a railway. The fact is that the Province cannot derive any benefit from the policy she has inaugurated, except by bringing to her line, besides the trade of the North-West, the trade of the western States. Every one knows that our Provincial railway, although it gives considerable revenue, does not now pay the interest on the sum that it has cost. There is a considerable deficiency in our finances. I cannot refrain from expressing the fear that the Province of Quebec has exhausted the last of its resources and that even should she wish to go into the European markets, she would not be able to increase the debt she has contracted. For several years past, we are rolling up deficit on deficit in the Province of Quebec, and every one knows that the interest of the debt is paid with borrowed capital. We can continue to exist in this manner for two or three years more perhaps, but after that, what will we do? When we have exhausted the loan that we just negotiated, when we are confronted with considerable deficits, like those we have every year, what will be the position of the Province? The only thing that can save the Province from the position in which she will then be placed, is an increase in the traffic coming by our own lines. The revenues of the Province are limited, and the only revenues that are liable to increase are those that may be derived from the railway by an increase in the traffic, and in the present state of things the increase can only be imperceptible. But if you open up immediately to trade the vast territories of the North-West, when we shall have the trade of the north of Michigan, of Wisconsin, of Dakota, and of the other territories which would send us their products by the Sault Ste. Marie Branch and by the Provincial railway to the ports of Quebec and Montreal—then, I say, we might hope the revenues of this railway would be so increased that the position of the Province might be looked at with some hope; otherwise the position seems to me to be desperate. Under these circumstances, you have in hand two schemes, both equally in the interest of the Dominion, but one of them is of immense importance to the Province to which we belong. You have to choose between the line to the north of Lake Superior and the line to the south of Lake Superior. If you adopt the line to the north of Lake Superior, what will be the consequence? The immediate consequence will be that during ten years the traffic of the North-West will still follow the route it follows now—that is to say, that this trade will have to pass by St. Paul and Chicago, escaping thus from our railway, and at the end of ten years you will only have our own trade; whereas if you adopted the Sault Ste. Marie Branch, the line to the south of Lake Superior, not only would you have in three years time the trade of our own North-West over our own line, but you would moreover bring at the same time to our own lines and to our own ports all the trade of the American North-West. Is it possible to hesitate under these circumstances, in view of an advantage so considerable and so evident in favor of the Sault Ste. Marie? And those who pretend that we are not patriotic because we are not in favor of the building of the line to the north of Lake Superior, have they the right to thus reproach us? On the contrary, is it not for us to reproach them with a want of patriotism? Their idea in casting this reproach at us was simply this: by not constructing the line to the north of Lake Superior we would be forcing the trade of the North-West to seek, for many long years to come, the channels it is now in the habit of following. Whereas, the true idea is this: by adopting the line I propose we force the trade to come to our ports. I could understand the force of the objection that is raised, if the Opposition had proposed the absolute abandonment of the line to the north of Lake Superior, and I could conceive that we would have exposed ourselves to blame. But we merely propose, for the present, the substitution of our line for another, a line the advantages of which must be evident to all those who take the trouble to seriously look into the matter. I am satisfied that if this question had not become, as it has, a Ministerial question, everybody would be obliged to admit that the construction of the Sault Ste. Marie Branch is much more advantageous for the country, and that this line would be adopted immediately; this line would be for the best interests, not only of the Dominion of Canada, but likewise of the Province of Quebec in particular, for though no Province, in this matter, has distinct and separate interests from those of the other parts of the Dominion, the Province of Quebec occupies a peculiar position. Now, there is another question to be considered. If you adopt the line to the north of Lake Superior, you limit your trade to your own territory. I heard some one saying yesterday that we need a national line. Trade knows no such thing as nationality; it does not know favorite lines, it has no favorites. Trade only knows its own interests; and if we want to serve our country we must make use of this maxim. There ought to be no sentimentality over a question like this, it ought to be looked at only from a business point of view, and the rigorous and

logical conclusion is that, at present, by adopting the line to the north of Lake Superior and by refusing to adopt the Sault Ste. Marie Branch you refuse to create an international trade, you refuse to bring into our own territory the products of the West to the south of the line. By so doing you restrict your trade to what your own country can give you. And what have we at the present moment in the territories of the North-West? We have only hopes; we have no reality. We may trust, and I do trust as much as any one, that these hopes will be realized; I have no doubt but that some day active, numerous, and industrious populations will be settled in the fertile plains of the North-West, but we have not yet got so far; we only have a few emigrants who settle there from year to year; population is only just beginning to flow in there. In view of these facts, I am astonished to see that there are men in this House who are hostile enough to the interests of their own country to avoid building the line I propose. If we were patriotic, if we had at heart the interests of our own country, is it not evident that we would endeavor to give to our road, which has cost the country so many sacrifices, and which is yet to cost as many more, all the traffic that can be given to it; is it not evident that the policy we ought to follow is not merely to limit the profits of this road to the advantages that our own territory can offer, but that the well understood policy of this country and of this Government should be to give to the road we are building not only the traffic of our own country, but also the traffic of the territories situated on the Pacific coast. It is quite self-evident, and I do not see how any one can object. The statement I am now making, Sir, is not exaggerated; as soon as we shall have built the Sault Ste. Marie Branch we will bring into our own territory, not only the products of our own North-West, but we bring at the same time the products of Wisconsin, of Michigan, of Minnesota, of Dakota, and of all the territories under the same latitude as San Francisco as far as the Pacific Ocean. You have only to glance at a map to be convinced of what I say, and I am saying nothing that is not already known. The fact is that the route by Sault Ste Marie is so advantageous that not one of those who have spoken on the question has failed to admit the worth of the route and to state that it would be built later on. If ever an illogical proposition was uttered it is that one. No one from the Province of Quebec who has spoken on this question but has said that some day or another this road should be built, but the hon. gentlemen opposite want to build it later. Can anything be more illogical? You want now to construct the line to the north of Lake Superior which is to pass through an uninhabited country, whilst you refuse to build a branch that will take you into an inhabited country having a large population and still greater products to be carried. Sound reason should tell you that you ought to build the Sault Ste. Marie Branch first, because you penetrate into an inhabited country that has products to export, whilst by putting off the building of this line you leave to one side inhabited countries in order to penetrate into a desert. The fact is, that if we understood politics as they should be we would first go and get the products of a population that has products to export, and we would wait till there were settlements elsewhere before giving them the required means of communication. As I was saying, the construction of the Sault Ste. Marie Branch would immediately bring to the ports of Montreal and Quebec by the Provincial line and the Canada Central all the products of the States I have just mentioned, of all the States to the west of Michigan and extending to the Pacific. This statement is not an exaggeration, and the reason is very simple; because the Sault Ste. Marie Branch puts that part of the American territory in communication with the Atlantic sea-ports by a route 300 miles shorter than any other. The Atlantic sea-ports for that part of the American territory are at present New York, Boston, Montreal and Quebec. Now, it is well known, and I need not insist upon that point, that by the Sault Ste Marie route these territories are three hundred miles nearer to Montreal than to New York and Boston. As I was saying a moment ago, commerce has no favorite route; it will always seek the shortest and least expensive line. The products of Minnesota, Wisconsin, Michigan and all that part of the United States will, therefore, of a necessity seek the ports of Montreal and Quebec. It is known that the western part of the United States is the granary of the world, but I trust that it will not always be so; I trust that in a few years the granary of the world will be in our own territory. We have the ambition of rivalling with our neighbors, and I think that we can do so successfully; for the nonce, however, the true policy would be to bring the products of these States to the ports of Montreal and Quebec. Let it be remarked that the distance is 300 miles shorter than to any other part of the American continent, and that the distance between Montreal and Liverpool is 250 miles shorter than the distance from New York to Liverpool; so that, by adopting the Sault Ste. Marie Branch you bring the North-West Territories, not only our own territories but also those I have just mentioned, 550 miles nearer Europe. This is not a small advantage, and it is wilfully putting the good of the country aside not to adopt the amendment I now propose. I do not, therefore, understand, Sir, how hon. members from the Province of Quebec, having at heart the interests of our Province which are not distinct from but common with those of the Dominion—I do not understand, I say, how they can find any objection to the Sault Ste. Marie Branch. I do not understand the persistence with which they insist upon the building of the line to the north of Lake Superior. On the contrary, all should desire the construction of the Sault Ste. Marie Branch, which is the shortest, the most useful, the most economical route by which to bring the products of the West to Liverpool. I am aware, Sir, of the objections that have been raised in Ontario against the Sault Ste. Marie route; national prejudices were appealed to; a part of the press took hold of the question and endeavored to show that the Sault Ste. Marie Branch would be all to the advantage of the Province of Quebec and all to the detriment of the Province of Ontario. And I remarked that the Minister of Railways (Sir Charles Tupper) himself, in a speech he made at Toronto some time ago, took that side of the question. He expressed himself as follows:—

"He (Mr. Blake) will find that it is our duty as politicians and as Canadians, to confine our efforts to the great national work now before us; and Sir, in a year, what will take place? In a little more than a year, communication will be open to Thunder Bay. Mr. Blake says the completion of this line is ten years off, while you can have the Sault Ste. Marie Branch in three, but will you suffer very much? What is your position during these ten years? You stand here in the position of having your trade and industries nearer to the great North-West than any other portion of this country and easy means of access by the Thunder Bay line to pour the traffic and business of Toronto, Hamilton, &c., into the heart of the great North-West, and to obtaining a hold on that traffic which, once secured by the enterprising men connected with the industries in Ontario, will not be easily taken out of their grasp."

Such, Sir, is the language of our friends opposite; this language gives an exact idea of the situation; national prejudices have been appealed to. But I beg leave to simply compare this language with the words pronounced by the leader of the Opposition at a meeting in Montreal. This is what he said:

"Now, I want as much trade for Canada as I can get, as much intercommunication by means of railways. I want to see this commence by the natural, shortest and cheapest route, so that there may be speedy communication with the coast, and no barrier between the consumer and the Provinces. We know in my Province that the bulk of this trade must come by this city and Quebec; we shall try and do our share, but we have no jealousies about it, and yet Sir Charles Tupper attempts to arouse the sectional prejudices of my fellow-countrymen, and asked them if they would suffer the advantages that the contract would confer on them to be lost. If I thought the Liberals of Ontario took so narrow-minded a

view of this subject, because they would otherwise gain advantages, I should be very sorry for the Liberals, and very much inclined to dissociate myself from them."

That, Sir, is patriotic language, language certainly worthy of a statesman. This language does not seek to raise sectional interests; this language realizes that, above all things, we should seek the interests of the Dominion. Every one is allowed to seek the particular interests that any Legislature can give him; but, in the present instance, the Liberals of Ontario recognize that the Sault Ste. Marie Branch will be more profitable to the Province of Quebec, or to the ports of Montreal and Quebec, than to their own Province; yet they are not jealous over it; they are willing to give us the benefit; all they ask is to compete with us for their share of the trade. I do not understand the persistence with which hon. gentlemen opposite wish to go on immediately with the construction of the line to the north of Lake Superior, instead of adopting the Sault Ste. Marie Branch. If they really want the construction of the line to the north of Lake Superior, I think it was the duty of my friends opposite, and of their leader, to insist upon the construction of the Sault Ste. Marie Branch. They say, "It can be done later." But are we sure that it will be done later? Are we sure to have, later, the privileges we now have for the building of the Sault Ste. Marie Branch? When the Company has the great monopoly, that it will necessarily have, will it readily consent to the construction of the Sault Ste. Marie Branch, which will be a rival line? Will the Company not impose conditions so onerous that the construction of this branch will become an impossibility? If ever there was an opportunity of building this branch, the advantages whereof are so evident, it is the opportunity that is now offered, and, in my opinion, we would be recreant to our duty were we not to build this branch immediately. Now, what are the objections brought against the Sault Ste. Marie Branch? The advantages of this road are evident; yet I have heard some objections. The member for Portneuf (Mr. Valée) speaking, the other day, on this question, gave as a reason against the construction of this line, that there were no lines built to the south of Lake Superior to communicate with the Sault Ste. Marie Branch. This reason, Sir, is not deserving of a serious answer, because it is groundless. Indeed, at the present time, there are lines constructed, or under construction, all along the south shore of Lake Superior, less a few miles. The Northern Pacific has been continued to Duluth; and the line to the East is under construction for a distance of over a hundred miles. There are other lines under construction, and if I am correctly informed—and I think that I am, for the information I have was given to the House, and has not been contradicted—there only remains a distance of some thirty miles, which is nothing at all. Moreover, it is certain that when we shall have brought our line down to Sault Ste. Marie, the American companies will come and connect with our road. Moreover, the company that offers to construct the Sault Ste. Marie Branch is composed of business men, who know that if they brought a line down to Sault Ste. Marie, it would be an urgent necessity for them to connect in order to reach the American products. Moreover, Sir, it is sufficient upon this point to quote Mr. Fleming's report for last year. This is what he says upon this question:

"The facilities for bridging the River Ste. Marie will doubtless soon lead to the establishment of railway connections extending through the northern part of Michigan and through Wisconsin to Minnesota. Already the railways of the United States, south of Lake Superior, extend to Escanada, a point not more than 150 miles from Sault Ste. Marie. It appears also, from late information, that a line is under contract and in process of construction easterly to the Strait of Mackinaw. This line will reach within forty miles of Sault Ste. Marie. A railway on this short distance, with the Sault Branch, would connect the railway systems of the North-Western States with eastern Canada. All the country north and west of Green Bay and St. Paul would have a choice of outlets. The Canadian outlet would be more direct than any route *via* Chicago and the south shore of Lake Michigan; it would constantly command the traffic, at all seasons of the year, from every point north of the latitude of St. Paul."

That is the opinion of an eminent man that cannot be contradicted, and which shows all the advantages of the line I suggest, and which also shows to what extent the objections so far raised against the Sault Ste Marie Branch are founded. The most serious objection is that it would be useless to build this line under present circumstances, because there are no communications on American territory. Mr. Fleming's report shows the contrary as do subsequent reports that we have in our possession, and it is a demonstrated fact that since this report was written other lines have been built, and we have now only to throw a bridge over the river Ste. Marie in order to unite the branch line with the American roads. Another objection that has been made is that this road would pass through American territory. Can this objection be considered serious when we look at the history of railroads in this country. This country is a new country, and when the first railways were beginning to be built we were necessarily obliged to make use of our neighbor's lines. Not more than four or five years ago when we built the Winnipeg branch everybody was agreed that it was an excellent affair, and yet this road put Canadian territory in communication with American lines of railway. So it was in former times with regard to the Grand Trunk. The first railway built in the Province of Quebec was to connect the St. Lawrence with Lake Champlain. The second railway built was to connect the St. Lawrence with the Atlantic ocean. Upon this latter question were not all agreed that it was the policy to be adopted? Would it have been patriotic to say: "We will not make use of the American lines, we will have nothing to do with the Americans, we will not carry their products, we only want to carry our own products, and we do not want to have any international trade." It is, moreover, said that this road should be built entirely on Canadian territory, because we may some day or another be at war with the United States. Well, if this railway is to be a military route it is an Imperial railway that we are to build. The policy the Government adopted two years ago, when they wanted to make of this road an Imperial one, was the right policy and they should have adhered to it. If the Government intended to impose upon the people of Canada the burden they are now imposing, merely to build a military route, then I protest against such a policy. I am as much attached to my country as any one, but I believe that with regard to the question of defence, England owes us a good deal, and if we are going to build a military route it would be worth while to obtain help from England. Besides, if we are going to adopt this new policy, if we are going to legislate in view of a possible war, we must draw the last consequence. In order to have a military route, we must in the first place have an army to transport. If you are consistent, you will first of all create an army, and then you may think of having military routes. But, in my opinion, it is a bad policy to say that we are going to construct now a military road in order to transport an army that we have not, that we shall perhaps never have, and especially that nobody wants. However some may look at this question, there is not one good reason to be urged against the policy I am proposing. The policy I propose is the one heretofore followed. It is to go gradually and progressively as fast as the resources of the country will allow. At present we propose to do what was done formerly, that is to say, to make use of our neighbor's lines, continuing the work we only wish to postpone when we propose to substitute the Sault Ste. Marie route for the line to the north of Lake Superior. I wish it to be well understood that we do not give this as a permanent and definitive policy. We want the line to the north of Lake Superior, but we want it when the time comes, and when the need of it makes itself felt. At present the need of it is not felt

at all; the line to the north of Lake Superior would pass through an uninhabited and perhaps an uninhabitable country, which, at all events, will not be inhabited for a long time to come. It is possible that in the future, when the population of the North-West becomes very dense, people will be obliged to seek an opening elsewhere, and it is possible that we may see a part of this population going towards the shores of Lake Superior. Perhaps this will not happen for a long time, it may happen in a short time. At all events, in the present state of things, every man wishing to give this matter his serious attention must come to the conclusion that it is important to postpone, for the time being, the construction of the line to the north of Lake Superior, and to be content with the Sault Ste. Marie Branch. I will therefore move the following amendment:—

That the said resolutions be not now read a second time, but that it be resolved, That the contract respecting the Canadian Pacific Railway provides for the construction of between 600 and 700 miles of railway to the north of Lake Superior between Lake Nipissing and the junction with the road from Thunder Bay, through a difficult and uninhabited country, and at a vast expense, that a mere fraction of the cost of this road would, if applied as a basis of credit, secure the construction of these 63 miles common to the through line and to the Sault Ste. Marie Railway, and also of the remainder of the line to Sault Ste. Marie within 3 years; that the line by Sault Ste. Marie would give Ontario, Quebec and the East, railway connection with the North-West of nearly the same length, and of better quality than the proposed North Shore line; that it would also give to Canada a great trade from an enormous area of the Western States, extending from the boundary to a point south of St. Paul, and even now inhabited by about 1,200,000 souls; that it would secure a way traffic; that it would thus give within 3 years, and at a fraction of the cost of the other line, greater benefit than can be secured by that line in 10 years, which is the period stipulated for its construction; that it would bring both the Western States and the Canadian North-West into connection by rail with the ocean steamers at Montreal and Quebec on a route shorter by about 300 miles, than the existing route to New York; that this advantage, together with the further gain of about 250 miles in the ocean voyage to Liverpool, would give this route a commanding position, and secure great benefit to the country at large; that the construction of the line to the Sault or Goulais Bay would also give a first-class rail and water route *via* Sault Ste. Marie and Thunder Bay, within our own limits, by the shortest possible line for the transport of emigrants, goods and produce; that the construction of the line from Sturgeon River to or beyond Thunder Bay to the north of Lake Superior, is under the circumstances premature, and should not be now undertaken.

Mr. OUIMET. I do not rise, Mr. Speaker, with the intention of prolonging this debate, nor of discussing whether it be opportune to fasten the building of the section to the north of Lake Superior. I understand that hon. members who have spoken before me upon this question have given all the reasons that could be given why this line should be immediately built, from a commercial as well as a national point of view; nor do I wish to discuss whether it be opportune to aid the construction of a line to Sault Ste. Marie to connect with the different railways leading into the American North-West. I believe that the building of this connecting line or this branch road is not contrary, or at least I trust it is not contrary, to the policy of the Government. I think that it is for our interest to contribute towards the building of that road as soon as, and as much as the commercial wants requrie it; and if the Northern Pacific Railway brings or offers to bring its line down to Sault Ste. Marie, I think that the Government, in the interest of the Province of Quebec, as well as in the interest of the whole Dominion of Canada, will not be backward in materially assisting in the construction of this connecting link of which the hon. member for Quebec East (Mr. Laurier) has spoken. But if I have risen it is merely to draw the attention of the House, and especially the attention of hon. members from the Province of Quebec, to a fact, or rather to an estimate made by the hon. member for Quebec East in order to make his proposition acceptable to the representatives of our Province. One thing that will probably console us for having to remain here during several sittings yet, to vote upon the different amendments of the Opposition—and it would seem there are twenty-three of them—one thing, I say, will console us for remaining here to vote upon these amendments and lose our time, is that, in order to establish each one of the points contained in the different amendments, the hon. members entrusted with these diverse motions are obliged to destroy, at least in a great measure, the arguments of those entrusted with the other motions. The hon. member for Centre Huron (Sir Richard Cartwright), I believe, laid before this House a long resolution in order to alarm us and prevent us from voting the immense sums that the Government propose giving away to the Syndicate. He has shown us, by piling up millions upon millions, what this sum was going to amount to; and in order to heap up these millions, he estimated the lands at $3.18 an acre, and so doing, he arrived at the enormous sum of $79,000,000 that we are going to give to the Syndicate in lands alone. Well, it was all very fine from the standpoint adopted by the hon. member for Centre Huron; but the hon. member for Quebec East has another theory to propound. He wanted to show us how little it would cost to build the Sault Ste. Marie Branch, and in order to do so he gave us these figures; he told us that there are 290 miles of road to be built in order to connect the American roads with the Canada Central. "Now," said he, "a Company offers to build this connecting link for a subsidy of $4,000 in money and of 8,000 acres of land per mile." And he added: "$4,000 a mile gives us $1,600,000 and 8,000 acres of land per mile—"he gave us the amount in money—he gave us an amount of $2,320,000.

Mr. LAURIER. It was evidently a slip.

Mr. OUIMET. I have risen for almost nothing at all, Mr. Speaker, because it seems that when those gentlemen get into a tight place it is a slip. I distinctly remarked, and I even made a note of it, that the hon. member said that it would cost only $2,300,000 to build this connecting link. He stated that $4,000 per mile in money gave $1,600,000, and then he said that 8,000 acres per mile gave $2,320,000, which formed a total of $3,920,000; 8,000 acres per mile gives exactly 2,320,000 acres, and in order to arrive at the total of which I took note, $3,920,000, the hon. member must have valued the land at $1 per acre.

Mr. LAURIER. Will the hon. member allow me to ask him whether I made the addition?

Mr. OUIMET. The hon. member gave the two amounts I have just mentioned, and he made the addition himself. At all events, Mr. Speaker, it is a slip. Well, these slips, we will make use of when the time comes. I wish to draw the attention of the House, I wish to draw especially the attention of members belonging to my Province, that hon. gentlemen opposite are liable to make slips; they have made so many of them for the last twenty-five years that they see no consequence in them, but the public think that they are of great consequence, and the proof of it is that these gentlemen remained so short a time in power. Sir, I have only one word to add. I hope, and I am satisfied that in supporting the policy of the Government, we are supporting the policy most conducive to the development of our resources in the Province of Quebec and to the increasing in value of the railway that the Province of Quebec has built. And I am happy to say that the Syndicate or Company that is to build the Pacific Railway is exceedingly well disposed in favor of our railway; and if I am to believe information that I hold, not from an official source, but from what I consider a perfectly reliable source, the future of the railway of the Province of Quebec is perfectly well secured; and for me that is no slight motive for voting, and voting willingly, with the Government on this question, which is certainly the most important question upon which we shall be called upon to vote during this Session.

Amendment (Mr. Laurier) negatived on the following division:—

YEAS:

Messieurs

Anglin,	Flynn,	Olivier,
Bain,	Geoffrion,	Paterson (Brant),
Béchard,	Gillies,	Pickard,
Blake,	Gillmor,	Rinfret,
Borden,	Glen,	Robertson (Shelburne),
Bourassa,	Gunn,	Rogers,
Brown,	Haddow,	Ross (Middlesex),
Burpee (Sunbury),	Holton,	Rymal,
Burpee (St. John),	Huntington,	Scriver,
Cameron (Huron),	Killam,	Skinner,
Cartwright,	King,	Smith,
Casey,	LaRue,	Sutherland,
Casgrain,	Laurier,	Thompson,
Charlton,	Macdonell (Lanark),	Trow,
Cockburn (Muskoka),	MacDonnell (Inverness),	Weldon,
Dumont,	McIsaac,	Wheler,
Fiset,	Malouin,	Wiser,
Fleming,	Mills,	Yeo.—54.

NAYS:

Messieurs

Allison,	Fitzsimmons,	Manson,
Arkell,	Fortin,	Massue,
Baker,	Fulton,	Merner,
Bannerman,	Gigault,	Méthot,
Barnard,	Girouard (Jac. Cartier),	Mongenais,
Beaty,	Girouard (Kent),	Mousseau,
Beauchesne,	Grandbois,	Muttart,
Benoit,	Hackett,	Ogden,
Bergeron,	Haggart,	Orton,
Bergin,	Hay,	Ouimet,
Bill,	Hesson,	Patterson (Essex),
Bolduc,	Hilliard,	Pinsonneault,
Boultbee,	Hooper,	Platt,
Bourbeau,	Houde,	Plumb,
Bowell,	Hurteau,	Pope (Compton),
Brecken,	Ives,	Poupore,
Brooks,	Jones,	Richey,
Bunster,	Kaulbach,	Robertson (Hamilton),
Bunting,	Kilvert,	Rouleau,
Cameron (Victoria),	Kirkpatrick,	Routhier,
Carling,	Kranz,	Royal,
Caron,	Landry,	Ryan (Marquette),
Cimon,	Langevin,	Ryan (Montreal),
Colby,	Lantier,	Rykert,
Connell,	Little,	Scott,
Costigan,	Longley,	Sproule,
Coughlin,	Macdonald (King's),	Stephenson,
Coupal,	Macdonald (Sir John),	Strange,
Coursol,	McDonald (Cape Breton)	Tassé,
Currier,	McDonald (Pictou),	Tellier,
Cuthbert,	McDonald (Vict., N.S.),	Tilley,
Daly,	Macmillan,	Tupper,
Daoust,	McCallum,	Valin,
Dawson,	McCarthy,	Vallée,
Desaulniers,	McConville,	Vanasse,
Desjardins,	McCuaig,	Wade,
Domville,	McGreevy,	Wallace (Norfolk),
Doull,	McInnes,	Wallace (York),
Drew,	McKay,	White (Cardwell),
Dugas,	McLennan,	White (Renfrew),
Elliott,	McLeod,	Williams,
Farrow,	McQuade,	Wright.—128.
Ferguson,	McRory,	

The question being put that the resolutions be now read a second time,

Mr. MILLS moved the adjournment of the debate.

Motion agreed to; and (at 11 o'clock, p.m.,) the House adjourned.

HOUSE OF COMMONS,

THURSDAY, 27th January, 1881.

The SPEAKER took the Chair at Three o'clock.

PRAYERS.

QUESTION OF PRIVILEGE.

Mr. BUNSTER. I desire to call your attention, Mr. Speaker, to an injustice that was done me yesterday. I was here when a motion was called, I heard it read, and voted on it, but the hon. member for North Perth (Mr. Trow), whipped me out of my vote by calling attention to it. I do not propose to be so whipped out of my vote. I claim I was entitled to vote, and I wish my vote recorded according to the way in which I gave it. I was compelled to visit my friends, and I therefore hope, Mr. Speaker, you will do me justice by having my vote recorded, and I respectfully request that my vote be inserted in the record, in order that I may be placed in a proper position before my constituents.

Mr. SPEAKER. The hon. member was kind enough to notify me of his intention to bring this matter before the House, and I then told him I could not have his vote recorded. The 17th Rule of the House says:

"When the Speaker is putting a question, no member shall walk out of or across the House, or make any noise or disturbance."

Putting the question is from the time I ask the House "yea" or "nay" till the time I declare the motion carried or lost. The name of the hon. member was recorded, but he went out of the House, according to his own statement, before the question was finally declared The members will recognize the wisdom of that rule; and, in fact, it would be impossible to receive the votes if every hon. member was allowed to leave his seat, for in this country the vote is taken by what we call *assis et levé*, by which every member must be in his seat when the vote is taken. If every hon. member was allowed to leave his seat, a great confusion would be created, and it would be impossible to correctly register the names of the members. In this case I am very sorry that I cannot comply with the request of the hon. member for Vancouver. I am bound to comply with the Rules of the House.

Mr. BUNSTER. I must bow to the decision of the Speaker, but no authority has yet been quoted to show that I am wrong.

Mr. SPEAKER. I have quoted the Rule of the House.

POST OFFICE SAVINGS BANK DEPOSITS.

Mr. GAULT enquired, Is it the intention of the Government to reduce the rate of interest allowed in the Post Office Savings Banks to three per cent., the rate which is now current at all the banks?

Sir LEONARD TILLEY. The Government has not decided to reduce the rate of interest to three per cent., on deposits in Post Office Savings Banks.

CANADIAN PACIFIC RAILWAY.

House resumed adjourned debate on the proposed motion of Sir Charles Tupper for the second reading of the resolutions reported from the Committee of the Whole on the 14th January instant, granting certain moneys and lands for the construction of the Canadian Pacific Railway.

Mr. MILLS. Mr. Speaker, I need not refer in detail to the provisions of the proposed contract giving a monopoly of railway construction in the North-West for twenty years.

To these provisions I propose moving an amendment. We know that the proposed contract which this House is asked to confirm contains provisions restricting the construction of railways on the south side of the proposed Pacific Railway. Railways may be built extending to the south-west or west of south, so long as they do not approach within fifteen miles of the boundary. I venture to say that from the celebrated days of monopoly in the time of Queen Elizabeth down to our own day, so extraordinary a monopoly as that now proposed in this contract has never been submitted to any Parliament. When we look at the extent of the territory in the North-West, the population which we hope will flow into it, and the extent to which railway construction will be necessary to accommodate that population, we begin to realise the extraordinary nature of the provisions which the Government have inserted in this contract, and which are to remain in operation for twenty years. Along the boundary line there is to be a strip of country 1,000 miles in length and 15 miles in width within which no railway can be constructed by any corporation but this favored one which is now about to receive this charter. When we look at the settlements of the United States, we find that they are not continuous, they are spread over a great extent of country. They begin at points widely separate and from each other, and they radiate in all directions from the points where settlements were first begun. There is no doubt that if there had been any attempt on the part of the Government of the United States, or the Government of the different States, to confine the settlement to a particular locality, and to discourage it from spreading beyond that locality until the intervals became filled up, the progress of the United States in population and wealth would have been very much retarded. We know that a people who are disposed to immigrate, who have no great attachment to a particular locality, and who may be looked upon as the pioneers of settlement, often desire to separate themselves widely from colonies first begun, and establish settlements at points far distant from them. The proposition before the House tends to discourage this tendency, and to confine settlement to the line of this particular railway and the railways which may at some subsequent period before the expiration of the twenty years be constructed by this Company as branch lines to their main trunk line. Now, we are told by hon. gentlemen opposite that there are upwards of 200,000,000 acres of cultivated land in the North-West Territories, of which about one-eighth will become the property of the Company. They will select their locations, and in some cases, perhaps, upon these locations, begin the construction of tributary lines. But there must be a large extent of country into which settlers may go, where this Company will have no lands, and where they will have no interest in affording railway facilities. Many districts of this kind will be far away from the main line, and the construction of a railway to them would entail a very considerable expenditure. Yet settlers would be very likely to choose such districts, particularly for the reason that they could have continuous settlement, uninterrupted by the lands of the railway company. In the building of school-houses and churches, the establishment of municipal institutions, and the making of roads and bridges, the inhabitants of continuously settled districts will have immense advantages. But, according to this contract, no railway can be constructed to such districts. Last year a company was incorporated to build a railway towards Turtle Mountain and the Souris District. We know that that Company had a fair prospect of raising the moneys necessary to construct their road; but since this charter has been submitted to the House, that enterprise has been defeated. But suppose such a road were built, the traffic upon it would seek an outlet to the eastern markets. What chance would there be for the population along that line to find an eastern market when this Company has a complete monopoly of the outlets? They could discourage settlement in that district. They could say at Winnipeg: "We have not the cars necessary to forward your freight instantly; it must stand over;" and doubtless, difficulties would present themselves that would make the settlers along such a road wholly dependent upon this Company, and in a position inferior to that occupied by settlers along the tributary roads belonging to the Company. I say, then, that we can easily understand how railway construction, even in the direction permitted by this charter, would be defeated by the incorporation of this Company, so that practically the provisions of this Bill amount to an absolute prohibition against the construction of railways by any other corporation, as much as if they were inhibited from building railroads by the provisions of the Bill itself. The charter says, no railroad shall be built southward of south-west, or to the eastward. There is a long segment of a circle, within which no railway construction can take place; the gates of commerce throughout the whole North-West are put in the hands of this Company. It may be said that the main line would be depleted of its traffic if the construction of other roads to the east were permitted. But we know right well that if the railway passes into the hands of this corporation, and if they do not sell out at a speculation, that other lines will be by them constructed to the southward, extending to their roads in Minnesota. The effect of that would be that this Company would have a practical monopoly, not for twenty years merely, but for a very much longer period. Now, we have a territory 1,000 miles in length, and 15 miles in width—15,000 square miles—within which no railway construction can take place, unless by this Company. If we should suppose that in 20 years, one-fifth of that territory, 3,000 square miles, were brought under cultivation, we shall have 1,920,000 acres occupied for which no railway facilities within a reasonable distance will be afforded. If but fifteen bushels of wheat to the acre were produced, there would be, in one-fifth of that territory, nearly 29,000,000 bushels of wheat. Now supposing—for it is possible only in supposition—that you have a railway constructed along the border of the fifteen miles, every farmer would have an average of fifteen miles to drive to the nearest railway station. What a waste of capital does this prohibition cause! We know that the removal of a ton of wheat by horse and wagon costs nearly 14 cents a mile, which is equal to $2 for the fifteen miles. The removal of a crop of 600,000 tons a year to the border would cost $1,200,000 by horse and wagon, while its removal by rail, at one cent per ton per mile, the average price outside Minnesota, would cost $90,000, so that you would have a waste of capital to the extent of $1,100,000 a year within this belt, by the prohibition of railway construction alone. We know that the Company may build railways in any direction. What motive, what object will they have for building those roads? It will be the interest of the Company to build the through line as soon as possible, in order that they may secure the largest amount of profit with the smallest expenditure of capital. They will construct, under the provisions of this contract, 900 miles of road through the territories, and as it will be their interest to have the lands occupied within a reasonable distance of that road first, they will not undertake to build branch lines to the other lands they may own so long as the lands lying within a reasonable distance of the road already constructed remain unoccupied. It will be their interest, therefore, to bear as little of the expense of working the line of railway as possible. They diminish those expenses to a minimum by the construction of no more railroad than is absolutely necessary, and they increase also the profits upon the actual population of the country by confining that population within very narrow and restricted limits. We

know that it is the interest of a railway company not to expend more capital than is necessary, and not to carry any more trade and passengers than are necessary. It is their interest to obtain the largest amount of earnings possible from the smallest amount of work they may do. We know if a coachman were running a coach, he would rather carry five passengers at forty cents than ten at twenty cents per head. The net product is not more but the difference to him will be considerable. Railway companies operate their lines on precisely the same principle. During the last twenty years, in the State of Minnesota, about 4,000 miles of railway have been built; in the State of Iowa, about the same quantity; and in the State of Wisconsin, not quite 3,000 miles. So that in an area less than the area of the North-West Territories, within twenty years nearly 11,000 miles of railway have been constructed. I do not pretend to say that so large an amount of railway construction will be necessary in the North-West Territories, but even if we were to suppose but a quarter of that amount were required, it would still be four times as great as the number of miles this Company are compelled to build. I am not saying anything in regard to the effect of this monopoly on the tolls and charges. We know that where there is no competition, no matter whether the Government interfere to regulate the tolls or not, the charges upon the population will be much heavier than they would be if actual competition existed, and there would be competition if freedom was allowed to Parliament here and the Government of the North-West Territories to promote railway construction. It may be that the Company will undertake to promote settlement in those districts where they have lands, and where it is necessary to give employment to the road. But what did they in Minnesota? In Minnesota, under the present tariff—I have it on first rate authority—the company claim to realize a net earning of $2 annually on every acre of land brought into cultivation within the State. That is a very large amount, and it would be easy for this Company to realize for the settlers within a period of twenty years, five times the sum they obtained from the sale of their lands, over and above the ordinary and reasonable rates of freight. By creating, under this contract, a monopoly in railway construction, we will impose serious impediments to the settlement of the portions of the North-West where the Company has not an immediate interest in promoting settlement, and serious burdens on the population of the districts where settlement goes on. There is no doubt the effect of extravagant rates of freight on the production of a country is very considerable. There are many articles that could, if reasonable rates were charged, be produced, which could not be produced otherwise. You can confine the industry of the farming population within narrow limits. It is only those articles that will bear being carried a long distance at high rates that are likely to be produced at all; and not only do you seriously interfere with the settlement of the country, but you seriously interfere with its wealth and property by the restrictions contained in this resolution. When we look at the experience of English railway corporations, where there is a practical monopoly in some instances, within certain limits, we find that the dividends declared by a company are in very slight proportion to the charges actually made. In the case of the North and South Western Railway in 1866, it returned a dividend of 6 per cent. The North London returned also a dividend of 6 per cent., although its charges were 20 per cent. less. The Sterling and Dumferm line charged 50 per cent. more than the North London, and its dividend was exactly the same. The Caledonian charged 33 per cent. higher still, and declared the same dividend, while the Lancashire and Yorkshire company charged 30 per cent. more than the Caledonian, and the North Western 20 per cent. higher still, without any increase of dividend by either. So we find the work done by a railway diminishes as the rates increase, and the increased rates do not, perhaps, to any perceptible extent, unless they are excessively increased, diminish the profits. In 1854, two Scotch railway companies undertook to run against each other from that period until some time in 1855, for a period of about one and a half years. They reduced their freight and passenger charges to about one eighth of what they had been before. This reduction affected the dividend of one company to the extent of one-half and the other to the extent of one per cent. There is no doubt the reduction of charges upon railways would have very much the same effect as the reduction of charges on letters and newspapers. We know that the business increased as the charge diminished; but the earnings were diminished for the time being. It takes some years before the whole advantage to be derived from diminution of charges to be felt. Every railway stockbroker wishes his stock to command the highest price for the time being, so that he may dispose of it at any moment; and, although he may feel that, if his investment were to be permanent in railway stocks, he would gain something by reduction of rates in the course of a few years, he looks more to the present investment, and in no case do we find this reduction of charge take place. In this case we see that there are very serious restrictions on railway construction, and these restrictions must not only interfere with the settlement of the North-West, with the furnishing of railway facilities to its population, but also largely with its profits in those districts through which the railway runs, in consequence of the charges the company will be able to make under the existing circumstances, when they will have complete control of the entire trade of that country. With these observations, I will put into your hands the following amendment:—

That the Contract for the construction of the Canadian Pacific Railway, while it gives to the Company the absolute and perpetual right to build branch lines of Railway from any point or points along their line, to any point or points within the Territories of the Dominion, and cedes to the Company, free, all Government lands required in connection with such branches, provides that for twenty years no line of railway shall be authorized by the Dominion Parliament, or by any new Province, to be constructed south of the Canadian Pacific Railway from ony point at or near that Railway, except such as shall run South-West, or to the Westward of South West, nor to within fifteen miles of the boundary between the United States and Canada, ; the same Contract cedes to the Company the only existing outlets to the North-West, namely, the Pembina branch, being the outlet Southward, and the Thunder Bay line, being the outlet Eastward; the Company embraces the chief proprietors of the St. Paul and Manitoba Railway, the only present means of railway communication with the North-West; and, thus not only is there no provision for securing competition, but there is provision securing the Company against competition and they are secured in a monopoly of the trade and traffic of the North-West, for at least twenty years, and that the said Contract is, in this respect, objectionable.

Amendment (Mr. Mills) negatived on the following division:—

YEAS:

Messieurs

Anglin,	Flynn,	Olivier,
Bain,	Gillies,	Paterson (Brant),
Béchard,	Gillmor,	Pickard,
Blake,	Glen,	Rinfret,
Borden,	Gunn,	Robertson (Shelburne),
Bourassa,	Guthrie,	Rogers,
Brown,	Haddow,	Ross (Middlesex),
Burpee (St. John),	Holton,	Rymal,
Burpee (Sunbury),	Huntington,	Scriver,
Cameron (Huron),	Killam,	Skinner,
Cartwright,	King,	Smith,
Casey,	LaRue,	Sutherland,
Casgrain,	Laurier,	Thompson,
Charlton,	Macdonell (Lanark),	Trow,
Cockburn (Muskoka),	MacDonnell (Inverness),	Weldon,
Dumont,	McIsaac,	Wheler,
Fiset,	Malouin,	Yeo.—53,
Fleming,	Mills,	

NAYS:

Messieurs

Allison,	Fortin,	Massue,
Arkell,	Fulton,	Merner,
Baker,	Gigault,	Méthot,
Bannerman,	Girouard (Jac. Cartier),	Mongenais,
Barnard,	Girouard (Kent),	Montplaisir,
Beaty,	Grandbois,	Mousseau,
Beauchesne,	Hackett,	Muttart,
Benoit,	Hay,	Ogden,
Bergeron,	Hesson,	Orton,
Bergin,	Hilliard,	Ouimet,
Bill,	Hooper,	Patterson (Essex),
Bolduc,	Houde,	Pinsonneault,
Boultbee,	Hurteau,	Platt,
Bourbeau,	Jackson,	Plumb,
Bowell,	Jones,	Pope (Compton),
Brecken,	Kaulbach,	Pope (Queen's),
Brooks,	Kilvert,	Poupore,
Bunster,	Kirkpatrick,	Richey,
Bunting,	Kranz,	Robertson (Hamilton),
Cameron (Victoria),	Landry,	Ross (Dundas),
Carling,	Lane,	Rouleau,
Caron,	Langevin,	Routhier,
Cimon,	Lantier,	Royal,
Colby,	Little,	Ryan (Marquette),
Connell,	Longley,	Ryan (Montreal),
Costigan,	Macdonald (King's),	Rykert,
Coughlin,	McDonald (Cape Breton),	Scott,
Coupal,	McDonald (Pictou),	Sproule,
Coursol,	McDonald (Vict., N.S.)	Strange,
Currier,	Macmillan,	Tasse,
Daly,	McCallum,	Tellier,
Daoust,	McCarthy,	Tilley,
Dawson,	McConville,	Tupper,
DeCosmos,	McCuaig,	Valin,
Desaulniers,	McDougall,	Vallée,
Desjardins,	McGreevy,	Vanasse,
Domville,	McInnes,	Wade,
Doull,	McKay,	Wallace (Norfolk),
Dugas,	McLennan,	Wallace (York),
Elliott,	McLeod,	White (Cardwell),
Farrow,	McQuade,	White (Renfrew),
Ferguson,	McRory,	Williams,
Fitzsimmons,	Manson,	Wright.—129.

Mr. BORDEN. Before the motion is put, I desire to call the attention of the House to a subject which, I think, is of vital importance to the future of the North-West. I refer to the allotment of the land. It will be observed that by this contract the lands which are given as a subsidy for the construction of the road are all to be taken from the North-West, between the Province of Manitoba and that of British Columbia. This is a provision differing from those with regard to the construction of all other roads either in the United States or Canada, and differing too from the provisions of the Act of 1874. The universal custom has been that the lands should be taken along the whole line of railway, and not from any part, and especially not from the most fertile portion of the whole country. In the Act of 1874 it was provided that the land should be taken from Nipissing to the Pacific Ocean. Then, Sir, as to the quality of the lands. The lands are to be taken in alternate blocks along the railway, and for twenty-four miles on each side of it, and the company may refuse lands which are not fairly fit for settlement. According to the Act of 1874, the lands were to be of fair average quality, and there is a very wide distinction between those qualifications. A great deal has been said as to the amount of land we have in the North-West, and there can be no question that we have a very great quantity of land there; but when we consider that this Company have the privilege of refusing all but the choice lands, we must admit that that fact will limit very materially the extent of the lands which we will have after these gentlemen have made their selection. It is not probable that the choice lands such as they are entitled to receive are greater in extent than 60,000000 or 70,000,000, acres, after deducting the Indian reserves, the school lands, and the Hudson's Bay lands. So that the Syndicate will retain very nearly one half of the choice lands of the whole North-West. Another provision to which I desire to call the attention of the House is that the area of the lakes and water stretches is not to be computed in their acreage; that is to say, they are to have the advantage of harbors along lakes, river frontage and water privileges, and the area covered by this water, is not to be counted against them. They are to be allowed to go elsewhere and select an equivalent number of acres anywhere in the most fertile lands of the North-West. Now, with regard to the deficiency which will remain after they have taken all the lands which they can get along the main line of the railway. It is not probable that they will be able to get along the main line more than 11,000,000 acres, which will leave a deficiency of 14,000,000. There are three methods by which this deficiency is to be made up. First, the Company may locate branch lines of railway. They have simply to file a plan in the office of the Minister of Railways, and they may go at their own sweet will anywhere in the North-West and select the most valuable lands in alternate blocks on each side of such located lines, or they may select any tract of land, and, with the consent of the Government, establish a front line and have the land laid off upon that. They have the option of selecting the lands wherever they choose, though, of course, the Government must agree to the laying out of front lines; but this is not true of the branch lines—they may go wherever they choose and lay out for themselves branch lines. Any further deficiency may be made up from whole tracts of land not limited to blocks of a mile square, as in the previous case, anywhere in the North-West Territory, by the consent of the Government. It may be contended that the interests of the country are sufficiently guarded by the provision that the selection shall be made with the consent of the Government, but considering the generous manner in which this Company has been already treated, by the Government, I think it is fair to assume that the Government would not be very strict or particular with them in the future. It is also to be borne in mind that there are gentlemen composing that Company who have extraordinary opportunities of getting information as to where the best and most valuable lands are to be found. The Act of 1874, on the contrary, provided that all deficiencies ever and above what could be obtained along the main line of the railway, should be selected by the Governor in Council—a provision much more favorable to the country and less favorable to the Company. Further, I desire to call the attention of the House to the fact, that no reservations have been made of the coal, mineral, petroleum, salt producing or timber lands, or stone quarries. The coal land—and it is well established now that there important coal areas existing in that country—is a matter of the utmost importance, especially in view of the fact that wood is so scarce, and that the future population of that country will have to depend upon coal for their fuel. Professor Macoun, in Mr. Fleming's Report for 1880, page 244, refers to the presence of coal in that country as follows:—

"Here (at Fort McLeod) is abundance of coal, so that there will be an ample supply of fuel for all purposes. It is currently reported that all the settlers in the vicinity of the Fort burn this coal. Messrs. Patrick and Nelson, two surveyors whom I met at Morleyville, told me they had discovered coal in numerous places south of my line of exploration."

Again he says:

"It will be seen by the foregoing remarks that wood is scarce in the southern part of the section explored, but this is in some degree compensated for by the immense deposits of lignite or coal known to exist. On Bow, Red Deer and Battle Rivers, these crop out in many places, and specimens burnt on the grouud, and others brought home, testify to their value for fuel. As mentioned on another page, a trader and farmer named French has burned coal, taken from a six-feet seam at the Blackfoot Crossing, for two years. He finds it burns well in self-feeding coal stoves, of which he has two, and I found it to burn well and for a long time on an open fire."

As to minerals he says:

"In every place where lignite was seen, more or less brown or clay iron ore was present, and it is extremely probable that a more thorough examination of the country will reveal large deposits of it in connection with the lignite."

I observe that in the Act incorporating the Union Pacific, mineral lands are exempt from the provisions of the Act. As to timber lands which are of exceeding great value to the settler, Mr. Fleming says:

"The country lying to the south of the fifty-second parallel is devoid of timber. This disadvantage may be said to apply to the whole district extending westerly from the Touchwood Hills to the foothills of the Rocky Mountains, a distance of fully 400 miles. Within this space no wood is found except in the valleys of the large rivers and in a few gullies.

"Much fine timber, consisting of spruce and Douglas pine, is found along the flanks of the Rocky Mountains from whence it may be floated down many of the larger rivers. This timber should be carefully husbanded. In a few years it will be of immense value for building purposes to the settlers on the plains."

Now, I desire to call the attention of the House to the fact that under the provision of this clause the Company would have the power to lay out one of these branch lines along any of these rivers where timber is known to exist, and, without ever constructing one mile of the railway, to take advantage of all that timber and use the river for the purpose of floating it down. Further than that, these timber lands being so scarce and the Company having such extraordinary power of selection, it is quite possible that they may acquire at least one-half of all the timber lands of the North-West. Then with regard to stone quarries, I observe in the same report, at page 202, the following:—

"Numerous outcrops of limestone were noticed in the stream-beds, which will be, doubtless, of much value in the future."

Now, I desire to call your attention to the fact that the Government have not in the past considered these matters unworthy of their attention. I find that only last Session, in the Dominion Lands Act, section 6, it was enacted:

"Lands containing coal or other minerals, whether in surveyed or unsurveyed territory, shall not be subject to the provisions of this Act, respecting sale or homestead, but shall be disposed of in such manner and on such terms and conditions, as may from time to time be fixed by the Governor in Council by regulations to be made on that behalf, which regulations shall not go into operation until after they shall have been published for four successive weeks in the Canada *Gazette*, and laid before both Houses of Parliament for thirty days without disapproval, by either House."

With regard to timber lands the same Act, section 47, provides:

"And, whereas it is expedient that the timber forming islands or belts in townships thrown open for settlement, should be so disposed of as to benefit the greatest number of settlers, and to prevent petty monopoly, etc."

A petty monopoly was thus to be prevented by the provisions of this Act, and it does not seem to me to be within the spirit of the Act that a gigantic monopoly of the kind to which I have referred should be established there. In the same Act, section 30, I find that the public interest was guarded as respecting the stone quarries. Sub-section 2 provided further:

"Any legal sub-division or other portion of unappropriated Dominion land which may include a water power, harbor, or stone quarry, shall not be open for purchase at the rate of $1 per acre, but the same shall be reserved from ordinary sale, to be disposed of in such manner and on such terms and conditions as may be fixed by the Governor in Council on the report of the Minister of the Interior."

I object further to this contract, that it provides no proper means of deciding whether the alternate sections on the main line or branches shall be accepted by the Company. According to the contract the Company has power to reject any land not fairly fit for settlement, and should any question arise between the Company and the Government, and such questions are very likely to arise—because the Company will not be inclined to receive any but the very best lands—then there is no provision made for any tribunal to decide the question. It seems to me, that under this provision extraordinary powers have been given to the Company, such powers, I venture to say, as were never given to any company in the world in the selection of land. They have a roving commission over the whole North-West, to select the best and most valuable lands wherever they can find them. In fact, it is a virtual surrender to the Company of the very best and most valuable lands of the North-West. I, therefore, move:

That the contract respecting the Canadian Pacific Railway provides that the Company shall not be obliged to receive any section of land consisting in any material degree of land not fairly fit for settlement, and that lakes and water stretches shall not be computed in the acreage of the Company's sections, and gives to the Company the right of selecting in alternate blocks anywhere in the fertile belt, or elsewhere, the amount of the large deficiency in the acreage to be found in alternate blocks within twenty-four miles of the main line, thus including coal, mineral, timber, stone-quarry, petroleum and salt producing lands in their choice, and gives the Company, with the consent of the Government, the right to select in the North-West Territories, any tracts of land not taken up, in order to supply the deficiency, and provides no proper means of deciding whether the alternate sections on the main line, and branches should be accepted by the Company; and that the said Contract is, in these particulars, unjust and impolitic.

Amendment (Mr. Bordon) negatived on the following division:—

YEAS:

Messieurs

Anglin,	Flynn,	Olivier,
Bain,	Gillies,	Paterson (Brant),
Bechard,	Gillmor,	Pickard,
Blake,	Glen,	Riopfret,
Borden,	Gunn,	Robertson (Shelburne),
Bourassa,	Guthrie,	Rogers,
Brown,	Haddow,	Ross (Middlesex),
Burpee (St. John),	Holton,	Rymal,
Burpee (Sunbury),	Huntington,	Scriver,
Cameron (Huron),	Killam,	Skinner,
Cartwright,	King,	Smith,
Casey,	LaRue,	Sutherland,
Casgrain,	Laurier,	Thompson,
Charlton,	Macdonell (Lanark),	Trow,
Cockburn (Muskoka),	MacDonnell (Inverness),	Weldon,
Dumont,	McIsaac,	Wheler,
Fiset,	Malouin,	Yeo.—53.
Fleming,	Mills,	

NAYS:

Messieurs

Allison,	Gigault,	Méthot,
Arkell,	Girouard (Jacques Car.)	Mongenais,
Baker,	Girouard (Kent),	Montplaisir,
Bannerman,	Grandbois,	Mousseau,
Barnard,	Hackett,	Mutta t,
Beaty,	Hay,	Ogden,
Beauchesne,	Hesson,	Orton,
Benoit,	Hilliard,	Ouimet,
Bergeron,	Hooper,	Patterson Essex),
Bergin,	Houde,	Pinsonneault,
Bill,	Hurteau,	Platt,
Bolduc,	Jackson,	Plumb.
Boultbee,	Jones,	Pope (Compton),
Bourbeau,	Kaulbach,	Pope (Queen's),
Bowell,	Kilvert,	Poupore,
Brecken,	Kirkpatrick,	Richey,
Brooks,	Kranz,	Robertson (Hamilton),
Bunster,	Landry,	Ross (Dundas),
Bunting,	Lane,	Rouleau,
Cameron (Victoria),	Langevin,	Routhier,
Caron,	Lantier,	Royal,
Cimon,	Little,	Ryan (Marquette),
Colby,	Longley,	Ryan (Montreal),
Connell,	Macdonald (King's),	Rykert,
Costigan,	McDonald (Cape Breton)	Scott,
Coughlin,	McDonald (Pictou),	Shaw,
Coupal,	McDonald (Vict., N.S.),	Sproule,
Coursol,	Macmillan,	Stephenson,
Currier,	McCallum,	Strange,
Daly,	McCarthy,	Tasse,
Daoust,	McConville,	Tellier,
Dawson,	McCuaig,	Tilley,
DeCosmos,	McDougall,	Tupper,
Desaulniers,	McGreevy,	Valin,
Desjardins,	McInnes,	Vallée,
Domville,	McKay,	Vanasse,
Doull,	McLennan,	Wade
Dugas,	McLeod,	Wallace (Norfolk),
Elliott,	McQuade,	Wallace (York),
Farrow,	McRory,	White (Cardwell),
Ferguson,	Manson,	White (Renfrew),
Fitzsimmons,	Massue,	Williams,
Fortin,	Merner,	Wright.—100.
Fulton,		

Mr. ANGLIN. We are much indebted, Mr. Speaker, to the frankness of several hon. gentlemen on the other side, for the information publicly conveyed to us, that they are still much dissatisfied with the provisions of this contract, and that if they had their own way they would effect some material changes in that instrument. Now, I am sure that hon. gentlemen who are still dissatisfied, and very many of those who, although they have declared that it is essentially a good contract, yet admit that at first they were greatly dissatisfied with it, find in the provision with which I am about to deal, one of the strongest causes of that dissatisfaction. It must have struck the mind of every hon. gentleman in this House on first reading this contract, that the mode of distributing the money and lands to be appropriated for the construction of this railway, was such a mode as could not reasonably be approved of. We waited with considerable interest to hear first from the hon. Minister who moved these resolutions, and subsequentty from the Prime Minister himself, why that distribution was so disproportionate to the value of the work to be done. In all previous Acts it was expressly provided that any payment in money and land was to bear such proportion to the amount of work actually done when the payment was made, as the total amount of the subsidies bore to the total value of the work to be done. In this case only has that wise and salutary provision been departed from, and departed from so widely as to attract a very large share of public attention out of the House, and to create a very large amount of dissatisfaction within the House. In the contract we find it provided that for the central section the subsidy is to be $10,000 and 12,500 acres per mile, while for the very difficult eastern section the amount of money is larger, it is true, $15,384 per mile, but the quantity of land per mile is even smaller than that for the central section; and for the western portion of the central section, 450 miles, which is said to be extremely difficult, the money subsidy is to be $.3,333 per mile, and the land subsidy, 16,666 acres per mile, a larger quantity of land per mile than is to be given for the central section, but, as compared with the difficulty of the work, a very much smaller proportion. Now, to estimate correctly how far these subsidies are disproportionate to the value of the work to be done, it is necessary to try and fix some value on the lands to be given away. This year, hon. gentlemen on the other side, with, I think, but a solitary exception, have attempted to base arguments on the assumption that this land is of very little value indeed. The highest value any hon. gentleman has placed upon it is a dollar an acre—a dollar an acre for the choicest lands lying within 24 miles of the railway to be constructed in the fertile belt—and some have ventured to put the market value at even a very much lower figure. The hon. member for North Simcoe, who did seem to deal more directly and a little more fairly than any other hon. gentleman on that side of the House with this whole question, while admitting the lands to be worth the Government valuation, of $3.18 an acre, nevertheless argued that the cost of administration would be no less than 85 cents an acre. The hon. the Minister of Railways, in one of his speeches, told us that the net proceeds of all the land hitherto disposed of in the North-West, deducting the expense of administration, has not exceeded 16 cents an acre. He ridiculed the idea that this large quantity of land could be held by us to be of very material value. Now, if we, on this side of the House, ventured to make any such assertions as this; if we had ventured last year to say that a dollar an acre would be the outside value of any of this land lying beside the railway; if we had ventured to point out that the net proceeds had been only sixteen cents an acre as a basis on which to form a valuation of the lands—I think we would have heard ourselves denounced as most unpatriotic, as doing all in our power to create an impression throughout the world that the country is unfit for settlement, that all this land is worthless, and that therefore no people having a regard for their future welfare should emigrate to the North-West. We should have been told prabably, that our speeches would be quoted by the railway companies in the United States and circulated all over the world, to show people that, instead of going to the Canadian North-West, they should settle somewhere in the United States. We have been repeatedly charged this Session with inconsistency because we have chosen to assume, as the basis of some of our calculations, the official statements made a few short months ago by hon. gentlemen on the other side of the House. We have heard $3.18 spoken of as the estimate of the value of the lands made by the Opposition this year, and even the hon. First Minister himself spoke of $3.18 as the estimate of the leader of the Opposition. Sir, we have relied this year, merely as a basis of calculation however, on the formal official statements made by hon. gentlemen opposite so late as last April. We have not been guilty of any inconsistency in this matter. The charge of inconsistency lies entirely at the doors of hon. gentlemen opposite; but they seem to assume that they have a right in dealing with this subject to perform the most astonishing acrobatic feats—somersault forward, somersault backwards, somersault to the right, somersault to the left, and finish with a grand double somersault—and then turn to their supporters and ask them to admire their wonderful agility, and regard all those sudden changes as proof of their wisdom, their statesmanship, and their great administrative ability. Perhaps I may be permitted to quote the words of the right hon. gentleman at the head of the Government. When speaking on this question on the 5th of April last, he endeavored to show that the railway could be built from the proceeds of a small portion of this territory in the North-West, and estimated the value of the lands in the various belts laid out by a previous Order in Council at $5 an acre within belt A, $4 an acre within belt B, and so on. He calculated that 25,000 people would have gone into that country within this last season, and of those 25,000, 3,000 heads of families would have taken up free homesteads, that of those 1,500 would purchase railway lands, and 1,500 would not. This he called a most moderate calculation. Then, according to his estimate, the average price of the lands, extending from the section within five miles of the railway, to 60 or 100 miles outside of the railway, sold to the 1,500 purchasers, would be $3 an acre. The hon. member for West Durham (Mr. Blake) showed him afterwards that striking an average fairly accorded to the rules of arithmetic, the price would be $3.18 per acre; and this average has since been repeatedly used, but not, however, as the true value, by any one of us on this side of the House, for we have never undertaken to put an estimate on the value of lands in the North-West. I have been charged myself with inconsistency on this point. The hon. member for Frontenac was kind enough to quote a very small passage from my speech of last Session to prove that inconsistency. I did not take the trouble to look up the passage. I never read that speech, but I am certain he cannot bring forward any opinion of mine in which I put a positive estimate on the lands. I made that speech to show that there was not sufficient evidence to maintain the statement that we have so vast an area of really fertile and valuable lands as 250,000,000 acres. I had no means then of forming an estimate of the value of lands, nor do I pretend to say that I have any means of doing so now. We are forced, however, in calculating the effects of this contract, to accept the final estimates of hon. gentlemen opposite. A year previous, when we were asked for 100,000,000 acres of land, as a means of providing for the construction of the railway and the importation and settlement of a large number of immigrants in that country, we were told that the 100,000,000 acres were worth $2 an acre. Now, we are asked to believe that

the 25,000,000 acres lying next to the main line of railway are worth, at the very outside, but $1 an acre. I do not think we can accept that valuation. The hon. member for North Simcoe (Mr. McCarthy) last evening, argued that these lands could not be sold for a great many years; that they would be held so long, and sold in such small quantities, and the cost of administration would be so great that, even if they were to be sold at $3.18 per acre, the net proceeds would be smaller than anything we had calculated. The hon. member for Westmoreland (Sir Albert J. Smith) reminded him that the hon. the First Minister, last year, made a different estimate, to which, to my astonishment, the hon. gentleman replied that the hon. member for Westmoreland did not, last year, believe that estimate. The hon. member for North Simcoe apparently neither believed the hon. the First Minister, last year, nor believes him now. The right hon. the First Minister proceeded in his speech, last Session, very minutely, to tell us how the lands would be settled. He told us 25,000 immigrants were to go in last year, with an increase of 5,000 each year, so that we might expect 30,000 this year; he told us how much land they would take, what price they would pay; he made a minute calculation to show the amount of interest that would accrue on the unpaid portions of the purchase money, and he arrived at the following conclusion:—

"I think this is a very moderate estimate. On those figures, the estimated total of cash revenue to be received from the lands, by 1890, is $38,593,000."

Going further, giving the actual value ofall the lands sold, he said:

"That if we added to the total unpaid $32,712,000 tne $38,593,000 that would be received in 1890, we would have $71,305,000 as the amount to be actually received, or for which parties would be actually liable to the Government in ten years—that is by April 1890."

A year before the Syndicate is bound to complete the road. We find that several days after that the hon. Minister of Railways repeated that very statement. He said:

"When I remind the House that the land alone, according to the authority of the right hon. Minister of the Interior, based on a calculation which he believes to be sound, will give us in the next ten years $38,000,000 in hand and $32,000,000 to be received, or a total of $70,000,000, it will be seen that we incur no risk."

Thus, according to these official statements, made only nine months ago, out of the proceeds of a small portion of the whole area of lands, a portion considerably less than the 25,000,000 acres, we would have ample means to secure the construction of this whole road. But we are now about to give 25,000,000 acres of the choicest railway lands to the Syndicate,and, in addition, we are to give them $25,000,000 in cash, besides the various exemptions, privileges and immunities of incalculable value. The least we might ask is that this money and these lands should be so distributed as to afford to this country the best possible security that this work, as a whole, will be completed. It is acknowledged that the work of constructing the two ends will be exceedingly difficult and costly, as compared with the labor of constructing the middle portion, and that the cost of working those two ends, when completed, will be very much greater than any revenue the Company can possibly hope to obtain from them for many years to come. We should, therefore, have ample security that the work, as a whole, will be completed. Why, then, is it proposed to give to this Company $10,000 in cash per mile, and 12,500 acres of the very best land for the construction of the central section? The highest estimate we have had of the cost of its construction, according to the latest specifications, is $13,000 a mile. The Minister of Railways last year boasted that he had already let 100 miles of that road on such terms that the cost would scarcely exceed $8,000 a mile—everything included. It will certainly not exceed $9,000 a mile. We have now no security that the road will be even as good as the road the Minister of Railways proposed to construct as a Government work. Indeed, the presumption is entirely to the contrary, and that no Government would undertake to build so slight, flimsy and poor a road as a private company may, possibly build if it be to their interest to save money in construction. The very fact that the contract contains the proviso that this road shall be constructed according to the standard of the Union Pacific as first constructed, shows the intentions of the Syndicate in this respect. But if we pay say $10,000 a mile for this central section, we will have given all it is to cost and we will give 12,500 acres a miles of the best lands in addition. We are told that one-fifth of the land will be forfeited if the contract be not carried out; that would leave them 10,000 acres a mile for the 900 miles, which is, nevertheless, 10,000 acres a mile over and above the whole cost of the road. It has been shown that one of the most extraordinary provisos of this extraordinary contract is that the first 100 miles now partly built, can be completed by the Government at the cost of $900,000, and then handed over to the Company, and, with it, a balance of $100,000 in cash and 10,000 acres a mile, or 1,000,000 acres altogether —the most valuable lands in the country, because the nearest to the present settlements. How are we to estimate what we pay for this section? We are to pay the whole cost in actual cash, and 10,000 acres a mile, besides which, if taken at $1 an acre, means $10,000 a mile more than the cost; or, if we value it at $2 an acre, $20,000 a mile; if at $3 an acre, $30,000 a mile over and above the actual cost of the road. Now, those lands extend back twenty-four miles on each side of the road, and embrace all in belt A estimated at $5 an acre, and all in B at $4, and only a small portion in belt C at $3 an acre. Taking those three sections, the estimated value is $4.04 an acre, which gives $40,400 a mile beyond the whole cost of the railroad, in addition to the 100 miles presented to the Syndicate. The leader of the Government, a few evenings ago, to show why the new offer should not be accepted, argued very ably and quite conclusively, that the amount asked for the central section was enormously more than it would cost or they ought to receive for its construction, and yet he and his Government promise the first Syndicate one-third more for the same work than the payment he demonstrated to be preposterous and absurd. Why should we pay that enormous amount to those gentlemen? The right hon. gentleman said it is to be paid to encourage them to build this portion of the road very rapidly. I do not think it necessary to pay such a very large amount for that. Again, he said it was to be paid them to furnish them with a basis of credit, so that they can go into the markets of the world and all the more easily raise the money necessary to complete the two difficult ends. But, according to his own statement last year, this whole road was to cost but $75,000,000, and the highest estimate we have had made it $78,000,000; and we are giving the Syndicate $28,000,000 in works, $25,000,000 in cash, and 25,000,000 acres, which, valued even at $1 an acre, makes $25,000,000, or, altogether, $78,000,000. Now, gentlemen receiving all this can have no great necessity for floating a large amount of bonds, or obtaining a large amount of credit; a very small amount of capital will be quite ample in this case; a few millions to start with will be quite as much as any men competent to carry on this great work will require. Are we to solemnly enter into such terms with men who, at the very start, require we should create for them a basis of credit, who are not themselves the great capitalists with the unbounded resources and means we have heard of—who require we should pay them $30,000 or $40,000 a mile more than this portion of the road will cost them, to enable them to proceed with the rest of it? I do not think we should be parties to any such bargain, or that hon. gentlemen opposite, willing as they are to vote away liberally the money and lands of the country, for the purpose of sustaining this Government,

should sanction this agreement. It was argued by the member for North Simcoe (Mr. McCarthy) that it would cost, at least, $20,000,000 to pay the working expenses of the two ends, over and above the receipts, for a few years after their completion. Would it not, then, be better that we ourselves retained the means from time to time, of compensating this Syndicate, or any Company that might succeed them, for their loss in the working of those unprofitable sections than that we should, in advance, hand over to them this enormous amount for this service, and trust, afterwards, as has been said, to their honor? We have no security whatever in this contract that those gentlemen, or any who may succeed them, will build the whole road, or work it after it has been built. I know it is alleged by hon. gentlemen opposite that we have ample security. The contract furnishes no such security. The contract provides that the money is to be paid to the Syndicate, day by day, as the work progresses. It is provided by the Act of incorporation that so soon as the Company have been organized, and have paid a certain amount of money to the credit of the Receiver-General, that moment the individual and personal responsibility of the gentlemen named in the contract shall altogether and absolutely cease. They may, within a week or two, or within a year or two, cease to be stock-holders, and to talk about depending on their honor is to admit that we are prepared to take a most sentimental and unbusiness-like view of this most important matter. It is our duty to see that the contract itself provides sufficient security for the completion of the work and the running of the road, and to provide that we must take care that we do not pay to these gentlemen at any time more of the subsidy in land or money than is fairly proportionable to the amount of work they have accomplished. The Company might build only the central section of the railway and put that beyond the power of the Government altogether. It has been alleged that if the Company fail to carry out the contract the Courts can be put in operation and enforce the performance of the contract. But by that time, as any one can see under the terms of the contract, the Courts may have to deal with men irresponsible and insolvent. It is to be borne in mind, that they have power, under the provisions of the charter, to issue bonds, simply covering the roadway itself, for $20,000 per mile. They may issue bonds on the basis of a subsidy in money to be paid by the Government, and they may issue bonds on the lands—the bonds in both cases covering the road. Now, we can easily understand why a company—who may not be, perhaps, the most honorable men in the world, and whose ideas may, at all events, be formed on the standard of railway men on the other side of the line, who as we know are acting up to that standard, if they found it was not likely to be profitable to retain their property in the railway, may issue bonds to an amount covering the value, or more than the value, of the road-bed and rolling-stock, and thus place themselves beyond the reach of the Government or of the country. I think, therefore, we ought to provide that the contract itself furnish sufficient security. One of the best means of doing this is to retain in our own hands all the money and the land subsidy that the contractors do not become fairly entitled to by reason of the work they may have done. It may be said by hon. gentlemen on the other side, that we are now bound to accept the contract in full; that however objectionable this particular feature may be, it is necessary to accept it as part of the whole. But that cannot reasonably be asserted now, inasmuch as we have already had it stated officially on the other side that no less than three important objections to this contract are to be met by material alterations in the contract itself or in the laws of the country. One of these objections was so serious that if it had not been removed, even the hon. member for Halton (Mr. Macdougall) would have voted against the measure—that is the one in regard to the standard of the railway, and we have had a letter read from some members of the Syndicate declaring that they agree to have that portion of the contract so altered that the road shall be constructed according to the standard of the Union Pacific as it was in 1873. Now, we do not attach much importance to that letter. We think it of no value whatever, unless there be a declaration inserted in the contract itself. The hon. member for West Durham (Mr. Blake) has declared that letter to be mere waste paper, and no one of common sense will contend that if this charter be ratified the Company to be formed will be bound in the slightest degree by the declaration which these gentlemen have made. But there is, however, an acknowledgment that a change in that respect is absolutely necessary and ought to be made, though whether it will be made is another matter. Then we are told that the provision with regard to the exemption of materials from duty is to be met by a provision that all Canadians who may thereafter obtain contracts for furnishing any of the articles exempted from duties shall be entitled to import duty free, all the raw material necessary to fulfill such contracts. That is a very extraordinary provision which we will probably have to discuss by-and-bye, and I think we shall be able to show that it will not at all meet the reasonable objections made by those who are in favor of the National Policy. But the promise of an amendment made by the Government upon that point has at all events shown that a change was found to be necessary. There is another important change which we are told will be made by amending another Act of Parliament. It is not proposed to alter the charter immediately or directly, in an honest, straightforward, manly way, but the change is to be made by the introduction of a clause in another Act of Parliament—to amend the general Railway Act, and this clause—we are promised, will be such as to protect us to a great extent against the monopoly, which it is proposed to create in the North-West. Now we have very little hope of any benefit resulting from the operation of any such amendment made in that Act, but we have the admission, however, on the part of the hon. gentlemen on the other side, especially the right hon. leader of the Government himself, that in this respect the charter is so objectionable that a change must be brought about by some means or other. Now, if in these respects the charter is not only objectionable, but if it is to be practically altered, if the laws of the country are to be so shaped hereafter that these objections shall be overcome, or that an attempt shall be made to overcome them, then, surely if the hon. gentlemen on the other side of the House have, as I believe they have, strong objection to this mode of distributing the money and the land which they are about to give for the purpose of obtaining the construction of the Canadian Pacific Railway as a whole and the running of it as a whole, they can relieve themselves from the responsibility which, in this case, rests especially on them, by demanding at the hands of their leaders a change in this section of the contract in the sense I have pointed out. Therefore, we feel it to be our duty on this side of the House to propose the amendment I am about to place in your hands. In moving it, I have felt it to be my duty to draw the attention of the hon. gentlemen on the other side to the very extraordinary character of that section of the charter, and to show them that a change ought to be made, and that if they only will it, the change may yet be made. As in obedience to their will, other changes have been made or are proposed; so if they only will it in this case also, a material change, a change that will prove very satisfactory to a very large number of the people of this country, a change that will go far to allay the appre-

hensions now existing in the minds of a large number of people, may be made. I therefore move:

That the contract, respecting the Canadian Pacific Railway, provides for a distribution of the money and land to be given for the work, wholly arbitrary and disproportionate; that land and money, far in excess of the proportionate cost, is assigned to the prairie part, the easiest and most productive portion of the railway, which it is alleged, will be constructed within three years, by which time, the Company will be entitled in cash and lands to a surplus amounting, according to the Government estimate of the land at $3.18 an acre, to over $34,000,000, which surplus should have been reserved and applied towards the construction and working of the eastern and western ends, and that the said contract is, in this respect, objectionable.

Amendment (Mr. Anglin) negatived on the following division:—

YEAS:

Messieurs

Anglin,	Fleming,	Mills,
Bain,	Flynn,	Olivier,
Béchard,	Gillies,	Paterson (Brant),
Blake,	Gillmor,	Pickard,
Borden.	Glen,	Rinfret,
Bourassa,	Gunn,	Robertson (Shelburne),
Brown,	Guthrie,	Rogers,
Burpee (St John),	Haddow,	Ross (Middlesex),
Burpee (Sunbury),	Holton,	Rymal,
Cameron (Huron),	Huntington,	Scriver,
Cartwright,	King,	Smith,
Casey,	LaRue,	Sutherland,
Casgrain,	Laurier,	Thompson,
Charlton,	Macdonell (Lanark),	Trow,
Cockburn (Muskoka),	MacDonnell (Inverness),	Weldon,
Dumont,	Mclsaac,	Wheler,
Fiset,	Malouin,	Yeo.—51.

NAYS:

Messieurs

Allison,	Gigault,	Méthot,
Arkell,	Girouard (Jac. Cartier),	Montplaisir,
Baker,	Girouard (Kent),	Mousseau,
Bannerman,	Grandbois,	Muttart,
Barnard,	Hackett,	Ogden,
Beaty,	Hay,	Ouimet,
Beauchesne,	Hesson,	Patterson (Essex),
Benoit,	Hilliard,	Pinsonneault,
Bergeron,	Hooper,	Platt,
Bergin,	Houde,	Plumb,
Bill,	Hurteau,	Pope (Compton),
Bolduc,	Jackson,	Pope (Queen's),
Boultbee,	Jones,	Poupore,
Bourbeau,	Kaulbach,	Richey,
Bowell,	Kilvert,	Robertson (Hamilton),
Brecken,	Kirkpatrick,	Ross (Dundas),
Brooks,	Kranz,	Rouleau,
Bunster,	Landry,	Routhier,
Bunting,	Lane,	Royal,
Cameron (Victoria),	Langevin,	Ryan (Marquette),
Carling,	Lantier,	Ryan (Montreal),
Caron,	Little,	Rykert,
Cimon,	Longley,	Scott,
Colby,	Macdonald (King's),	Shaw,
Connell,	McDonald (Cape Breton)	Sproule,
Costigan,	McDonald (Pictou),	Stephenson,
Coughlin,	McDonald (Victoria N.S.	Strange,
Coupal,	Macmillan,	Tassé,
Coursol,	McCallum,	Tellier,
Daoust,	McCarthy,	Tilley,
Dawson,	McConville,	Tupper,
Desaulniers,	McCuaig,	Valin,
Desjardins,	McGreevy,	Vallée,
Domville,	McKay,	Vanasse,
Doull,	McLennan,	Wallace (Norfolk),
Dugas,	McLeod,	Wallace (York),
Elliott,	McQuade,	White (Cardwell),
Farrow,	McRory,	White (Renfrew),
Fitzsimmons,	Manson,	Williams,
Fortin,	Massue,	Wright.—122.
Fulton,	Merner,	

It being Six o'clock the Speaker left the Chair.

AFTER RECESS.

Mr. TROW. I rise, Mr. Speaker, to move an amendment to the resolution before the House. It is not my intention to occupy much time. The subject has been thoroughly discussed, at the same time I think some very important amendments may yet be presented to the House. I do not think the discussion will be disapproved of by the country at large. Something has already been gained in the right direction. Since the outset the Government have made several concessions. The first had reference to the nature of the construction of the road. In the contract under discussion, the road was to be constructed equal to the Union Pacific Railway when first constructed, which was apparently a flimsy and inexpensive road. Either a member of the Syndicate or their attorney have agreed to construct the road and finish it in accordance with the manner in which that road was left in 1873, making a very material difference from 1869 to 1873. Another concession that has been made by the Government was elicited from the Premier by the hon. member for Halton, in reference to the tolls or tariff, or the amount of profit that the Syndicate could extract from their customers in freight rates. It was very indefinite in the wording of the contract whether it was 10 per cent. upon the whole amount expended for construction, that is the amount expended by the Government and also the amount expended by the Syndicate. However, that matter has been set at rest by the Premier, and the 10 per cent. will be only upon the portion of the expenditure made by the Syndicate. Another concession that has been made, apparently, is the rebate or drawback to manufacturers. In my amendment I take decided objection to clause 16 of the resolutions before the House:

"The Canadian Pacific Railway, and all stations and station grounds, workshops, buildings, yards and other property, rolling stock and appurtenances required and used for the construction and working thereof, and the capital stock of the Company shall be for ever free from taxation by the Dominion, or by any Province hereafter to be established or by any municipal corporation therein, and the lands of the Company, in the North-West Territories, until they are either sold or occupied, shall also be free from taxation for twenty years after the grant thereof from the Crown."

The exemption from taxation is altogether exceptional. I have read of very large grants being given to railway companies in several States of the American Union, but I have still to learn that any of the lands given for the construction of railways in the United States have been exempt from taxation The Government have certainly the right to tax her citizens, but it is supposed that this taxation will be for the general good of the community. The fundamental principal of all Governments should be equality of taxation and the distribution of rates on the rich as well as on the poor indiscriminately. Inequality in taxation has been characteristic of despotic and barbarous nations, and in my reading of the granting of bonuses and lands to railways, I have failed to find a single instance where lands so granted have been entirely exempted, directly or indirectly, from taxation, either by State or municipal authorities. For a few years, and until the country becomes partially settled, the exemption from taxation provided in the contract may not be of vital importance; but in a very few years, if hon. gentlemen on the Ministerial benches are prophets, which, I presume, they are not, a large immigration will be thrown into that country by the Government and Syndicate combined, and if so, the taxation of the lands held by the Syndicate will be of great importance within a very few years. In travelling through Manitoba I found that in old settlements that have been established for half a century at least, there are no roads and no bridges spanning small streams, and the people are working at great disadvantage for want of municipal government. There is scarcely a parish or section of the country where taxation had been levied until very recently, and a large portion of Manitoba proper, which has been settled for 50 or 60 years, including the Kildonan settlement on the Red River and Assiniboine, had up to last year not enjoyed municipal government, and unless there is some regulation for taxation in the settlements there is no possi-

bility of the country becoming developed. If some few hundreds of thousands of people are located in the North-West—because there is ample scope for very large settlements, and while there are very large limits not adopted for colonization, still there are almost unlimited lands fit for settlement, and no doubt by a good policy on the part of the Syndicate it may attract a number of settlers from the Mother Country to settle on its land—and that depends entirely upon the Syndicate's liberality in the location of settlers and on the sale of their lands—if a very large settlement should take place within eight or ten years, it would become very oppressive to actual settlers to have to contribute double towards the construction of bridges, the organization of school sections, the erection of schools, the making of roads and the development of the country, for every alternate section will be vacant. There is no safeguard furnished the settler in regard to drainage. A settler may be placed at a considerable disadvantage by receiving on his land the drainage of lands belonging to the Syndicate, but it would be useless to lodge a complaint against it. There should be some law by which the settler should be allowed at his own expense to carry the surplus water off his own farm across the lands of the Syndicate without being liable to actions for damages. Although such matters may be carried to excess, I hope at all events no disturbance may take place, but I know there are settlers in that country now who will not be imposed upon in respect of these matters, but will certainly make complaints to the Government for redress and fight if necessary until their grievances are removed. It was an attempt to tax the colonies that led to the rebellion in the United States, and ultimately led to the declaration of independence; and we may suggest that something of that kind may possibly take place if such a scheme is carried to the extent of injuring the public interest and retarding settlement in a new country. The exemption of a small portion of land is sometimes tolerated by a community, but the exemption of 25,000,000 acres will be a very serious check on the settlement of the country. In the reign of George III., about 1820, a large tract of land was ceded to the Canada Company in Western Ontario—two and a half millions of acres. The Company was placed under certain restrictions, were to open out roads, construct bridges, &c., &c., and was not exempt from taxation, yet the settlers had many difficulties to contend with in respect to the collection of rates from that Company. Taxes were paid yearly. The Company contributed yearly towards municipal government in the various sections where they owned lands. The Canada Company paid 1s. 3d. sterling per acre for their lands, one-third was thrown in for swampy and marshy lands not fit for cultivation. The value of those lands have been enhanced by actual settlement, and I know in many municipalities in Perth those lands, for which that Company have contributed a trifling sum for roads and education purposes, have advanced to $25 or $30 per acre. The labor and toil of the settler in the North West will enhance the value of the Syndicate lands to such an extent that it will be to their interest to retain them, as they are improving yearly, without paying any taxes, at the expense of the honest settler. In the western portion of Manitoba lands were assessed this year at 8 cents per acre; but estimating the rate at 2 cents per acre, the Syndicate would have to pay on the 25,000,000 acres $500,000 a year. In twelve years their taxes would aggregate to $6,000,000. I recollect that some years ago petitions were presented to this House against the leasing of lands by the Canada Company, and the late Hon. J. H. Cameron, an eminent lawyer, contended that this House had no jurisdiction in the matter, as the grant to the Canada Company was an imperial grant. In the event of new provinces being formed in the North-West, the Company will hold out a similar defense that they are not accountable to any local authority, having obtained their contract and charter from the Dominion Government. It was represented that instead of winding up their business rapidly and encouraging settlement, in one year the company sold 20,000 acres and resumed possession of 36,000 acres which they had leased; so that instead of yearly diminishing the quantity of land held by the company, and winding up the business of the Company, their limits were increasing by reverting back to them as the original proprietors. Exemptions in any country should apply merely to churches—and many even question that—to educational and benevolent institutions, and to public buildings, but to nothing else. No land, especially that belonging to a wealthy corporation, should be exempted. If you exempt half the arable lands in the North-West, about the quantity this Syndicate will possess, the other half must contribute 100 per cent more, and the result will be that the taxation will fall heavily on the poor settler. The Syndicate has many other advantages. They have a monopoly of the carrying trade of that country. They have the Pembina Branch, which now yields a profit of $70,000 or $80,000 a year, and will, in a very few years, yield a profit of $300,000 or $400,000 a year. They will have possession of the Selkirk line as soon as it is completed. They have a bonus of land and money for the prairie section, very much in excess of the cost of construction. The hon. Minister of Railways the other night thought a monopoly for this Syndicate was quite out of the question. He said there was a road chartered to Hudson's Bay, along the west side of Lake Winnipeg to Norway House, thence down the course of the Nelson River, which would give access from the North-West to the sea, and thus check any monopoly. Well, that is in the distance. Evidence has been given that for only two or three months in the year can the Hudson's Straits be navigated, as they are generally blocked up with ice, and those months are not the season when the surplus produce of any country finds it way to the markets of the world. The hon. member for Westminster (Mr. McInnes) comes to a different conclusion. He says that when the railway is constructed through the Rocky Mountains, the whole of the produce of the North-West will find an outlet through British Columbia to the Pacific Ocean. We have no expectation that such will be the case, as this Dominion has spent about $40,000,000 in the construction of the Intercolonial Railway, many millions in widening and deepening our canals, and about $60,000,000 in forming railway connection with the North-West, on the assumption that the surplus produce of the North-West will find its way eastward, and recoup the Dominion to some extent for those enormous expenditures. The right hon. premier last Session entered into some calculations to show that there would be an immense sale of lands in the North-West. I have no such anticipation. The cost of the mounted police and the payments to the Indians under various treaties made heretofore, would amount at least to probably $1,500,000, and it is questionable whether the Government, at all events, can sell sufficient lands to recoup the Dominion for its annual expenditure in the maintenance of the mounted police payments under Indian treaties and other subsidies to Manitoba and the North-West. The expenditure in that country, which will be under the control of the Syndicate, is such that they should be made subject to taxation, and I hope the House will see the advisability of altering the contract in this respect. The Syndicate will have ample means to bear taxation. They are exempt from Dominion taxation, but as this taxation is never direct I am unable to say what that would amount to, nor can I understand what Dominion tax they could be exempted from. The Dominion is increasing its indebtedness yearly upwards of $100,000,000 since Confederation, and unless checked may find it necessary to resort to direct

taxation. However, they have taken the precaution to be exempted from Dominion taxation. It is highly essential that every foot of land in the North-West should contribute its quota towards the improving of that great country. The lands to be exempt from taxation for twenty years, are more extensive than the whole area of England, which is but 24,596,266 acres, and the old country has been under cultivation and improvement for the last 2,000 years. It is greater than the area of the whole cultivated lands of Ireland, which is only 15,337,856 acres; than the area of the whole cultivated lands of Scotland, which is only 4,738,127 acres; than that of the lands under cultivation in Ontario, which is but 8,883,626 acres, and of Quebec, 5,783,944 acres; also greater than the area of cultivated lands in New Brunswick, 1,171,15[illegible] acres; in Nova Scotia, 1,627,991, and in Prince Edward Island, 445,103 acres; or greater than the total area of cultivated lands in the Dominion, outside the Province of Manitoba, which amounts to but 17,780,921 acres. Thus the lands granted to the Syndicate are nearly one-half larger in extent than the cultivated area of the Dominion, more than four times greater than that of Quebec, three times that of Ontario, twenty-two times that of New Brunswick, eighteen times that of Nova Scotia, and fifty times the cultivated area of Prince Edward Island. I will not further detain the House, but will move the following amendment:—

That the contract respecting the Canadian Pacific Railway exempts 25,000,000 acres of choice lands of the Company from Dominion, Provincial and Municipal taxation, until said lands are either sold or occupied for twenty years after the grant thereof from the Crown; that such exemption is unjust and will impose undue burdens on the settlers on the alternate sections, who will be obliged to make improvements and incur expenses, enhancing the value of the Company's lands without receiving their fair share of the cost of said improvements and expenses; that such exemption by freeing the Company from the burdens of taxation, will reduce the inducements to the Company to sell their lands early, and will enable the Company free of expense to hold their lands, till their value has been greatly enhanced by the labors of the adjoining settlers, and that the said contract is, in this respect, objectionable.

Mr. CAMERON. I did not intend troubling the House with any observations on this question, had it not been for some remarks made the other evening by the hon. member for Lincoln, who challenged the accuracy of the figures I took the liberty to present to the House when discussing this branch of the important question under consideration; and I embrace the very earliest opportunity that presents itself, of showing that hon. gentleman and this House that the figures I then submitted to this House were entirely correct, and that the statements made by him were wholly wide of the mark. The hon. gentleman stated that I represented to the House that the Union Pacific Railway paid $835,000 a year taxes. I said no such thing. He further said that I stated the Union Pacific Railway paid $835,000 last year in taxes. I said no such thing. He continued: "I notice that the hon. gentleman has summarized the amount at $835,000 a year, for four years." I made no such statement. When I did make a few observations the other evening, I advanced no argument, I drew no conclusion whatever from the amount of taxes paid by the Union Pacific Railway. I gave that as an illustration. I did mention that the Union Pacific Railway paid in four years $835,000, but the conclusion of my argument was not based on the amount of taxes that were paid by the Union Pacific Railway. I mentioned several other railways in the United States that, during the past ten years, had paid large sums in taxes. I referred to the Chicago and Rock Island Railway which had paid fourteen cents an acre of taxes on their lands for the year 1879, and drew the conclusion that if the same rate of taxation were imposed upon the lands held by this Canadian Pacific Railway, the amount would be very large. Now, the hon. gentleman did not dare to challenge the accuracy of any one of the figures that I gave with respect to the other railways, and the only figures to which the hon. gentleman drew the attention of the House, and by which he wished to break the force of the effect of the position I took, were those of the Union Pacific Railway. Now, hon. gentlemen opposite in the House have been told that the Union Pacific Railway was paying taxes upon 10,500,000 acres. I say that is not so, that they never did pay taxes on that quantity of land. I do admit, that in the report of my speech on this subject an error crept in.

Some hon. MEMBERS Who?

Mr. CAMERON. If hon. gentlemen opposite will listen for a moment and learn wisdom from what I am going to say, they will find that the error is not in my favor, but against me, that the figures I gave are under the mark. I appear to have said that $835,000 taxes was paid in four years upon 10,500,000 acres; I now say that is not correct. But I did say that the amount of land assessed to the Union Pacific Railway was nothing like that—that the $835,000 extended over a year or two more, but certainly not over seventeen years, as the member for Lincoln asserted. He knows, or ought to know, that the first mile of that railway was not laid seventeen years ago. The first hundred miles were not completed till 1865, and even then they were not in a position to enable the company to get their land grant that year, and it did not get a foot of land until it was certified by the Commissioners appointed by the Government. The hon. gentleman opposite attached a great deal of importance to that matter. He said that hon. gentlemen on the Opposition side, and particularly the member for South Huron (Mr. Cameron), have given figures not borne out by the record, and if they are not borne out by the record in this instance they are not in the others. I am prepared to show that my figures are correct, and that those of the member for Lincoln are not borne out by the record—to show this from documentary evidence from the Department at Washington. I suppose that hon. gentleman, who has taken the trouble to send a telegram to Mr. Poor, author of the manual on railroads, on this subject will, at all events accept that evidence. Either the hon. gentleman is right and I am wrong, or I am wrong and he is right; but I am going to prove he is wrong. In the Act of incorporation of the Union Pacific Railway, it is provided that as each twenty miles is constructed:

"The President of the United States shall appoint three Commissioners to examine the same and report to him in relation thereto, and if it appears to him that twenty consecutive miles of said railroad line have been completed and equipped in all respects, as required by this Act, then, upon certificate of said Commissioners to that effect, patents should issue conveying the right and title to said lines and to said Company."

Now it is perfectly clear that while this land remained the property of the United States it could not be taxed. The hon. gentleman knows it remained such property until the quantity of land appropriated to the Union Pacific Railway was certified to by the Commissioners. I am not going to read from Poor, but from the report of the Secretary of the Interior, a document of 1878-9. Here is a return presented to the United States Congress, giving the quantity of lands certified in every year from 1871 to 1878 inclusive. Up to 1871, 639,024 acres; 1872, none; 1873, 15,395; 1874, 50,733; 1875, 919,771; 1876, 219,373; 1877, 39,371; 1878, 1,842. Thus down to 1878 the whole aggregate certified to by the Commissioners appointed by the United States Government amounted to but 2,430,370 acres. The hon. gentleman from Lincoln must know that a cent of taxes could not be imposed by the local authorities on that land until it was certified and patented to the railway company. He may say that the moment that land was set apart for the construction of this road, it was liable to taxation. It is not so. I will read a passage from "Hilliard on Taxation," that will show beyond controversy that this land was subject to

taxation until certified by the Commissioners to the United States Government and patented to the railway:

"Lands included in grants for the construction of railroads made by Congress are liable to taxation by the State, after the companies become possessed of the unconditional title in fee, and before they have been alienated by the companies."

Thus the moment the companies obtain the unconditional title and fee of those lands, they are subject to taxation. I have shown by the report of the Secretary of Interior that up to 1st of January, 1879, less than 2,500,000 acres had been so certified. Hilliard further says:

"Lands held by a railroad, under the land grant Acts of Congress, which have never been certified or set apart, and which are incapable of identification, are not taxable. So lands conditionally purchased from the United States by the Pacific Railway were not liable to State taxation, where the conditions of the sale had not been fulfilled, and no legal or equitable title had passed to the railway."

It is thus clear that lands could not be liable to taxation until certified and patented.

Sir CHARLES TUPPER. I understand, then, from the hon. gentleman's statement that, although the Company became entitled to lands, no taxation fell on them till they could make sales of them on receiving the patent from the Government?

Mr. CAMERON. I say that, although the lands were appropriated by the United States Government for railway purposes they were not subject to taxation till certified by the Commissioners, and, further, they were not liable to taxation until some sort of title had passed, either legal or equitable, from the Government to the Company. I say they were liable before the railway company sold them. If they were not so liable to taxation, then the Company would not be liable for any taxation, because the very moment it sold the lands it had them certified and conveyed to the purchasers in nine cases in ten. But the point I wish to make is, these lands were not liable until they were certified by the Commissioners, and I have shown by the return of the Secretary of the Interior that less than 2,500,000 acres were certified to up to 1st January, 1879. More than that, Sir, during the period from 1871 to 1879 the railway had sold over 1,000,000 acres of those lands, and, therefore, there only remained in their hands about 1,500,000 liable to taxation, and the whole of the taxes that were imposed and paid in 1879, namely, $835,000, was simply upon 1,500,000 acres which have been certified to but not sold. The hon. gentleman says that the Union Pacific Railway only paid last year, $108,000 in taxes. I admit that, but upon what quantity of land did they pay it? They paid it on the quantity of land certified by the Commissioners to the United States Government, and remaining unsold in the hands of the company. Now, by a very simple calculation he can ascertain what would be the taxation on 25,000,000 acres if their taxes on 1,500,000 acres amount to $108,000. The hon. gentleman will find that I, in the simplicity of my heart, made an error on the wrong side, and that the amount, so far from being any less than I stated, is very much greater. Assuming that the company each year paid taxes on 1,500,000 acres, for say ten years, to the amount of $835,025, the amount for each year would be $83,502, the amount upon 25,000,000 acres would be for one year, $1,387,673, or for ten years, $13,876,730, I have stated that they only paid taxes on 1,000,000 acres, and if that amount produces $108,000, multiply that by 20,000,000, and we get $2,160,000, so that I do not think the hon. gentleman has made much by challenging the correctness of my figures; and when he has occasion to do so again he had better be a little more careful about his own, for he does not appear to have made very much of them, even with the assistance of Mr. McFarlane, or Mr. Poor, who, by the way, does not appear to know very much on the subject. The hon. gentleman knows that even if the figures he gives were correct more than one-half the land is made up of alkaline plains and land covered with sage bushes, and that they are utterly unfit for settlement, whereas our lands are the choice lands of the North-West Territories.

Sir CHARLES TUPPER. As the hon. gentleman has taken some pains to explain to the House what he intended to say in reference to his figures, would he allow me to ask him if he adheres to the statement I understood him to make in his speech, viz.: that the exemption from taxation that this Company will enjoy under this arrangement would be something like $22,000,000 in ten years. He made another calculation in which he placed the exemption at $2,600,000. I would like to ask the hon. gentleman if his speech, as reported in the *Hansard*, correctly conveys his views upon these points?

Mr. CAMERON (Huron). If the hon. gentleman will refer to my speech, he will find the data on which I based my remark. I assumed that the lands within the twenty mile belt would be assessed at $5 per acre, and I gave the House a certificate I had received from a collector in one of the municipalities of Manitoba, showing that that was the rate upon which the taxation was based there. I then said that, taking that rate, the exemption would amount to the sum I stated, and I say so still.

Sir CHARLES TUPPER. Am I correct in saying that the impression he wished to convey to the House was that the amount of taxation from which the Company are to be exempted would amount to $20,000,000 in ten years.

Mr. CAMERON (Huron). The whole of the figures are given in my speech. You will find them there.

Mr. RYKERT. How do you make the amount $15,000,000?

Mr. CAMERON (Huron). I never said it would come to $15,000,000. I said the land and the amount granted in the shape of stations and water frontage, and so on, assuming that the assessment would be the same as upon a number of American roads which I named, would come to that amount. The hon. gentleman had better read my speech. He will find it all there and it will do him good.

Mr. RYKERT. If the hon. gentleman will give me a corrected copy of his speech, I will do so. I understand he blames the reporters.

Mr. CAMERON (Huron). No; I do not blame the reporters. Read my speech.

Mr. RYKERT. Will the hon. gentleman explain, if he can, why he puts the amount at $15,000,000, while the member for West Durham (Mr. Blake) puts it at $21,000,000, and the *Globe* at $16,700,000. Will the hon. gentleman be kind enough to explain these contradictions?

Amendment (Mr. Trow) negatived on the following division:—

YEAS:

Messieurs

Anglin,	Flynn,	Olivier,
Bain,	Geoffrion,	Paterson (Brant),
Béchard,	Gillies,	Pickard,
Blake,	Gillmor,	Rinfret,
Borden,	Glen,	Robertson (Shelburne),
Bourassa,	Gunn,	Rogers,
Brown,	Haddow,	Ross (Middlesex),
Burpee (St. John),	Holton,	Rymal,
Burpee (Sunbury),	Huntington,	Scriver,
Cameron (Huron),	King,	Smith,
Cartwright,	LaRue,	Sutherland,
Casey,	Laurier,	Thompson,
Casgrain,	Macdonell (Lanark),	Trow,
Charlton,	McIsaac,	Weldon,
Dumont,	Malouin	Wheler,
Fiset,	Mills,	Yeo.—49.
Fleming,		

NAYS:

Messieurs

Allison,	Fortin,	Mongenais,
Arkell,	Fulton,	Montplaisir,
Baker,	Gigault,	Mousseau,
Bannerman,	Girouard (Jacques Car.)	Muttart,
Barnard,	Girouard (Kent,)	Ogden,
Beaty,	Grandbois,	Orton,
Beauchesne,	Hackett,	Ouimet,
Benoit,	Hay,	Patterson (Essex),
Bergeron,	Hesson,	Pinsonneault,
Bergin,	Hilliard,	Platt,
Bill,	Hooper,	Plumb,
Bolduc,	Houde,	Pope (Compton),
Bourbeau,	Hurteau,	Pope (Queen's),
Bowell,	Jackson,	Poupore,
Brecken,	Kilvert,	Richey,
Bunster,	Kranz,	Robertson (Hamilton),
Cameron (Victoria),	Landry,	Rouleau,
Caron,	Lane,	Routhier,
Cimon,	Langevin,	Royal,
Colby,	Lantier,	Ryan (Marquette),
Connell,	Longley,	Ryan (Montreal),
Costigan,	Macdonald (King's),	Rykert,
Coughlin,	McDonald (CapeBreton)	Scott,
Coupal,	McDonald (Pictou),	Shaw,
Coursol,	McDonald (Vict. N.S),	Sproule,
Currier,	Macmillan,	Tassé,
Daly,	McCallum,	Tellier,
Daoust,	McConville,	Tilley,
Dawson,	McCuaig,	Tupper,
DeCosmos,	McDougall,	Valin,
Desaulniers,	McGreevy,	Vallée,
Desjardins,	McLennan,	Vanasse,
Domville,	McLeod,	Wade,
Doull,	McQuade,	Wallace (Norfolk),
Dugas,	McRory,	Wallace, (York),
Elliott,	Manson,	White (Renfrew),
Farrow,	Massue,	Williams,
Ferguson,	Merner,	Wright.—116.
Fitzsimmons,	Methot,	

Mr. PATERSON (Brant.) No one pretends to deny the fact that there are points granted by the Government in the contract that are not in the interest of the country. I need not enumerate them. These objectionable points have been mentioned, not only by gentlemen sitting upon your left hand, but also by gentlemen sitting upon your right hand. They have been pointed out by men of eminent ability on both sides of the House. I need not remind you of the utterances of those gentlemen for they are fresh in your memory. The exemption of the road-bed from taxation has already been pronounced upon separately. There is the exemption of the lands from taxation, the iniquity of which has been in a measure depicted to the House to-night. There is the unfair provision of the amount that is to be paid in the construction of the central section of this railway; there is the excessive amount that is to be paid for the construction of the portion of the work that is to be undertaken by the Government; there is the free admission of a large part of the material to be used in the construction of this work—this and many other points, not forgetting the extraordinary powers, the monopoly powers that are given to this Company to control the trade and traffic of almost half a continent; the further power that is given to that Corporation to levy rates, which in their nature are excessive and must prove burdensome to the people of this country—these are only some of the bad points of the contract now before you; these are only some of the objections which hon. gentlemen opposite see themselves in this contract, and in their calmer moments have acknowledged. But, recognizing that there were these defects, these clauses that were prejudicial to the best interests to this Canada of ours, they said that, viewed and taken as a whole, looking at the thing in its completeness, it was better to accept the contract with all its blemishes than not to accept it at all, because they allege that in so doing we were lifting the burden of constructing the Canadian Pacific Railway off the shoulders of the Government and placing it on the shoulders an incorporated company. Sir, the eloquent tongue of the hon. member for Halton (Mr. Macdougall) alleged as a reason to his constituents assembled in his county that he was not opposed to the grant being given to this Company. Why? Because he considered it was a matter of great importance that this work should be taken out the of control of the Government, as if it remained in their hands it might be used for corrupt purposes, at least would inevitably tend to charges of corruption being levelled against them, and it was to prevent the possibility of those charges that he thought it was wise and expedient for Parliament to sanction the proposition that would hand the building of this route over to a company and relieve the Government of that responsibility altogether. I am bound to say that was the impression of the people of this country with reference to this matter, and I am further bound to tell you—I speak my individual opinion that I believe the sentiment of the people of this country, as they first understood this contract to be, such as they were given by the Government organs to understand to be the terms, while the Government were maintaining their secrecy, while they were maintaining the darkness that enshrouded this scheme from its inception down to the moment it was laid on the Table—I am bound to say that, guided by the information vouchsafed to us, the people of this country were prepared to accept this scheme, and the people did feel a sensible relief from the fact, that what it was alleged had been brought about, had actually taken place. This deception was kept up until the last moment; this deception was practised upon the members of this Chamber when we wended our way, following your lead, to the Upper House, in order to hear from His Excellency's lips the speech he was to deliver to us on that occasion. I say deceptive words were put into His Excellency's mouth on that occasion. Let me read an extract from that speech:

"During the recess my advisers thought the time opportune for making another attempt to carry out the declared preference of Parliament for the construction and operation of the Canadian Pacific Railway by means of an incorporated company, aided by grants of money and land, rather than by the direct action of the Government.

"Three of my Ministers, therefore, proceeded to England for the purpose of carrying on negotiations to that end."

What end? Why, the end they had declared in the previous paragraph, that they recognized the fact that Parliament had declared that that road was to be constructed and operated through the means of an incorporated company rather than by the direct action of the Government, and in order to bring that about, three Ministers, he says, proceeded to England for the purpose of carrying on negotiations to that end. He was further instructed to say:

"I am pleased to be able to inform you that their offers were so far successful that a contract has been entered into, subject to the approval of Parliament, with men of high financial standing in Europe, the United States and Canada for the speedy construction and permanent working of this great national enterprise."

What does it all refer to? It is a speech about the Canadian Pacific Railway, not about a portion of that railway across the prairie country, it is not speaking about the country north of Lake Superior, it is not speaking of these two portions of Canadian Pacific Railway alone, detached—nothing of the kind. His Excellency was telling us that three of his Ministers proceeded to England for the purpose of entering into negotiations with eminent capitalists for the construction of this railway, the whole railway across the continent, every part of the railroad that had not been already completed by direct action of the Government. Well, what was the effect of those utterances upon the minds of hon. gentlemen opposite in this House? The hon. leader of the Opposition fully believed in his heart, as his speech testified in this House before the contract was brought down, that such was the case. What did he say on the motion to adopt a reply to the Address from the

Throne before the contract was laid on the Table? He said thus:

"The aspect of finality, and the creation of a company and its rights, therefore import elements of the utmost importance and of practical novelty into the discussion of this subject."

So astute a man as the hon. gentleman from West Durham, taking all the information he had at that time from the Government organ, and from the mouth of His Excellency, assumed that the contract, when it would be laid upon the Table of the House, would be final in its nature; a contract, the terms of which, would remove every part of the construction of this railway out of the hands of the Government, and place it upon the shoulders of a company. Was he undeceived by the right hon. the First Minister, who followed him on that occasion? The delusion was still kept up and maintained by that hon. gentleman's utterances, an extract from which I will now read to you:

"The Syndicate are resolved to build this road and they are able to do so, and they had such confidence, in fact, in the arrangement being a fair one, both for themselves and for Canada, that they were confident it would meet with the sanction of Parliament whenever it was submitted, and, therefore, if Government had told them 'Go on at once and we are satisfied that Parliament will confirm our action, and sustain you in whatever expenditure you have gone into,' they would have been quite ready to have gone on with the undertaking. And, Sir, notwithstanding sneers that have been thrown out on the subject, I believe the gentlemen who have undertaken this great and responsible work will complete it successfully, that they will run and work it successfully, and that they will open up that country to the utmost extent which such a great enterprise is calculated to cause, and in doing so, they will relieve this country of immediate responsibility of expenditure in building the road in a great degree."

Such was the utterance of the First Minister, and such were the utterances of the organ of that hon. gentleman, instructed to take the course they did. No one believed but what that contract would reveal, when it was brought down to the House, an arrangement on the part of strong financial men to undertake the entire construction of the Canadian Pacific Railway. But, Sir, when the contract came down, did we find that in it? To that point, I will address myself for a few minutes later on. But with this contract lying on the Table, containing some clauses that the hon. Minister of Railways knew was in it. What were his utterances when he made his great speech on December 14th, introducing the contract and recommending it to the favorable consideration of the House. The hon. gentleman at that time said:

"I have the satisfaction of knowing that throughout this intelligent country every man breathed more freely when he learned that the great enormous undertaking of constructing and operating the railway was to be lifted from the shoulders of the Government."

That was the hon. gentleman's language, even when the contract was on the Table, supposing us to be entirely ignorant of clause 6 in the contract. Hon. gentleman opposite, even after the contract was published and in the hands of the people, sought to impress the view on the public mind that the contract would relieve Canada from any responsibility for the construction of any portion of the Pacific Railway. We hear the same tune sung to-day. We find in an issue of the hon. gentleman's organ in this city, of the day before yesterday, an article giving the key to hon. gentlemen opposite as to the course they must take when they return to their constituents, and as to how the battle is to be fought. The Ottawa *Citizen* of the 24th January, says:

"Despite this, during the early part of the discussion, provincial politics, bitter recrimination, unfair tactics, ungenerous insinuations, characterized many of the speeches delivered, until every right thinking man, even though at first taking little interest in the question, decided in his own mind that it was better for the country that this contract should be duly ratified and the Pacific Railroad construction placed in the hands of a company, and removed not only from departmental control, but from the arena of the House of Commons debates as well."

That is the line the hon. the Minister of Railways followed, and which hon. gentlemen opposite and their Ottawa organ have had the hardihood to follow, with the contract on the Table and copies of it scattered broad cast through the country and containing clause 6, which every one can read. What does clause 6 say? It runs as follows:—

"Unless prevented by the act of God, the Queen's enemies, intestine disturbances, epidemics, floods or other causes beyond the control of the Government, the Government shall cause to be completed the said Lake Superior section, by the dates fixed by the existing contracts for the construction thereof; and shall also cause to be completed the portion of the said Western section now under contract, namely, from Kamloops to Yale, within the period fixed by the contracts therefor, namely, by the thirtieth day of June, 1885; and shall also cause to be completed, on or before the first day of May, 1891, the remaining portion of the said Western section, lying between Yale and Port Moody, which shall be constructed of equally good quality in every respect with the standard hereby created for the portion hereby contracted for. And the said Lake Superior section, and the portions of the said Western section now under contract, shall be completed as nearly as practicable according to the specifications and conditions of the contracts therefor except in so far as the same have been modified by the Government prior to this contract."

Does that clause look like relieving the Government from the work and placing it upon the shoulders of an incorporated company? What work has the Government to do? To complete the Lake Superior section, 406 miles of the most difficult road possible, to be built in good order. Then there is the section of 127 miles, through the canyons of the Rocky Mountains, from Yale to Kamloops. The cost is estimated at $10,000,000. The contract is to be finished in 1885, which will involve taking out of the public treasury and out of the pockets of the tax payers $2,000,000 a year, to hand over to the contractors to satisfy them. Add to all this the unknown cost for constructing the other portion of the British Columbia section, that part between Yale and Port Moody, in order that the House may get a little idea of what the Government are doing in this matter. On contract 25, from Fort William to English River, 113 miles, $57,061 was expended last year, and the work is not yet finished. On contract 41, English River to Eagle River, 118 miles, $586,750 was expended last year, and it will be completed on July 1st, 1883. On contract 42, Eagle River to Keewatin, sixty-seven miles, $532,079 was expended last year, and the section has to be completed by 1st July, 1883. On contract 15, $469,620 was expended on the section from Keewatin to Cross Lake, thirty-six miles, and it is not yet completed. Contracts 60, 61, 62 and 63, for work from Yale to Kamloops, on which $10,000,000 will have to be expended, are being proceeded with by the Government and will not be completed until five years have elapsed. Yet hon. gentlemen opposite talk about the contract now on the Table removing this question from departmental control! It is nonsense to talk of removing this question from the arena of politics when we are binding ourselves by a solemn compact, entered into with capitalists, that for the next five years we will expend $2,000,000 a year on one short 127 miles of this work, over and above all that. As if determined not to remove this thing out of the political arena, but to keep it a live question before the people, without any certainty as to its cost, the Government have, in their wisdom, reserved to themselves the right to build ninety miles more of this work, to pay for it out of the public money, and to take ten years in doing it. Sir, I maintain that of all the bad features of this bargain none is worse than this. I maintain that if there is anything the people of this country have reason to complain of in this contract, it is this. They were given to understand that by this contract the work was to be taken out of the hands of the Government, and that it would be impossible thereafter that any charge of corruption or mismanagement should be laid against the department. Instead of that, more than one-third of this road is to be constructed by the Government and the expense to be defrayed by the Government. Sir, what have we gained by this contract, so far as relieving Canada of the responsibility of this matter is concerned? We have gained this much. The contract let in British Columbia involves an expendi-

ture of $10,000,000, and there was a clause which allowed the Government, provided it was too great a strain on the public treasury, and the necessities of trade did not demand it, to stop the expenditure on that section at any moment. What have the Government done? They secured this great boon to the Canadian people—they have bound their hands, under this contract, to spend that $10,000,000, whether the people of this country are able to bear it or not, and to do it in five years. They have bound themselves to do that for the benefit of Messrs. Rose & Company and others who form this Company, no matter how it may grind the people of this country. Why, Sir, I think I should have but to offer to the House the amendment I have to propose in order to find many hon. gentlemen opposite—in order to find the Minister of Railways himself—rise to vote for that resolution; because he said there was not an intelligent man in this country but breathed more freely when he learned that this enormous undertaking of building this road was finally to be removed from the shoulders of the people of this country. I know that hon. gentleman wants the people of this country to breathe freely; and in order to afford him and those who know that the country cannot breathe freely so long as the Government goes on to construct those portions of the road which they may not be able to pay for, I beg to place the following resolution in your hands:—

That the contract respecting the Canadian Pacific Railway, laid on the Table, does not insure finally as to the public obligations in that regard, but imposes on Canada, besides the grant of large sums of money and areas of land, the construction by the Government for the benefit of the Syndicate of the most expensive parts of the railway, which are to be built by the Government during the next ten years, and that the said contract is, in this respect, objectionable.

Amendment (Mr. Paterson, Brant) negatived on the following division:—

YEAS:

Messieurs

Anglin,	Flynn,	Olivier,
Bain,	Geoffrion,	Paterson (Brant),
Béchard,	Gillies,	Pickard,
Blake,	Gillmor,	Rinfret,
Borden,	Glen,	Robertson (Shelburne),
Bourassa,	Gunn,	Rogers,
Brown,	Haddow,	Ross (Middlesex),
Burpee (St. John),	Holton,	Rymal,
Burpee (Sunbury),	Huntington,	Scriver,
Cameron (Huron),	King,	Smith,
Cartwright,	LaRue,	Sutherland,
Casey,	Laurier,	Thompson,
Casgrain,	Macdonell (Lanark),	Trow,
Charlton,	McIsaac,	Weldon,
Dumont,	Malouin,	Wheler,
Fiset,	Mills,	Yeo.—49.
Fleming,		

NAYS:

Messieurs

Allison,	Gigault,	Merner,
Arkell,	Girouard (Jac. Cartier),	Méthot,
Baker,	Girouard (Kent),	Mongenais,
Bannerman,	Grandbois,	Montplaisir,
Barnard,	Hackett,	Mousseau,
Beaty,	Hay,	Muttart,
Beauchesne,	Hesson,	Ogden,
Benoit,	Hilliard,	Orton,
Bergeron,	Hooper,	Ouimet,
Bergin,	Houde,	Patterson (Essex),
Bill,	Hurteau,	Pinsonneault,
Bolduc,	Jackson,	Platt,
Bourbeau,	Jones,	Plumb,
Bowell,	Kilvert,	Pope (Compton),
Brecken,	Kirkpatrick,	Pope (Queen's),
Brooks,	Kranz,	Poupore,
Bunster,	Landry,	Richey,
Cameron (Victoria),	Lane,	Robertson (Hamilton),
Caron,	Langevin,	Rouleau,
Cimon,	Lantier,	Routhier,
Connell,	Little,	Royal,
Costigan,	Longley,	Ryan (Marquette),
Coughlin,	Macdonald (King's),	Ryan (Montreal),
Coupal,	Macdonald (Sir John),	Scott,
Coursol,	McDonald (Cape Breton)	Shaw,
Daly,	McDonald (Pictou),	Sproule,
Daoust,	McDonald (Vict., N.S.),	Tassé,
Dawson,	Macmillan,	Tellier,
DeCosmos,	McCallum,	Tilley,
Desaulniers,	McCarthy,	Tupper,
Desjardins,	McConville,	Valin,
Domville,	McCuaig,	Vallée,
Doull,	McDougall,	Vanasse,
Dugas,	McGreevy,	Wade,
Elliott,	McLennan,	Wallace (Norfolk),
Farrow,	McLeod,	Wallace (York),
Ferguson,	McQuade,	White (Cardwell),
Fitzsimmons,	McRory,	White (Renfrew),
Fortin,	Manson,	Williams,
Fulton,	Massue,	Wright.—120.

Mr. PATERSON (Brant).

Mr. RINFRET. In deciding, some years ago, to build the Pacific Railway, the Government had not only the intention of annexing British Columbia, they had another object, more practical and more in harmony with the well understood interests of the country—that was the colonization of the North-West. It was this latter reason especially that was insisted upon before the people, in order to induce them to accept the resolution passed by Parliament. It was then everywhere stated—on the hustings, in the press, and even in this honorable House—that we had a kingdom in the Canadian North-West; that we had there a great extent of the most fertile land that was only awaiting the work of the settler to bring forth towns and villages. In a word, the settlement of the North-West was the favorite theme with all those who sought to induce the people to accept the resolutions voted by Parliament for the building of the Pacific. I will not conceal the fact, Sir, that they were showing the people the pleasing side of the question, and that I am one of those who believe in the future of that immense region. I am happy to say that, on this important question, the Liberal party has always lent a helping hand to the Conservative party, and that both parties have labored to promote the settlement of the great Canadian North-West. We will, undoubtedly, meet with considerable difficulties in settling these vast prairies. And we must not forget the fact that we are not the only people who have lands to sell, but that there are fertile lands to be colonized in the United States. I do not say that these lands are worth more than ours. I do not even say that they are worth as much as our best lands; but there is a fact that no one can gainsay. Our neighbors have in their favor the tide of immigration that is set their way; and the far greater number of Europeans, who come to America, settle in the States instead of Canada. I will even add, though with regret, that a great number of our fellow-countrymen swell this immigration to the United States. If we wish to turn aside this tide of immigration, and compete advantageously with our neighbors; if we wish to have some immigrants go to our vast prairies, we must, and no one can deny it, offer conditions at least equal to those offered by the United States. I regret that the present contract contains no clause that can satisfy this honorable House with regard to this important question of the settlement of the North-West. By the contract now submitted, the Government abandons to the Syndicate, without any reserve whatever, 25,000,000 acres of land. The Syndicate can choose these lands among the most fertile and the best situated in the North-West. These 25,000,000 acres will be laid out in lots of a mile in area, and will alternate with the Crown lands set apart for homesteads and pre-emptions. The lands of the Syndicate will form, with the Crown Lands, an area of 50,000,000 acres. These lands will be the most advantageously situated, and it is evident that they will be sold first, unless some serious obstacle is put in the way of the settlers. These 50,000,000 acres form a greater extent of land than we can hope to sell in twenty-five years from now, or perhaps in half a century, if we take into account the fact that, at the present moment, there are but 11,000,000 acres of land sold in the Province of Quebec and 16,000,000 acres

in the Province of Ontario. I will make no remark as to the present disposition of the lands in alternate lots, but I will only say that this disposition, whether it be good or bad, will give the Syndicate almost absolute control, as far as colonization is concerned, not only over its own lots but also over the neighboring lots belonging to the Government, that is to say over 50,000,000 acres, or over nearly all the lands that the Government can reasonably expect to sell for the next half century, perhaps. I believe that the control of the Syndicate over our own lands, a control which is given to it by the very disposition of the lands, can at any moment paralyze, in a great measure, the efforts of any Government to promote colonization. Let us suppose, for instance, that with a view of speculation, or for any other reason, the Syndicate decides to withhold the sale of their lands, or to ask very high prices for them? What will happen? Why, Sir, the Government will experience great difficulty in selling theirs. According to the present disposition of the lands, each square mile contains two homesteads and two pre-emptions of 160 acres each; that is to say, there will be two settlers for each lot. If the neighboring lot is not sold, every settler will not only have to keep up his roads and his fences, but the roads and fences of the neighboring lot. He will be obliged to pay double municipal and school taxes. I think, Sir, that very few settlers will be disposed to purchase the Government lots, if the neighboring lots belonging to the Syndicate are not sold at the same time, unless the Government fix a time for the sale of their lands, thereby giving the assurance to the settlers that they will not have to give a part of their labor for many years in order to enhance the value of the Syndicate's lands. If the Government do not pass such a measure, I think they will not be able to sell their lands before the Syndicate has seen fit to sell its lands, and that even should they wish to promote colonization, they can only do so by sacrificing considerably the value of our public lands. The Government seem to have adopted as a standard for the construction of the Pacific, the Union Pacific Railway. We read in the charter incorporating this railway the following clause, which I respectfully submit to the consideration of hon. Ministers:—

"And all such lands, so granted by this section, which shall not be sold or disposed of by said Company within three years after the entire road shall have been completed, shall be subject to occupation and pre-emption, like other lands, at a price not exceeding one dollar and twenty-five cents per acre, to be paid to said Company."

This clause obliges the Company to sell their lands as soon as possible, and takes from them all control if the sale is not made within the time prescribed by law. The hon. member for Lambton, when he was the leader of the Government, had also provided that the Government should keep control over the lands offered as a grant to any private company that would undertake the building of the Pacific Railway. We read what follows in the Statutes of 1874, page 120:

"That a quantity of land, not exceeding twenty thousand acres, for each mile of the section or sub-section contracted for, shall be appropriated in alternate sections of twenty square miles each along the line of the said railway, or at convenient distance therefrom, each section having a frontage of not less than three miles nor more than six miles on the line of the said railway, and that two-thirds of the quantity of land so appropriated shall be sold by the Government at such prices as may be from time to time agreed upon between the Governor in Council and the contractors, and the proceeds thereof accounted for and paid half-yearly to the contractors free from any charge of administration or management—the remaining third to be conveyed to the contractors."

We see that the hon. member for Lambton's Government reserved the right of selling the lands granted by the Pacific Railway Act of 1874. There are several ways of controlling lands granted to a private company. I do not intend to suggest any particular mode of keeping the controlling power over such an important part of the public domain. I only say that the Government should keep a control over the lands of the Syndicate, and that the latter should be forced, in some way or another, to sell their lands within a specified time, if the Government do not want themselves to be exposed to see a part of the public domain lying idle or worked for the particular benefit of a private company. I deem it also my duty to ask the Government to establish the price of the lands granted to the Syndicate. Those who have listened to the speeches made in this House upon the question of the Pacific Railway, must have remarked that a great number of estimates, more or less contradictory, were made as to the value of the lands of the North-West. I think that the discussion which has taken place has not thrown much light upon the real value of those lands. But, from these different and contradictory estimates, this House can infer an important fact, and that is that the value of these lands is not established in a satisfactory manner, and that we do not know the real price of the sacrifice the country is making by giving away these 25,000,000 of acres of land. The hon. Minister of Railways estimated at $25,000,000, or at $1 per acre, the total land grant made to the Syndicate. Probably the estimate of $1 this year will go down as easily as did, at the last Session, the estimate of $3.18 made by the same hon. Minister, for the same lands that are to day granted to the Syndicate. At all events, I do not intend to ask this honorable House not to accept this estimate. I only ask that this estimate, whether it be right or wrong, or any other estimate agreed upon between the Syndicate and the Government, should be fixed by Statute. If the Syndicate does not wish to accept these lands at a greater value than $1 an acre, let it be declared that they cannot be sold at a higher price than $1 an acre. If the Syndicate will not consent that Government should fix the value of the land at less than $2 or $3 an acre, then the Government, for their $25,000,000 should give a considerable less amount than 25,000,000 acres, or take, before the Parliament and before the people, the responsibility of giving to the Syndicate lands valued, by the Syndicate and the Government, at $50,000,000 or $75,000,000. By this means, the House could judge of the value of the land grant made to the Syndicate; by this means the people will know what we are giving away, and I think that the people have an unquestionable right to know it. The hon. Minister has estimated the lands granted to the Syndicate at only $1 an acre. That estimate has been looked upon as too low by some hon. members; but I fancy that the House would be disposed to accept it, provided only that the Government would consent to fix by Statute this price of $1 as the maximum price. We are making, it is true, an immense sacrifice by giving away the finest lands of the North-West; but by fixing such a low price for the sale of the Syndicate's lands, we could sell more easily the Crown lands laid out in alternate lots, and the country could thus recoup itself for the great sacrifice it is making, through the real advantages that would flow from the settlement of the great North-West of Canada. Thus, Sir, I believe that this honorable House should not abandon all control over the lands that we are granting to the Syndicate, and that a maximum price should be set on the railway lands, so that the people might know what they are giving. And if the Government sees fit to grant to the Syndicate 25,000,000 acres of land at a very low figure, let us at least fix the price of those lands so that the people may profit thereby—and that the settlers in the North-West may profit thereby. Let us fix the price of these lands if we want the tide of immigration to flow towards Canada; if we want to compensate the people a little by the rapid settlement of the North-West, for the enormous sacrifices they are making in building the Pacific Railway. I move, therefore, the following amendment:—

That the contract respecting the Canadian Pacific Railway contains provision for ceding to the Company twenty-five millions of acres of choice lands in the North-West, but it does not, as it should, embrace any provision that such lands shall be open to sale to actual settlers at any maximum price; that the absence of such provision will enable the Company to lock up the lands at their pleasure for a long time, and so be in-

jurious to the progress of the country, and add to the labors and difficulties of the early settlers, and that the said contract is, in this respect, objectionable.

Mr. ROULEAU. I would like to ask the hon. member where he finds that the proprietors of alternate lots bought from the Government will be obliged to pay double taxes whilst the proprietors of lands bought from the Company will not be obliged to pay any taxes at all, as he has just stated. According to the contract, I have always understood that the exemption from taxation was in favor of the Syndicate during twenty years and inasmuch as the lots were not sold; consequently, I do not see why the holders of lots bought from the Government should be obliged to pay double taxes and to make double fences unless it is to keep their neighbors from looking at them.

Mr. RINFRET. I think it is quite enough to pay double taxes during twenty years. It is perfectly clear in the contract that these lands can remain twenty years in the hands of the Syndicate, and that the settlers who would take up the lots contiguous to these lands would be obliged to pay taxes during twenty years and to keep up the roads and the fences on their own lots and on the lots of the Syndicate.

Mr. ROULEAU. I think that several members who move amendments to the contract have not read it; for in the contract there is no exemption from taxation in favor of the occupiers; there is only an exemption from taxation in favor of the Syndicate as long as the lands are not sold.

Amendment (Mr. Rinfret) negatived on the following division:—

YEAS:

Messieurs

Anglin,	Flynn,	Olivier,
Bain,	Geoffrion,	Paterson (Brant),
Béchard,	Gillies,	Pickard,
Blake,	Gillmor,	Rinfret,
Borden,	Glen,	Robertson (Shelburne),
Bourassa,	Gunn,	Rogers,
Brown,	Haddow,	Ross (Middlesex),
Burpee (St. John),	Holton,	Rymal,
Burpee (Sunbury),	Huntington,	Scriver,
Cameron (Huron),	King,	Smith,
Cartwright,	LaRue,	Sutherland,
Casey,	Laurier,	Thompson,
Casgrain,	Macdonell (Lanark),	Trow,
Charlton,	McIsaac,	Weldon,
Dumont,	Malouin,	Wheler,
Fiset,	Mills,	Yeo.—49.
Fleming,		

NAYS:

Messieurs

Allison,	Gigault,	Méthot,
Arkell	Girouard (Jac. Cartier),	Mongenais,
Baker,	Girouard (Kent),	Montplaisir,
Bannerman,	Grandbois,	Mousseau,
Barnard,	Hackett,	Muttart,
Beaty,	Hay,	Ogden,
Beauchesne,	Hesson,	Orton,
Benoit,	Hilliard,	Ouimet,
Bergeron,	Hooper,	Patterson (Essex),
Bergin,	Houde,	Pinsonneault,
Bill,	Hurteau,	Platt,
Bolduc,	Jones,	Plumb,
Bourbeau,	Kilvert,	Pope (Compton),
Bowell,	Kranz,	Pope (Queen's),
Brecken,	Landry,	Poupore,
Brooks,	Lane,	Richey,
Bunster,	Langevin,	Robertson (Hamilton),
Cameron (Victoria),	Lantier,	Rouleau,
Caron,	Little,	Routhier,
Cimon,	Longley,	Royal,
Colby,	Macdonald (King's),	Ryan (Marquette),
Connell,	Macdonald (Sir John),	Ryan (Montreal),
Costigan,	McDonald (Cape Breton)	Scott,
Coughlin,	McDonald (Pictou),	Shaw,
Coupal,	McDonald (Vict., N.S.),	Sproule,
Coursol,	Macmillan,	Tassé,
Daly,	McCallum,	Tellier,
Daoust,	McCarthy,	Tilley,
Dawson,	McConville,	Tupper,
Desaulniers,	McCuaig,	Valin,
Desjardins,	McDougall,	Vallée,
Domville,	McGreevy,	Vanasse,
Doull,	McLennan,	Wade,
Dugas,	McLeod,	Wallace (Norfolk),
Elliott,	McQuade,	Wallace (York),
Farrow,	McRory,	White (Cardwell),
Fitzsimmons,	Manson,	White (Renfrew),
Fortin,	Massue,	Williams,
Fulton,	Merner,	Wright.—118.
Gault,		

Mr. CHARLTON. I can well understand the House naturally begins to be weary of the discussion on this question. Even on this side, I dare say many of the members almost feel like saying:

> "Why urge the long unequal fight,
> Since Truth has fallen in the street;
> Why lift anew the trampled light,
> Quenched by the heedless minions' feet?"

But I wish to impress on hon. gentlemen opposite that this is a solemn occasion. I wish to impress upon them that we are religiously trying to adopt all possible measures for the proper celebration of their funeral obsequies; we are making arrangements now for having that party properly and decently buried, and the feat is being rendered more and more certain at every stage in this drama. Hon. gentlemen opposite, apparently, to every candid observer, have abandoned all attempts at argument. They meet us now by the exercise of sheer brute force; and in that respect we must of course go to the wall at every encounter, for they outnumber us by votes. Again and again are presented to the House objections unanswerable in their nature and not a word of argument is offered to rebut the position taken by hon. members on this side. I shall direct my remarks to that feature of this contract granting exemption from taxation, and shall submit an amendment bearing on this feature. The 16th section provides:

> "The Canadian Pacific Railway, and all stations and station grounds, work shops, buildings, yards and other property, rolling stock and appurtenances required and used for the construction and working thereof, and the capital stock of the Company shall be forever free from taxation by the Dominion, or by any Province hereafter to be established or by any municipal corporation therein, and the lands of the Company, in the North-West Territories, until they are either sold or occupied, shall also be free from such taxation for twenty years after the grant thereof from the Crown."

This exempts the whole of the railway, from Lake Nipissing to the Pacific Ocean, with all its branches, forever from all Dominion taxation, whatever that may be. It exempts that portion of this railway situated in the North-West Territory, with its branches in that territory, and that portion of the railway situated in the territory of Keewatin from all taxation, municipal, provincial or Dominion, for all time to come. It is a principle which I believe cannot be controverted, that for the payment of the expenses necessary to be incurred in the maintenance of law and order, all property should bear its equitable and due proportion; that no property whatever should be exempt from the payment of its share in the expense of the maintenance of law and order. It is held to be necessary, in this enlightened age, to maintain public schools at public expense. The education of the masses, in a country having free institutions, is held to be a matter of so much importance, that the expense of providing and maintaining schools devolves upon the public. It is held to be a matter of importance that the roads through a country should be paid for at the public expense, and that municipal institutions should be organized, and be maintained by means of taxes on property. What is necessary in the public interest and of common interest to all should be paid for by all. Railways must, at public expense, receive certain protection. They must be protected from riot. Railway corporations are peculiarly liable to damage from riots, and in cases of riot they call on public authority for protection. They must be protected from obstruction, lawlessness and incendiarism, and they must be protected in many ways unnecessary to specify on this occasion. They may resort to the courts to enforce their

rights. No class of property owners resort more frequently to the courts than do the railway corporations. We all recollect some three years ago, the series of stupendous riots, called the railway riots, which took place in the United States. We recollect that the whole available force of the United States' troops not in the Indian territories were called out, that thousands of State militia and independent military organizations of the various States were called into service, that the police and detective forces of various cities were made available, and that the loss from mob violence on many occasions was borne by the public. In Pittsburg, where a loss of $3,000,000 was sustained by the Pennsylvania Railway Company, the corporation of that city and the county in which it is situated had to make good to the company every dollar of those damages. In return for this protection, the railways of the United States are heavily taxed; but the Syndicate with which the Government are about to ratify a contract asks all this protection, all these privileges that railways enjoy—for nothing. They ask these privileges, and at the same time they ask that they shall be forever exempt from all taxation, from bearing any portion of the public expenditure that should fall upon them. The question at this point is: Are railways in other countries taxed? I think the hon. member for Glengarry in his speech on this question advanced the argument that it was perfectly proper railways should be exempt from taxation. Why, said he, we do not tax highways? And is not a railway a highway? And if a common country road is exempt from taxation, why should not a railway be also exempt? I should certainly say it ought, if it is made as free to the public as a common highway; but so long as a railway is not a free avenue for commercial communications, so long as it is a private enterprise charging tolls for the transaction of all the business it does, and looks to the country for protection, it is entitled to pay taxes as all other classes of private property. So far as my investigations go, railways are taxed in all countries. They are taxed in Austria, Russia, Holland——

Mr. PLUMB. I would like to know whether there are any private railways in Russia.

Mr. CHARLTON. The Russian Government, I believe, guarantees a certain revenue to the railway companies, and levies a tax on passengers. Great Britain, Belgium, and every State in the American Union levy taxes on railway companies, and these taxes are of very different kinds. First of all, there is the tax on gross receipts, which, I believe, is levied in the States of Michigan, Pennsylvania and Minnesota. In Michigan, these taxes are two per cent. under a certain amount of earnings per mile, and three per cent. above that; in Minnesota they are three per cent.; in Pennsylvania they are eight-tenths per cent., and in addition there is a tax on stock. Besides the tax on gross receipts, some countries levy a tax on net receipts. In Delaware State, a tax of ten per cent. is levied on net receipts. The third form is the tax on passengers. That form is levied in Great Britain, five per cent. on gross passenger receipts; in Delaware State ten cents is levied on each passenger. The fourth form is a specific tax on locomotives and cars. Delaware levies a tax of $100 on each locomotive, $10 on each freight car, and $25 on each passenger car. The fifth form is the tax per mile. Mississippi levies a tax of $40 per mile on narrow gauge, and $80 per mile on broad or standard gauge. The sixth form is the tax on assessed valuation. This form is levied in New York, New Jersey, Ohio, Tennessee, and other States. The seventh form is the lump sum in lieu of taxation. That system is in vogue to a certain extent in New Jersey and in Delaware. The eighth form is the tax on stock or shares. The State of Pensylvania levies taxes in that form. While upon the question of taxation I wish briefly to refer to some remarks of the member for Lincoln (Mr. Rykert) last evening, who, I am sorry, is not present at this moment. In treating of the question of taxation and the probable amount that would be levied on the Canadian Pacific Railway, if it were not exempted from taxation, he made the most astoundingly ridiculous statement, that the whole amount would probably not exceed $6,000 per annum. He arrived at that estimate by taking the quantity of land that the road would occupy, allowing a road-bed of 100 feet width, calculating the amount of acres for the whole distance across the North-West. He valued that land at, I think, $5 an acre, and upon this basis reached a total of $6,000. Well, I suppose he would probably proceed to tax city property in the same way, by taking city lots worth $1,000 a foot and taxing them at the rate of $5 an an acre. I have no doubt that he would appraise the oil paintings of the old masters by estimating them to be worth what the paint, varnish, and canvass originally cost. The railway, and land on which it is situated, costing $5 an acre, perhaps would be worth $30,000 a mile. It is proper to assess a road for what it cost to construct it per mile, and in addition to assess the cost of the locomotives, cars, station-houses, and all appurtenances for the further transaction of its business. It will probably require 300 locomotives and several thousand cars, at least, to stock the Canadian Pacific Railway, all of which should be subjected to taxation, and, in case taxes were thus levied, the amount would be inevitably very large. We may be able to estimate that amount by a comparison of this road with railroads in other countries. I find that in France, in 1878, the direct and indirect taxation upon railways amounted to $16,241,800. In the United States the amount of taxation imposed upon railway companies is immense. I have been unable to ascertain what the aggregate is, because many of the railroad companies make defective returns in this respect. I will give the taxation on a number of the roads to show the largeness of the amount paid. The Chicago and Alton paid in 1879, under the head of taxes and sundry accounts, $195,461; the Chicago, Milwaukee and St. Paul, under the head of miscellaneous and taxes, $473,543. We cannot ascertain what the taxes are, because we do not know what the sundries mean. These are two instances of the defective way of making returns. Many roads, however, make explicit returns as to their special taxation, and among these are the following ones: Burlington and Cedar Rapids, a local road in Iowa, last year paid taxes, amounting to $34,722; the Cincinnati, Hamilton, Dayton, 91 miles $36,706; the Atlantic and Great Western, a road of no very great importance, $96,000; the Pennsylvania Railroad paid on the State tax, $213,852–on its stock, $154,957–total, $368,809; Union Pacific, $297,158; Chicago, Burlington, Quincy, $328,844; Chicago and North-West, $359,996; Chicago, Rock Island and Pacific, $218,155; Illinois Central, $395,010; Michigan Central, $201,681; Lake Shore and Michigan Southern, $457,137; New York Central and Hudson River, $871,787—making a total for those twelve corporations of $3,646,015. Now there are in the United States over 1,000 railway corporations; here are nine of the principal and three of the subordinate ones enumerated in this list, paying a tax of $3,646,015. Among the great railway corporations not included are the Erie, Baltimore and Ohio, and many others. Upon this data we may be able to arrive at an approximate estimate of the taxation upon a road similar to the Canadian Pacific Railway when constructed. The North-West, of course, is a region where the branch lines constructed by that Company will be chiefly situated. It will require, I presume, very few in British Columbia and North of Lake Superior. It will require in the region where it is to be exempted from taxation a great number of branch lines if it developes the country. What the future mileage in the North-West will be is purely problematical. We may

arrive at an approximate estimate by ascertaining what the area of that country is, what the probable amount of arable land is, and comparing it with other countries partially developed with their railways. Let us proceed on this basis: the Government estimate of arable land in the Canadian North-West is 150,000,000 acres. Now, I propose to take for the purpose of comparison the State of Minnesota, which is adjacent to our North-West, and similar to it in many respects. That State contains 53,459,000 acres of good land, waste land, timber, swamp lands and all. I think it fair to assume that the Canadian North-West has four times that amount of arable land. Well, Minnesota, although a new State and but partly developed, having but 780,000 inhabitants, possesses 3,295 miles of railway. It will require more than twice that amount before the State is fully developed. But making a comparison with the present railway mileage of Minnesota, as the North-West possesses four times its arable land, it will require four times the railway mileage when developed to the amount that Minnesota is, for the transaction of its business, which would give to the North-West, in round numbers, 13,000 miles. How much of this mileage will be furnished by the Syndicate? It covers the whole country with its charter and can preempt any line if it chooses. All it has to do is to deposit with the hon. the Minister of Public Works its plan for a line in any direction, and it has preemption for that line and can proceed at its leisure to construct it. I presume, therefore, if it is necessary to the Syndicate's interest to construct lines anywhere, it will build them through the North-West. I will assume that our North-West requires, on the scale of Minnesota, as now developed, 13,000, and that the Syndicate constructs less than half that number, taking the easiest route and the branches likely to pay most speedily. What then would be the probable value to the Syndicate of the exemption from taxation which that portion of Section 16 gives to them? I think we may fairly, for the purpose of comparison take the Union Pacific, a road passing through a country inferior to the North-West, through a partially settled country and not paying as large a tax per mile, or doing as large a business as the large and wealthier corporations in the older States. I find that the Union Pacific last year, on 1,597 miles of main line and branches, paid taxes to the amount of $297,000. If the Canadian Pacific Railway pays taxes on 6,000 miles of prospective main line and branches in the same proportion as the Union Pacific, its taxes will amount to $1,116,000 in round numbers. I have assumed that the Syndicate would build less than one half of the branch lines required in that country, and would select the choice routes leaving the rest to other companies. Now, if we take one half of the amount which reduces the mileage one half, and take one-half the taxes, we have $558,000, which, capitalized at four per cent. would amount to $13,950,000. Or, if we further reduce the amount and, instead of dividing by two we divide by four, we have $279,000, which, capitalized, represents $6,975,000. But if we adhere to this original calculation and take the whole 6,000 miles, and take the taxation as based on that of the Union Pacific, we would have an amount equivalent to a capitalized sum of $27,900,000. Now, is this a reasonable calculation? Is it reasonable to suppose that the Syndicate, covering with their charter the whole North-West, will build less than one-half of all the branch lines the country will require? Is it reasonable to suppose that as the country is settled, this Company will not build 6,000 miles of main line branches? Is it reasonable to suppose that the Company, if taxed at the same rate as the Union Pacific, would not pay as much as I have estimated? I think the exemptions provided for by this clause are worth all I have estimated, and that these exemptions will, in all probability, amount to over $500,000 per annum in the not distant future.

Mr. CHARLTON.

Mr. MACDOUGALL. I beg to ask the hon. gentleman if in his calculations he estimates the amount of these exemptions upon the assumption that the branches to be built by the Syndicate are, under the contract, to be exempt from taxation.

Mr. CHARLTON. I do base my calculations on that estimate. I hold that every branch to be built by the Company will be part of the Canadian Pacific Railway, and will be covered by the contract, and to satisfy the hon. gentleman I will read the clause which bears upon that part:

"The said branches to be of the gauge aforesaid; and the said main line of railway, and the said branch lines of railway, shall be commenced and completed as provided by the said contract; and together with such other branch lines as shall be hereafter constructed by the said Company, and any extension of the said main line of railway that shall hereafter be constructed or acquired by the Company, shall constitute the line of railway hereinafter called the Canadian Pacific Railway."

I hope that satisfies the hon. gentleman from Halton and the First Minister. But whatever the amount may be, whether it is $279,000 or $558,000, or $1,116,000 per annum it is one which the settlers of the North-West must pay, and they must pay it in addition to their own just and fair share of taxation. But are they to do more? Yes, they are to pay in addition to the Syndicate's just share of taxation, a portion of the debt to be incurred for those portions of the railway which this Government is to build and hand over to the Syndicate.

Mr. PLUMB. My hon. friend has changed his views as to how municipalities are likely to act towards the railway.

Mr. CHARLTON. I do not exactly catch my hon. friends words.

Mr. PLUMB. Will you allow me to repeat them?

Mr. CHARLTON. Certainly.

Mr. PLUMB. My hon. friend gave us last year a very vivid picture of the way in which municipalities tax non-resident lands.

Mr. CHARLTON. Yes; and I believe that the hon. member for Niagara (Mr. Plumb), the hon. First Minister, and various gentlemen on that side, in justifying the proposition they then made to sell the lands of the North-West at low prices and on easy terms, in large blocks to speculators, argued that the settler had in his own hands the means of rectifying his position. They said he could make them sell by means of non-resident taxation, and that with this weapon he would speedily cure the evil of large non-resident holdings.

Mr. PLUMB. That, however, is no answer to my remark.

Mr. CHARLTON. As I was saying when the hon. gentleman interrupted me, the settler in addition to paying the railway's taxes must pay his portion of the debt created for the benefit of the railway, and the first item is the $31,000,000 incurred in building the portion of the line to be handed over to the Company and the cost of surveys. That amounts to $7 per head and over for every man, woman and child in the Dominion. In the next place he must pay his proportion of the taxes for the $25,000 000 to be paid to the company, which amounts to over $6 per head for every man, woman and child in the Dominion. In other words, the amount *per capita* is over $13 in addition to a fair proportionate share of the ordinary taxation of the country, which should be borne by the Company. In addition to all this the settler on the alternate blocks is to go on laboring for the benefit, not merely of himself, but for the benefit of this Company who are enabled by the advantages given in this contract to withhold their lands from market as long as they please. For every two blows he strikes, he is to feel that he is striking one blow for a soulless corporation which quietly

awaits his efforts knowing that it has only to wait to realize results to which they do not contribute in the slightest degree. Whatever arguments our hon. friends opposite may use with reference to this matter, it is one in regard to which the country will not be deceived. The country will understand the great injustice of this provision, will understand the injustice of giving to the Company a railway free of cost with millions to boot, the injustice of saddling upon settlers the cost of maintaining law and order in that country for all time to come and protecting these very men in the rights to their property which have been bestowed on them at the expense of the people of this country. They will understand what it means to give this Company a monopoly of railway construction in the North-West. No other railway can attempt to compete with them on anything like equal terms, in consequence of this monopoly. I wish to ask, in conclusion, if it is not monstrous to present to this Company a road practically free of cost; and in addition to that, to give them millions of dollars worth of valuable property and the privilege of exemption on their road-bed and lands. One of the gravest dangers of this latter half of this nineteenth century is the growth of monopoly. In the United States, far-seeing men have taken the alarm and they fear that railway monopolies threaten the liberties of that country. The accumulation of vast estates in the United States is a matter of wonder. Men, who a few years ago were poor, now count their wealth by scores of millions, Why, if the estate of William A. Vanderbilt, now placed at $120,000,000, commenced a few years ago with a few thousand dollars, what may that fortune amount to twenty years hence? Time is coming when these fortunes will be counted by billions instead of millions, and perchance we are placing in the hands of two or three unscrupulous men like Jay Gould, Vanderbilt, and Scott, of Pennsylvania, the practical control of that vast country. For we are creating a monopoly in this country which, in all human probability, will be merged into one of these greater monopolies in the United States. We already have reports that this Syndicate may sell out at pleasure for five or ten million dollars to these American monopolists, who will step into their franchises and privileges and leave them a handsome fortune as the result of their manipulation with the Government. Are we preparing to nurse a foreign monster in this country? Are we preparing to give to such corporations as those controlled by Jay Gould or Vanderbilt, the control of our whole Canadian North-West? That is simply what this measure amounts to. That is the danger that threatens us. That is the danger which the hon. gentlemen on the Treasury benches, with strange fatuity, are unable to see. I hold, for the reason I have assigned, this is a very objectionable feature of this contract, and I beg to move:

That the contract respecting the Canadian Pacific Railway exempts perpetually the railway and all stations and station grounds, workshops, buildings, yards and other property, rolling stock and appurtenances, required for the construction and working thereof, and the capital stock of the Company, from taxation by the Dominion or by any other Province to be hereafter established, or by any municipal corporation therein. That the property of the Corporation will be in substance a gift from the public; and its exemption from taxes is unjust, creates an unfair incidence of taxation, and gives an undue advantage to the Company over other railway companies, calculated to prevent the construction of competing lines, and the contract is, in this respect, objectionable.

Mr. ORTON. I may refer to two or three striking facts which have been elicited during this discussion. One is that the Opposition, notwithstanding all their loud talk and the tremendous efforts they have made to arouse the country, are still unable to agree on a policy with reference to this question. They have not come to any agreement as to the position they wish this House to adopt. Some of them are in favor of constructing the Canadian Pacific Railway as a Government work, others are in favor of giving it to a company. One hon. gentleman on the other side of the House, in former years, denounced the late Government as loudly, perhaps, as any other member in this House, I mean the hon. member for South Wentworth (Mr. Rymal). He denounced the Allan charter, but to-day we find him eloquent in his admiration of the excellent offer made by the late Government in 1872, after Sir Hugh Allan was unable to raise money to go on with his contract. He (Mr. Rymal) says further: "I believe the Allan contract was one of the best bargains ever offered for the construction of the road." This discussion has had the effect of making my hon. friend believe in the wisdom of the Administration of 1872, led by the leader of the present Government. There is another striking fact. This perfect storm of amendments that we have been favored with has shown the strong determination of the Opposition to act as obstructionists. They are endeavoring, in every way possible, to obstruct the business of this House by the continual introduction of useless amendments. But after all, what has been the effect of all their efforts in this House? The result has been, not to change the views of the hon. gentlemen on this side of the House, but to drive from their ranks an hon. gentleman who has been in the habit of voting with them on almost every occasion. I refer to the hon. member for Napierville (Mr. Coupal), an hon. member who has usually voted with the Opposition, but whom their efforts have resulted in driving from their ranks to support the policy of the Government. Another striking feature of the debate has been the wonderful admiration my hon. friend for South Wentworth (Mr. Rymal) has for the Minister of Railways. Why, Sir, he referred to him in the following eloquent terms:—

"I have too high an opinion of the hon. Minister of Railways to believe that his virtue failed, that he was afraid to face defeat. With his splendid abilities, I have no doubt, had he saw fit he would have let his contract to contractors in sections, and that the amount of money he would have realized on the lands placed at his disposal by Parliament would have been sufficient to build a road entirely equipped and leave a nice surplus to the credit of the Dominion."

That is in contradiction to the assertions and insinuations of the Opposition, and in contradiction to the efforts of the organ of the party, which for the last six months has been denouncing the Minister of Railways as corrupt in every way. There is another matter in reference to my friend from South Wentworth, to which I may be permitted to refer. It is well known that that hon. gentleman is permitted, by consent of both sides of the House, to exercise greater latitude than any other member. He is allowed to say things which no other member of this House would be permitted to say for a moment, and I do not desire to take away that privilege from him. He is an old member, having been twenty-five years in this House, and I think it is only right that he should have the privilege of expressing himself as freely as he likes. But it is a very strange physiological fact that, notwithstanding that he has been so long in this House rubbing shoulders with the first gentlemen of our land, he cannot get rid of the effects of his early training. He referred to me in this language the other day:

"When I want any information from the pocket edition of Judas Iscariot, I will ask for it."

I shall not ask him to apologise, for it matters not to me what the views or opinions of that hon. gentleman may be, as they have very little effect on any member of this House or on the country. But it is a very strange fact that a man can seldom make more than one great effort in his life. When that great culminating effort has been made, they can seldom rise above it, and the hon. member for South Wentworth has distinguished himself in the most lofty position that a man can occupy—as what? As a first-class

equine engineer. Having arrived at that position by a young and vigorous effort of his life, he finds that when some more noble sphere of life opens to him, he is unable to rise above his old occupation. His first great exertions have so exhausted all the good qualities he possessed, that he cannot do more. It appears to me that the position of certain hon. gentlemen is like the alkaline prairies where it is impossible for wheat or any other good grain to grow, and it is hardly possible that a noble or a kindly sentiment can emanate from some gentlemen, even though they associate with the first gentlemen in our country.

Mr. RYMAL. I cannot think my hon. friend from Wellington will take it as a mark of disrespect if I answer the remarks he has just made. He made a remark as to what I had done in my younger days, speaking in an insinuating manner of my equine performances. I presume that he refers to the fact that I did in my younger days own a valuable stallion. I have received the thanks of the agricultural societies in my neighborhood for having introduced and kept for breeding purposes, so valuable an animal, and I never heard any one who used that animal say he did not get value for his money. I was a young man, and then, as now, was proud of being the owner of so valuable an animal. I did, it is true, on occasions, act as groom to that horse, and I felt proud of it. I felt proud of the position I occupied at that time, much more than I do of the position I occupy at the present moment, when I find that instead of being groom to a valuable horse, I am currying down a small specimen of a jackass. Mr. Speaker, you have known me for a number of years, and I happened to be a member of the Canadian House of Commons some few years before you and I became acquainted, and I have yet to learn that my personal conduct has given offence to any gentleman with whom I have been associated during the last twenty-five years in Parliament. I did not intend in the remark I made, and to which the hon. gentleman has taken such exception, to give him any personal offence. When I was speaking he, being inspired, not by the spirit of kindness but by what I call forty-rod whiskey——

Some hon. MEMBERS. Order, order.

Mr. RYMAL. Saw fit to interrupt me, and gave me to understand that if I wanted information of a certain kind, he could give it to me.

Mr. ORTON. I rise to order. I think these are hardly the kind of remarks that should go on.

Mr. SPEAKER. I think I must stop this discussion. It is personal on both sides.

Mr. RYMAL. Very well; if you think it is proper to stop me in the middle of my reply, I think it is only proper that you should have stopped him.

Mr. SPEAKER. I think you have gone a little too far.

Some hon. MEMBERS. Go on.

Mr. RYMAL. I will drop the subject. I presume I gave him more attention than he deserves. He is a very small specimen.

Several hon. MEMBERS. Order.

Mr. RYMAL. As I have spoken at some length to him and of him, I shall say nothing more than this, that while he says my doings and sayings are a matter of perfect indifference to him, he gives the lie to what he said by his cringing, fawning and whining here to-night. When I find a man crying "mammy," who has arrived at the age of maturity, I come to the conclusion he is a baby still.

Amendment (Mr. Charlton) negatived on the following division:—

Mr. ORTON.

YEAS:

Messieurs

Anglin,	Geoffrion,	Olivier,
Bain,	Gillies,	Paterson (Brant),
Béchard,	Gillmor,	Pickard,
Blake,	Glen,	Rinfret,
Borden,	Gunn,	Robertson (Shelburne),
Bourassa,	Guthrie,	Rogers,
Brown,	Holton,	Ross (Middlesex),
Burpee (St. John),	Huntington,	Rymal,
Burpee (Sunbury),	Killam,	Scriver,
Cameron (Huron),	King,	Skinner,
Cartwright,	LaRue,	Smith,
Casey,	Laurier,	Sutherland,
Casgrain,	Macdonell (Lanark),	Thompson,
Charlton,	MacDonnell (Invesness),	Trow,
Cockburn (Muskoka),	McIsaac,	Weldon,
Dumont,	Malouin,	Wheler,
Fiset,	Mills,	Yeo.—52.
Fleming,		

NAYS:

Messieurs

Allison,	Gault,	Merner,
Arkell,	Gigault,	Méthot,
Baker,	Girouard (Jac. Cartier),	Mongenais,
Bannerman,	Girouard (Kent),	Montplaisir,
Barnard,	Grandbois,	Mousseau,
Beauchesne,	Hackett,	Muttart,
Benoit,	Hay,	Ogden,
Bergeron,	Hesson,	Orton,
Bergin,	Hilliard,	Ouimet,
Bill,	Hooper,	Patterson (Essex),
Bolduc,	Houde,	Pinsonneault,
Boultbee,	Hurteau,	Platt,
Bourbeau,	Jones,	Plumb,
Bowell,	Kaulbach,	Pope (Compton),
Brecken,	Kilvert,	Pope (Queen's),
Brooks,	Kirkpatrick,	Poupore,
Bunster,	Kranz,	Richey,
Bunting,	Landry,	Robertson (Hamilton),
Cameron (Victoria),	Lane,	Rouleau,
Carling,	Langevin,	Routhier,
Caron,	Lantier,	Royal,
Cimon,	Longley,	Ryan (Marquette),
Colby,	Macdonald (King's),	Ryan (Montreal),
Connell,	Macdonald (Sir John),	Scott,
Costigan,	McDonald (Cape Breton)	Shaw,
Coughlin,	McDonald (Pictou),	Sproule,
Coupal,	McDonald (Vict., N.S.),	Strange,
Coursol,	Macmillan,	Tassé,
Daly,	McCallum,	Tellier,
Daoust,	McCarthy,	Tilley,
Dawson,	McConville,	Tupper,
Desaulniers,	McCuaig,	Valin,
Desjardins,	McDougall,	Vallée,
Domville,	McGreevy,	Vanasse,
Doull,	McInnes,	Wade,
Dugas,	McLennan,	Wallace (Norfolk),
Elliott,	McLeod,	Wallace (York),
Farrow,	McQuade,	White (Cardwell),
Ferguson,	McRory,	White (Renfrew),
Fitzsimmons,	Manson,	Williams,
Fortin,	Massue,	Wright.—124.
Fulton,		

Mr. ROSS (Middlesex). By the Railway Act of 1879, the conditions upon which tolls are levied upon the freight and passengers conveyed by the railways in the Dominion are prescribed. The first condition with which a railway has to comply, before it can levy tolls, is that these tolls should be advertised in the *Canada Gazette*. The second is that they should be approved by the Governor in Council. The Railway Act gives the Governor in Council power to amend these tolls, from time to time, irrespective, entirely, of the profits of the railway companies. It further provides that when the profits of a company exceed 15 per cent. on the money actually expended in the construction of the road, or 15 per cent. of the net income, then Parliament may deal in the matter under certain conditions. First, the consent of the company is prescribed in sub-section 11 of section 17; secondly, Parliament cannot deal with the freight charges or tolls—without the consent of the company, as I have said—so as to produce less than 15 per cent. per annum profit on the capital expended on the construction of the road; third, Parliament cannot interfere unless, after an examination made by

the hon. Minister of Public Works of the amount received and expended by the company, the net income from all sources for the year last passed is found to have exceeded fifteen per cent of the capital so actually expended. By the Act of incorporation which we are considering in connection with this contract, it is provided that the power conferred on Parliament by the Railway Act of 1879, is limited not to fifteen per cent. as originally in the Railway Act, but to ten per cent. Under this clause in the Act of incorporation, it is held by hon. gentlemen opposite that the conditions under which this railway company exacts its tolls and freight are more favorable to the public than the conditions of the Railway Act as applied to other railways; and it is held that this is a commendatory element in the Act of incorporation. It is held in the second place, that these restrictions are sufficient to prevent extortionate rates of tolls and charges by the Canadian Pacific Railway. I will consider both these propositions separately. In regard to the first, I would say that the conditions of the two railways are entirely different. The Railway Act of 1879 applies to all the railways of the Dominion. These are railways constructed mainly by private capital. The railway we are considering here will be built by the capital of the people of this Dominion, and a rate that would be just and fair as applied to a railway built by a private company might not necessarily be just and fair as applied to a railway built by the Dominion. Whether this condition would prevent extortionate rates being levied, I will next consider. I cannot see that this provision of the Act of incorporation will serve that purpose. In the first place, the Company will have an almost unlimited monopoly of the trade of the North-West. While the other railways in the Dominion are subject to all the contingencies of competition, this Company is subject to no such contingency whatever. It will have control of all the trade that will spring up in this great territory extending over some 250,000,000 acres. The two cases are not parallel. In the one we have a railway 2,700 miles long having the monopoly of the trade of the fertile prairies of the North-West; in the other we have a number of railways competing with each other, and whose combined length is 6,784 miles, three times that of this line, and which draw their trade from an area not as great as that of the country through which this line will draw its trade. Take the area of the eight States: Ohio, Indiana, Illinois, Michigan, Iowa, Wisconsin, Missouri and Pennsylvania, and you have there an area of country not larger than our North-West. These States are supplied with railway facilities to the extent of 38,422 miles in length.

Mr. JONES. What is the population of those States?

Mr. ROSS. Something like 10,000,000 or 12,000,000. I have not the figures before me. The hon. gentleman will find the population on referring to the census of 1880, taken recently. I was going to say that these eight States have a railway mileage of 38,422 miles, and this area is not greater than that of the North-West. We are only furnishing this large area with a railway mileage, counting the whole extent of the Canadian Pacific road of 2,700 miles. Inasmuch as this railway has no competition practically, I consider the provisions of this Act of incorporation do not adequately protect the public from such rates and charges as might interfere with the full development of that country, and if you consider the cost of running a mile of railway, and the gross earnings of the railways of Canada, you will see to what an extent these extortions can be carried. The railways of Canada cost on an average $2,496 a mile to run; if the Canadian Pacific cost at the same rate per mile to run with our other railroads last year, the total would be $6,739,200.

Mr. PLUMB. I want to know how the hon. gentleman reconciles that with the statement that was made by one of his leaders yesterday, to the effect that only one train a day would carry all the traffic of the Canadian Pacific Railway?

Mr. ROSS. I am speaking of the Canadian Pacific Railway as it is expected to turn out by hon. gentlemen opposite, a great railway carrying a large amount of freight, equal in proportion and similar in expense to the other railways of the Dominion. I am not assuming that the Canadian Pacific Railway will earn less or be less valuable than the other railways. If its earnings are as good as the others, they will reach $8,296,200, or a difference between its earnings and expenses of enough to yield a profit of only 2 per cent. on a capital of $80,000,000. Now, in order that the Canadian Pacific Railway may earn a profit of 10 per cent. on the cost of construction it will need to earn double as much as the other railways, and to do so must charge for freight twice as high as their rates. I am directing the attention of the member for Niagara to the position in which the trade of the country will be placed before the limitation of even 10 per cent. would cut down the charges of the Canadian Pacific Railway—that is, to the fact the charges of this railway will need to be twice as high for passengers and freight as the average charges of the other railways in the Dominion, and if he is prepared to vote that it shall have a monopoly so tremendous in its effects upon the carrying trade of this country, he possesses a temerity I did not expect.

Mr. PLUMB. What would have been the position of a Government railway which had to be run through that country? It would have had to earn money to support itself, and to make the same charges.

Sir RICHARD J. CARTWRIGHT. I rise to a point of order; the hon. gentleman is making a speech. Instead of asking a question, he is interjecting a speech.

Several hon. MEMBERS. Order, order.

Mr. SPEAKER. The hon. gentleman gave way to the hon. member for Niagara.

Mr. ROSS. It seems to me very hard for the hon. member for Niagara to keep quiet while hon. gentlemen are speaking. He can make a speech, if he likes, when I have finished. The 20th section of the Act of incorporation provides as follows:—

"The limit to the reduction of tolls by the Parliament of Canada, provided for by the eleventh sub-section of the 17th section of the Consolidated Railway Act, 1879, respecting tolls, is hereby extended, so that such reduction may be to such an extent that such tolls when reduced shall not produce less than ten per cent. per annum profit on the capital actually expended in the construction of the railway, instead of not less than fifteen per cent. per annum profit, as provided by the said sub-section; and so also that such reduction shall not be made unless the net income of the Company, ascertained as described in said sub-section, shall have exceeded ten per cent. per annum, instead of fifteen per cent. per annum, as provided by the said sub-section. And the exercise by the Governor in Council of the power of reducing the tolls of the Company, as provided by the tenth sub-section of said section seventeen, is hereby limited to the same extent with relation to the profit of the Company, and to its net revenue, as that to which the power of Parliament to reduce tolls is limited by said sub-section eleven as hereby amended."

By this contract the railway company must earn over and above running expenses a clear profit of ten per cent. on the sum actually expended in construction, Now, what is included under that head? As I understand it, there is a clear profit over and above the cost of running the railway, and the sums expended on engine hire, keeping up the road-bed, on wages, and all the incidentals appertaining to the railway. Take the report of the Minister of Railways. Under the head of running exponses on the Intercolonial Railway, as found in the different schedules, I notice the following:—Schedule 3, includes in running expenses, locomotive power, wages of mechanical superintendent, drivers, firemen, and cleaners, repairs to engines, tenders and engine tools, water, including pump and tank repairs. Under abstract No. 2 I find further particulars, including

repairs to passenger cars, postal cars, wages of conductors, train baggage masters, and brakesmen, small stores and fuel. I see, engineers' salary; clerk's office and dwelling expenses; wages in repairing roadways, fences and semaphores; timber, lumber &c., for repairs to bridges, cattle-guards, crossings, snow-sheds, fences &c., clearing ice and snow. I see, again, several charges for station masters and telegraph operators; fuel, oil, light, stationery, tickets and other incidental expenses. I see also, damages to men, animals and goods; salaries of accountant, auditor, paymasters and cashiers, clerks, printing, advertising and other expenses. The House will see, then, that under the head of running a railway is included everything that can possibly be considered as necessary to the running of the road. Before Parliament can restrict the Pacific Railway to the ten per cent. laid down in this section, all those expenses must be first deducted, and a clear net profit of ten per cent. on the sum of money actually expended on the construction of the road must remain. While this might be a legitimate restriction on a railway built by a private company, it seems to me it is hard for the people of Canada first to give to this Company the amount of money they may require to build the road, and then to be subjected to such tolls and charges as may be required before that profit can be realized by the Company. I consider it is unfair to place Parliament in the position of making the Company a present of the road and enable them to make ten per cent. on the capital with which we furnish them, and on that account I beg to move the following amendment :—

That the contract respecting the Canadian Pacific Railway provides, that Parliament shall not have power to interfere with the tolls, charged by the Company, unless the same produce, first the working expenses of the whole line, including the British Columbia and Lake Superior sections, which working expenses comprise all expenses of maintenance of the railway and of the stations, buildings, workshops and appurtenances belonging thereto, and the rolling-stock and other stock and movable plant used in the working thereof, and also hire of engines, rents, charges and interest on lands not paid for, and all expenses incidental to working the railway and the traffic thereon, including stores and all consumable articles, and also rates, taxes, insurance and compensation for accidents or losses, also all salaries and wages of persons employed in connection with the railway or traffic, and all office and management expenses, including directors' fees, agency, legal and other like expenses, and thereafter a profit at least of 10 per cent. on the capital expended on the construction of the railway which includes the public money and the proceeds of the public lands so expended, thus restraining Parliament from interfering unless the Company receives at least $8,000,000 a year profit, on a private capital of merely nominal amount; the Parliament ought to have power to regulate the tolls on the railway from time to time, as and when the public interest requires, and that the contract is, in this respect, objectionable

Mr. STRANGE. I cannot allow this amendment to pass without offering one or two comments on it, as hon. members on this side of the House are asked to stultify themselves to a certain degree by the votes they are about to give. The amendment moved by the hon. member for West Middlesex (Mr. Ross) is a specious form of casuistry, and ignores altogether the explanation given to the House by the right hon. the First Minister. When the hon. member for Halton (Mr. Macdougall) was speaking the other evening, the right hon. leader of the House stated that the Minister of Railways intended to introduce in the General Railway Act, this Session, a clause specifying that 10 per cent. chargeable on capital, was to be on the capital actually expended by the Company in the construction of the railway. Now, that does not involve or include grants made by this Parliament to the Company, but it only covers the actual amount of capital expended by the Syndicate in the construction of the railway. So that although the amendment may appear on the face of it to be a very good motion, still it is one which hon. members on this side of the House are able to vote down in view of the statement made by the leader of the Government. The various items of expenditure mentioned by the hon. member for West Middlesex, are chargeable to income, not to capital; they are all included in the working expenses of any

railway. After the ordinary working expenses are paid, and the income of the road is sufficient to pay 10 per cent. on capital expended, then Parliament has the power to reduce the rates of toll on the railway. I think no hon. gentleman on this side of the House can hesitate to vote down the amendment, because it is a specious amendment, one not made in good faith, but for the purpose of deceiving hon. gentlemen on this side of the House.

Mr. PLUMB. After the remarks made by the hon. member for South Huron (Mr. Cameron), I wish to say simply a word. The time has passed when that hon. gentleman by his nod or frown can bring sufficient force at his back to prevent discussion in the House on any topic which is not out of order and not unparliamentary. I stated that the hon. gentleman had said that the Pacific Railway would not do any large amount of business, and not run one train a day. Here are the words of the hon. gentleman as recorded in the Commons "Debates":

"I doubt very much whether it will be found desirable to run even one train per day, if that line is ever opened for ten years to come."

Sir RICHARD J. CARTWRIGHT. Over what part of the line?

Mr. PLUMB. It is a part of the line north of Lake Superior. The hon. gentleman can have the benefit of that explanation, and I will also say that the hon. gentleman who preceded the hon. member for West Middlesex (Mr. Ross) in moving a resolution said, that in consequence of railway monopoly, that western country would be shut up entirely. He led us to infer that no business would be done on the prairie line.

Sir RICHARD J. CARTWRIGHT. What I said I repeat: that I did not believe that when the North Shore section is completed—those 650 miles north of Lake Superior—it would be able to run one train a day, owing to the competition it would have. As to the Canadian Pacific Railway in general, I said nothing.

Amendment (Mr. Ross, Middlesex) negatived on the following division :—

YEAS:

Messieurs

Anglin,	Geoffrion,	Olivier,
Bain,	Gillies,	Paterson (Brant),
Béchard,	Gillmor,	Pickard,
Blake,	Glen,	Rinfret,
Borden,	Gunn,	Robertson (Shelburne),
Bourassa,	Guthrie,	Rogers,
Brown,	Holton,	Ross (Middlesex),
Burpee (St. John),	Huntington,	Rymal,
Burpee (Sunbury),	Killam,	Scriver,
Cameron (Huron),	King,	Skinner,
Cartwright,	LaRue,	Smith,
Casey,	Laurier,	Sutherland,
Casgrain,	Macdonell (Lanark),	Thompson,
Charlton,	MacDonnell (Inverness),	Trow,
Cockburn (Muskoka),	McIsaac,	Weldon,
Dumont,	Malouin,	Wheler,
Fiset,	Mills,	Yeo.—52.
Fleming,		

YEAS:

Messieurs

Allison,	Gault,	Massue,
Arkell,	Gigault,	Merner,
Baker,	Girouard (Jac. Cartier),	Méthot,
Bannerman,	Girouard (Kent),	Mongenais,
Beaty,	Grandbois,	Montplaisir,
Beauchesne,	Hackett,	Mousseau,
Benoit,	Hay,	Muttart,
Bergeron,	Hesson,	Ogden,
Bergin,	Hilliard,	Orton,
Bill,	Hooper,	Ouimet,
Bolduc,	Houde,	Patterson (Essex),
Boultbee,	Hurteau,	Pinsonneault,
Bourbeau,	Jones,	Platt,
Bowell,	Kaulbach,	Plumb,
Brecken,	Kilvert,	Pope (Compton),
Brooks,	Kirkpatrick,	Pope (Queen's),
Bunster,	Kranz,	Poupore,

Bunting,	Landry,	Richey,
Cameron (Victoria),	Lane,	Robertson (Hamilton),
Carling,	Langevin,	Rouleau
Caron,	Lantier,	Routhier,
Cimon,	Little,	Royal,
Colby,	Longley,	Ryan (Marquette),
Connell,	Macdonald (King's),	Ryan (Montreal),
Costigan,	Macdonald (Sir John),	Scott,
Coughlin,	McDonald (Cape Breton),	Shaw,
Coupal,	McDonald (Pictou),	Sproule,
Coursol,	McDonald(Vict., N.S.),	Strange,
Daly,	Macmillan,	Tassé,
Daoust,	McCallum,	Tellier,
Dawson.	McCarthy,	Tilley,
Desaulniers,	McConville,	Tupper,
Desjardins,	McCuaig,	Valin,
Domville,	McDougall,	Vallée,
Doull,	McGreevy,	Vanasse,
Dugas,	McInnes,	Wade,
Elliott,	McLennan,	Wallace (Norfolk),
Farrow,	McLeod,	Wallace (York),
Ferguson,	McQuade,	White (Cardwell),
Fitzsimmons,	McRory,	White (Renfrew),
Fortin,	Manson,	Williams.—124.
Fulton,		

Mr. SCRIVER. Mr. Speaker, I shall not trespass on the attention of the House at this late hour for a great length of time. Those who have known anything of my habits in this House will give me the credit for one merit at least, a merit not too common among my fellow-members—that of brevity. There are special reasons why I should exercise that virtue to-night in a greater degree than usual. The importance to this Dominion of the Canadian Pacific Railway can hardly be over-estimated. If we have any future before us at all the success of that future lies in our being able to fill up the great North-West with a population who, by their labor and energy, shall contribute to the resources of this country. For this reason I consider it extremely important that the route to be taken by this railway shall be chosen with special reference to the attractions it may offer to emigrants from abroad. I consider it of special importance that the road should be built through a country the most eligible for settlement. This is, perhaps, the most important question to be considered with reference to this railway. Of course, it is also of consequence that this road should eventually become, consistently with the other points I have mentioned, a rival to the railways across the border for the trans-continental trade. It is pretty well settled now that the construction of this railway shall be put into the hands of a company. We are aware, from what we have seen of this contract, that great privileges have been given to the Company—some privileges very objectionable, some more so than others. Some of these objections have already been discussed and pronounced upon by this Parliament. The one feature to which I wish to call the attention of this House, is the privilege which is given to the Company, with scarcely any restriction, of selecting such a route as they may see fit. It is true that the contract makes this selection subject to the approval of the Government in Council, but those who have paid any attention to the past history of this country, know how little reliance is to be placed upon such a provision when the proposed restriction is attempted to be exercised against the wish of a powerful corporation. But more than that, we have the statement of the Minister of Railways himself, leading us to believe that the present Government, at all events, will not attempt to exercise any restriction upon the choice of route. He has told us that this Company will be much better qualified than the Government or the House to make the selection of the route, that it will be for their interest to select the best route, and therefore it would not be wise to exercise any restraint upon their choice. I grant that under certain circumstances this would be a reasonable view of the case. If the contract had been with residents of this Dominion, or even with foreigners, whose interests in the choice of a route would not conflict with the interests of the country, then I grant it would be quite safe to leave it to their judgment. But when we consider that this contract has been made with a company having interests at conflict with those of the country, who are already proprietors of a railway in a foreign country, the question assumes an entirely different aspect. The St. Paul, Minneapolis and Manitoba Railway published, not very long ago, a map, showing their existing line, their connections, and some of the extensions of their line in future. I have been told that as soon as this contract was made it has been very difficult to find a copy of this map; that they have suddenly and mysteriously disappeared from circulation. A few of them, however, could not be recalled, and one of these maps I have before me. This map clearly indicates that it is the intention of this Company to divert the traffic of our great North-West, southward over their road and so to Chicago and New York. The proposed Canadian Pacific Railway is shown on the map as running from Winnipeg to the Pacific Ocean, a very small portion indeed of the eastern line is represented upon the map, and both lines are represented substantially as feeders to the St. Paul, Minneapolis and Manitoba Railway. Upon this map also are indicated two lines extending north-westward from the main line between St. Paul and Winnipeg, and some distance south of the frontier, towards the Canadian boundary. This line, if constructed, will run from the Canadian boundary to the main line of the St Paul, Minneapolis and Manitoba Railway, and if the northern one is extended down to Duluth, it would make a very direct line indeed from the boundary between Minnesota and the North-West Territory to Duluth. Compared with the line to Thunder Bay, provided the Canadian Pacific Railway were to run within forty or fifty miles of this frontier, and then connect with these extensions I have referred to, the distance in favor of the line to Duluth would be at least 100 miles. So that, so far as the interests of the country are concerned, and as regards the traffic especially, before the eastern and western portions of it are finished it would be plainly the interest of this company to deflect the line southward instead of building the road already indicated. As I said before, there are practically no restrictions placed upon the Company with regard to this route—nothing but the clause making the route subject to the approval of the Governor in Council. Our friends on the opposite side, in discussing this question, have referred frequently to the Act of 1874, and have tried to find in many clauses of this Act a justification for many of the features of the contract. There is one feature in that Act which it would have been well, I think, to have introduced into this contract, and which the Government have neglected to introduce—that is, the feature which makes the selection of the route subject to the approval of Parliament. There is a clause in that Act which requires all contracts to lie on the Table of the House for one month, if not sooner approved of by resolution, before they are confirmed. I think it would have been judicious, to say the least, if that feature of the law had been incorporated in the present contract; and in order to afford this House an opportunity of expressing an opinion on that point. I propose to submit an amendment which reads as follows:—

That the said resolutions be not now read a second time but that it be resolved, That the contract respecting the Canadian Pacific Railway permits the Company to lay out the line of the railway as they may see fit subject to the approval of the Governor in Council, preserving only the following terminal points—Callendar Station to a point of junction with the Lake Superior section, and Selkirk to the junction with the western section by way of the Yellow Head Pass; that the latitude thus allowed would enable the Company to deflect the line through the prairie country in such a manner as largely to defeat the main object of establishing a great central road through the North-West, as is proposed by the route now adopted; that no substantial change should be made in the route

without the sanction of Parliament, and that the contract is, in this respect, objectionable.

Amendment (Mr. Scriver) negatived on the following division :—

YEAS :

Messieurs

Anglin,	Geoffrion,	Olivier,
Bain,	Gillies,	Paterson (Brant),
Béchard,	Gillmor,	Pickard,
Blake,	Glen,	Rinfret,
Borden,	Gunn,	Robertson (Shelburne),
Bourassa,	Guthrie,	Rogers,
Brown,	Holton,	Ross (Middlesex),
Burpee (St. John),	Huntington,	Rymal,
Burpee (Sunbury),	Killam,	Scriver,
Cameron (Huron),	King,	Skinner,
Cartwright,	LaRue,	Smith,
Casey,	Laurier,	Sutherland,
Casgrain,	Macdonell (Lanark),	Thompson,
Charlton,	MacDonnell (Inverness),	Trow,
Cockburn (Muskoka),	McIsaac,	Weldon,
Dumont,	Malouin,	Wheler,
Fiset,	Mills,	Yeo.—52.
Fleming,		

NAYS :

Messieurs

Allison,	Fulton,	Merner,
Arkell,	Gault,	Méthot,
Baker,	Gigault,	Mongenais,
Bannerman,	Girouard (Jac. Cartier),	Montplaisir,
Barnard,	Girouard (Kent),	Mousseau,
Beaty,	Grandbois,	Muttart,
Beauchesne,	Hackett,	Ogden,
Benoit,	Hay,	Orton,
Bergeron,	Hesson,	Ouimet,
Bergin,	Hilliard,	Patterson (Essex),
Bill,	Hooper,	Pinsonneault,
Bolduc,	Houde,	Platt,
Boultbee,	Hurteau,	Plumb,
Bourbeau,	Kaulbach,	Pope (Compton),
Bowell,	Kilvert,	Pope (Queen's),
Brecken,	Kirkpatrick,	Poupore,
Brooks,	Kranz,	Richey,
Bunster,	Landry,	Robertson (Hamilton),
Bunting,	Lane,	Rouleau,
Cameron (Victoria),	Langevin,	Routhier,
Carling,	Lantier,	Royal,
Caron,	Little,	Ryan (Marquette),
Cimon,	Longley,	Ryan (Montreal),
Colby,	Macdonald (King's),	Scott,
Connell,	Macdonald (Sir John),	Shaw,
Costigan,	McDonald (Cape Breton)	Sproule,
Coughlin,	McDonald (Pictou),	Strange,
Coupal,	McDonald (Vict., N.S.),	Tassé,
Coursol,	Macmillan,	Tellier,
Daly,	McCallum,	Tilley,
Daoust,	McCarthy,	Tupper,
Dawson,	McConville,	Valin,
Desjardins,	McCuaig,	Vallée,
Domville,	McGreevy,	Vanasse,
Doull,	McInnes,	Wade,
Dugas,	McLennan,	Wallace (Norfolk),
Elliott,	McLeod,	Wallace (York),
Farrow,	McQuade,	White (Cardwell),
Ferguson,	McRory,	White (Renfrew),
Fitzsimmons,	Manson,	Williams.—122.
Fortin,	Massue,	

Mr. GUTHRIE. Mr. Speaker, in one respect the members of the first Syndicate and I agree. We agree that the Governor in Council is, in the words of the late Sir George Cartier, a great institution. I do not agree with some remarks which fell from the hon. member for Huntingdon (Mr. Scriver), although I supported his amendment, in despising the power of the Governor in Council. I find that in this bold attempt to create a despotic power in a free State, every avenue, every road to liberty has been closed. I find that not only is the arm of Parliament paralyzed, as has been well pointed out by my hon. friend from West Middlesex (Mr. Ross); not only are the settlers in that country to be deprived of the right that every settler in Canada has hitherto enjoyed—of being able to provide a way of ingress and egress for himself—but the power of the Governor in Council is to be surrendered, so that this Syndicate may have the right to levy tolls upon the people of the North-West at their own sweet will. So short a time ago as two years the hon. Minister of Railways announced the policy of the Government with respect to all railways subject to our control to be that, so far as tolls were concerned, every by-law fixing and regulating them should be subject to revision by the Governor in Council, from time to time, after approval thereof. The present Government and this House deliberately settled the policy, that should apply to every railway subject to the Dominion, to be that the Governor in Council should have from time to time full control over the matter of tolls and rates to be charged by railways. In order that nothing should be wanting to enable this Company to exercise the utmost power in the matter of charges that they saw fit, not only over settlers in the North-West, but over all manufacturers, merchants and others trading there, this contract provides that that clause which is applicable to every other railway in the Dominion shall not apply to this precious Company—that a clause which binds all railways built out of private resources, shall not apply for the protection of the public to the railway constructed out of the public purse. We have heard a good deal in the way of attempts to answer arguments advanced from this side of the House against this contract, but not a single argument has been advanced to show why this Company, who are to be presented with the railway, and enormous bonuses and privileges in addition, should be exempted from that provision to which every other railway is subject. We are told that the General Railway Act is to be amended. The promised amendment, whatever it may be—and when it comes down, we shall be in a position to discuss it—will not touch in any shape the matter to which I have referred. It does not seek to abolish the extraordinary power which the present contract bestows on this Company. I do not know how far such an amendment will apply to this contract at all. The contract itself says that it is only to be binding upon the parties if an Act is passed incorporating a company in the terms and language of the schedule to that contract; and it is quite clear that that schedule refers to the present Railway Act, not to a future amendment of it; and unless the members of the old Syndicate unanimously consent to the adoption of the proposed amendment it will be utterly futile. However that may be, we shall discuss that amendment when it is proposed; but even so far as it has been foreshadowed in the remarks of the First Minister last Friday it does not touch the point to which I have referred. Now, I say it is perfectly monstrous to ask this House to limit in favor of this Company the power of the Governor in Council from time to time to reduce their tolls; that is a power to which every other regular company is subject, and no reason is advanced why this Company should be exempted from it. While I feel that hon. gentlemen opposite have made up their minds to vote down every amendment I am satisfied that when they come to consider this, they will be unanimous in agreeing that it is a reasonable amendment, and that this extraordinary, exceptional, unjust power should not be granted to this Company. I, therefore, move :

"That by the Consolidated Railway Act, 1879, it is provided that every By-law fixing and regulating the tolls to be taken by a railway company, shall be subject to revision by the Governor in Council from time to time, after approval thereof.

"That the exercise by the Governor in Council of the power of reducing tolls under the said Act, is by the contract respecting the Canadian Pacific Railway limited as regards the said Company to such extent, that the tolls when reduced shall not produce less than 10 per cent. per annum profit on the capital actually expended in the construction of the railway, and that the net income of the Company from all sources shall not be less than 10 per cent. on the capital so expended.

"That the said contract thus limits in favor of the Canadian Pacific Railway Company the powers given to the Governor in Council in the case of other railway companies, and gives to the Company whose road is to be built so largely at the public cost an extraordinary privilege, and withdraws from the public the protection provided for them in the case of other railways which may be built solely out of private resources.

"That the Governor in Council shall have in the case of the Canadian Pacific Railway Company the same unrestricted power which is possessed in the case of such other railways of revising from time to time, as the public interest may require, any tariff of tolls, and that the contract is, in this particular, objectionable."

Amendment (Mr. Guthrie) negatived on the following division:—

YEAS:

Messieurs

Anglin,	Geoffrion,	Olivier,
Bain,	Gillies,	Paterson (Brant),
Béchard,	Gillmor,	Pickard,
Blake,	Glen,	Rinfret,
Borden,	Gunn,	Robertson (Shelburne),
Bourassa,	Guthrie,	Rogers,
Brown,	Holton,	Ross (Middlesex),
Burpee (St. John),	Huntington,	Rymal,
Burpee (Sunbury),	Killam,	Scriver,
Cameron (Huron),	King,	Skinner,
Cartwright,	LaRue,	Smith,
Casey,	Laurier,	Sutherland,
Casgrain,	Macdonell (Lanark),	Thompson,
Charlton,	MacDonnell (Inverness),	Trow,
Cockburn (Muskoka),	McIsaac,	Weldon,
Dumont,	Malouin,	Wheler,
Fiset,	Mills	Yeo.—52.
Fleming,		

NAYS:

Messieurs

Allison,	Fulton,	Massue,
Arkell,	Gault.	Merner,
Baker,	Gigault,	Méthot,
Bannerman,	Girouard (Jac. Cartier),	Mongenais,
Barnard,	Girouard (Kent),	Montplaisir,
Beaty,	Grandbois,	Mousseau,
Beauchesne,	Hackett,	Muttart,
Benoit,	Hay,	Ogden,
Bergeron,	Hesson,	Orton,
Bergin,	Hilliard,	Ouimet,
Bill,	Hooper,	Patterson (Essex),
Bolduc,	Houde,	Pinsonneault,
Boultbee,	Hurteau,	Platt,
Bourbeau,	Jones,	Plumb,
Bowell,	Kilvert,	Pope (Compton),
Brecken,	Kirkpatrick,	Pope (Queen's),
Brooks,	Kranz,	Poupore,
Bunster,	Landry,	Richey,
Bunting,	Lane,	Robertson (Hamilton),
Cameron (Victoria),	Langevin,	Rouleau,
Carling,	Lantier,	Routhier,
Caron,	Little,	Royal,
Cimon,	Longley,	Ryan (Marquette),
Colby,	Macdonald (King's),	Ryan (Montreal),
Connell,	Macdonald (Sir John),	Scott,
Costigan,	McDonald (CapeBreton),	Shaw,
Coughlin,	McDonald (Pictou),	Sproule,
Coupal,	McDonald (Vict., N.S.),	Strange,
Coursol,	Macmillan,	Tassé,
Daly,	McCallum,	Tellier,
Daoust,	McCarthy,	Tilley,
Dawson,	McConville,	Tupper,
Desaulniers,	McCuaig,	Valin,
Desjardins,	McGreevy,	Vallee,
Domville,	McInnes,	Vanasse,
Doull,	McKay,	Wade,
Dugas,	McLennan,	Wallace (Norfolk),
Elliott,	McLeod,	Wallace (York),
Farrow,	McQuade,	White (Cardwell),
Fitzsimmons,	McRory,	White (Renfrew),
Fortin,	Manson,	Williams.—123.

Mr. CASGRAIN. I am going to move an amendment which cannot fail to meet the support of both sides of the House, which will meet the approval of the leader of the Government, and to the principle of which the hon. member for North Simcoe is committed, since it is embodied in a Bill that he has introduced in this House with, no doubt, the approval of the First Minister. The more closely we look into this contract, whether to its provisions, or its omissions, the more we discover how far its practical operation will seriously affect and injure the general welfare of the public. One of the grave omissions in this contract is the want of a proper commission or machinery to regulate the management of this railway. This road must be managed so as to secure reasonable rates of freight, and proper accommodations and terminal facilities for the public. The interest of the public is paramount to that of the Syndicate. Railway Commissions, though new to this country, are not unknown elsewhere, for many States in the American Union have such organizations, to say nothing of the example of the Mother Country. The hon. member for North Simcoe (Mr. McCarthy) has a Bill before the House on that subject, but it may not become law, it may be rejected by the House. The General Railway Act of 1869 contains no provision for anything of the kind. It is said that amendments to the contract will be made under this Act, but one must bear in mind that the Syndicate and the Government are contracting parties, and since they have signed the contract it is binding upon both parties. But might is not right. We will not be in a position to divest these parties of their legal and moral rights; and the Government would be bound to carry out the provisions of the contract in their entirety. That is a proposition which cannot be denied. The obligation is a legal and moral obligation, and the good faith and honor of the country is at stake. A somewhat analogous case was before the Supreme Court lately, between the Government of Quebec and the North Shore Turnpike Debenture holders. The Syndicate will recognize nothing but their contract, and they will act rightly to do so. In the English House of Commons, in 1873, an important debate took place on the Railway, Canal and Telegraph Bill. I will refer you now to the speeches of Mr. Chichester Fortescue, in 1854:

"That every railway company should be compelled to afford full advantage of convenient interchange from one system to another, to give every class of traffic fair facilities, and especially to observe the rule of equal charges, under similar circumstances. But as to securing the equal treatment of company by company, or the free and uninterrupted forwarding of traffic over all the lines which Parliament had sanctioned, the success of the Act had been most imperfect. In controling the dealings of company with company, the Act had been to a great degree a dead letter. This point was very fully examined into and proved before the Committee of last year. This want of success was, in the opinion of the Committee, due to two causes, one the want of more specific enactments within the Act itself, the other the want of an authority better fitted for putting the Act in motion and carrying its intentions and provisions into effect."

As a result of this, a committee was appointed, and upon their report a Commission was appointed. A question arose as to whether that Commission would conflict with the judicial tribunals of the country, and whether the ordinary Courts should take cognizance of cases arising under the Act. Lord Campbell on this point said:

"That was not a code which the judges could interpret; it left them altogether to exercise their discretion as to what they might deem reasonable. The judges, and himself among them, felt themselves incompetent to decide on these matters. He confessed he was wholly unacquainted with railway management; he knew not how to determine what was a reasonable fare, what was undue delay, etc. They should have a lay tribunal for the decision of questions of the nature contemplated by the Bill, and not one composed of the judges."

In consequence it was resolved to appoint a Commission, and the Bill of 1873 was passed to that effect. In our own country we want a similar Commission. The proposition for such a Commission is not new. In England the first Act regulating railway and canal traffic was passed in 1854, and in 1873 a supplementary Act was passed. In the State of New York, also, a similar Commission was appointed by the Legislature in 1880, and I have had occasion to examine their report. It is certainly a very considerable report and shows how these things are looked upon there, and in what a business-like manner the Americans do these things. In this report, all the abuses which arose out of railway management are set forth, and the proper remedy is suggested. The remedy is these commissions, which were created by several of the State Legislatures, and which avoided an immense quantity of trouble and legislation, and prevented the pooling of profits. The effect of these com-

missions in preventing unjust discrimination is shown in this report, as follows :—

"The charge that the railroads of this State discriminate against the citizens of the State, and in favor of western and foreign producers, is fully proven by the evidence taken. The charge that they discriminate against certain localities in the State, as compared with others, is fully proven. The charge that they discriminate in favor of certain individuals, as compared with others in the same locality, is fully proven.

"Every man who pays the tariff rate is discriminated against, when any man is given a special rate on a similar shipment.

"The tariffs of the several roads all recognize distance as a controlling element, and in no case do they make the longer haul cost less than the shorter. They conform generally to the popular conception of what a railroad tariff ought to be. Special rates conform to no system and vary without rule, and of these exclusively we now speak. A special variation of the schedule rate, made alike to the general public, and without discrimination, is free from objection."

I shall quote from that work on page 50:

"In July last, during a war of rates, wheat was carried from Chicago to New York for ten cents per hundred. In August it was put up to fifteen cents, a "living rate." A short European harvest created an unusual demand—a bountiful harvest here created an extraordinary supply. The carrying capacity of all roads leading to the seaboard was taxed to the utmost. The rates were gradually raised from fifteen cents in August, to forty cents, in November. It cost the road just as much to haul a hundred pounds of grain in August as in November. The rate was raised simply because the condition of the market warranted it and the product could bear it. It would be difficult to make a criticism upon that raise which public judgment would sustain. But we are distinctly told that public interest plays an insignificant role in the theatre of railroad management. It is at best but a servant waiting upon the interest of the stockholders. The wrong consists in exercising a censorship over the business affairs of the community, secretly, arbitrarily and unequally varying rates, building up this, developing that—not only performing the proper functions of transportation, but taking into consideration the probable or possible profit of a shipment, and adjusting their rates accordingly. If the shipper is likely to make a large profit, they compel him to divide; if the margin is a close one, they determine whether the shipment shall be made or not, whether it shall result in a profit or loss, and the amount of profit or loss. Thus, under this system of management and this method of giving rates is every merchant every manufacturer, every shipper, and through them every individual along the 5,550 miles of railroad in this State, with its five hundred millions of capital measurably in the power of these corporations. Conciliate their goodwill, court their favor, and favorable rates will follow; incur their hostility, and the margin of their displeasure may be read on your freight bills."

I do not apply this alone to the Canadian Pacific Railway, but to all our Canadian railways. I was told at the office of L'Islet Station, in 1878, that a barrel of flour was carried from Chicago to Halifax for 75 cts., while it cost $1 to Quebec. I was informed on good authority that a barrel of flour was carried on the Grand Trunk, joining the Intercolonial Railway, both railways pooling for 75 cts. to Halifax, while we pay a dollar to Quebec. I call that discriminating. This proposition to make a Railway Commission is opposed by all the railways in the country. They are afraid it would interfere with their profits, which is just the reason why we should establish it. The duties of these Commissioners should be a general supervision of all the railroads, to see how they are operated with reference to the security of passengers and the accommodation of the general public, and as to how they comply with their original charters. They ought to investigate into accidents to life and property, and to assess summary damages in such cases, and to direct the proper legal proceedings in the event of the neglect of the Railway Act. They should have the right to order the necessary repairs, addition to rolling stock, stations and terminal facilities for freight and passengers, with which to enforce their regulations. They ought to prepare fixed rates according to distances, as in the United States, and should have the jurisdiction extended to telegraph and general monopolies, with power to enforce their regulations. If the Commissioners be appointed they must receive indemnity from the Government, but none from any railway company—not even a pass. In the United States the receiving of a small gift or pass amounts to a misdemeanor, and entails loss of office. The reports of the United States railways are much shorter and much better compiled than ours. It is the duty of these Commissions to make and supervise their reports, which carry an authority with them wherever they appear. If you consider the enormous interests which are involved, whether this railway is built by the Sault or by the proposed line, you will understand the enormous interests which the Government have in the railway if properly managed. It will be the only outlet for the North-West. I say this, that if the men engaged in the enterprise are men of commercial shrewdness, they will select Quebec as the outport of this Dominion. We have heard a good deal about Halifax and St. John, but the best inland port in this Dominion is Quebec, because you have there those deep waters which are required for the purposes of a port of that kind. I beg pardon of the House for the discursory nature of my remarks, but that is a necessary consequence of the interruptions to which I have been subjected. I, therefore, move:

That the contract respecting the Canadian Pacific Railway makes no provision for the establishment of an Executive Commission or other machinery for regulating the tolls and securing proper accommodation to the public on the railway which is to be built practically at the public cost; that such provision should be made, and that the contract is, in this respect, objectionable.

Mr. VALIN. Mr. Speaker, after the magnificent speeches made by the hon. the Minister of Railways, the admirable speech of the hon. Mr. Langevin, I was greatly edified at hearing two famous speeches made by the hon. member for Rimouski (Mr. Fiset); I was equally edified at hearing two or three speeches by the hon. member for L'Islet (Mr. Casgrain). The hon. member has been pleased to tell us a great many things. He wanted to enlighten us, he wanted to enlighten the Conservatives with a lantern. He is himself the light of L'Islet. Sir, I am not at all astonished to see that these gentlemen want better terms for the contract; the hon. members of the Opposition have made great efforts to obtain better terms for us, they have been looking for these better terms in all possible ways; they were looking for them at the time when the contract was to be given to the Allan Company; it is this contract that was the cause of the Government being accused of the great Pacific Scandal. Well, Sir, these gentlemen when they came into power shouldered this scandal; they did not want to take it up entirely, they broke it into little pieces; they took up one end here and another end there, and they said: "We will wait, perhaps the Conservatives will get back to power and we will make another outcry." Well, the Conservatives are again in power, and yet, before these gentlemen were in power, they tried in every possible manner to take up the entire scandal, and that is why they did not accept it. They admitted thereby, Sir, that we are obliged to build this railway; it is an obligation towards British Columbia. Why do we accept it? It is because we have a condition to fulfil. If British Columbia had been told, when she was negotiating for her entry into the Union: "We will make no engagement for the present generation, but we will make an engagement for future generations, two or three centuries hence," certainly British Columbia would not have come into the Dominion. To come back to what the hon. member for L'Islet was just saying with regard to better terms, well, hon. Ministers went to England. They sought for the best terms, and they at length found them. Once these magnificent terms found, the Opposition, in their turn, sought for better terms still. Well, Sir, they have succeeded in finding a certain number of persons, but they wanted to give too good terms, they took persons who did not even want to make a business matter of it, in order the better to deceive us. Sir, I should not be surprised if the hon. member for Rimouski has also a motion in amendment. Well, I hope they will finish with their motions in amendment, by offering the Government money instead of asking for a grant. In Opposition, Sir, a great many fine things are done. You saw just now the hon. member for L'Islet open a big book. I do not know what kind of a

book it was. I do not know if it was not even a Bible; for I have heard say that once a miracle was wrought, and that water was changed into wine; but the hon. member for L'Islet has changed water into gin. The hon. member for L'Islet has also invented a big circular with a great number of objections. These objections were twenty-four in number. I suppose, Sir, they have taken this number as the basis of their motions in amendment. I think that idea comes from the number twenty-four. Sir, people should know themselves a little better than the hon. member for L'Islet does. In the first place he has said a good deal about railways. Because he travels by rail, my hon. friend imagines he knows a great deal about railroads I think, Sir, that I am right in saying that this question has been discussed at length. We have been carried back and forth from Quebec to the Pacific. Some want to go by Sault Ste. Marie, others want to go by the north of Lake Superior. For my part I want a road over our own territory. If we went through the United States we might, at certain times, meet with great obstacles. We might meet with strikes, and the strikers might take up our rails just when we most needed them on our railway. We do not want the Sault Ste. Marie route, because we do not like to be too closely connected with the States. The city of Montreal is more interested than we are, in order to compete with the great city of New York. As for us, what we want is to settle the North-West, so as to cultivate it. Well, Sir, I will not speak longer as I do not wish to take up the time of the House, but I will say this much to the hon. member for L'Islet. He told us that he knew nothing about the contract; that he had been informed of nothing, that he had not even been informed with regard to signing it. I believe that with all he has said, if he had been consulted with regard to signing this contract, it would have been a poor piece of business, because he does not seem to know much about the matter; he does not seem to know what business is. I do not believe that in such an important matter as this he is able to enlighten us with his lantern. I think, Mr. Speaker, that we are sufficiently enlightened upon this question without saying anything more.

Amendment (Mr. Casgrain) negatived on the following division:—

YEAS:

Messieurs

Anglin,	Fleming,	Mills,
Bain,	Geoffrion,	Olivier,
Béchard,	Gillies,	Paterson (Brant),
Blake,	Gillmor,	Pickard,
Borden,	Glen,	Rinfret,
Bourassa,	Gunn,	Robertson (Shelburne),
Brown,	Guthrie,	Rogers,
Burpee (St. John),	Holton,	Ross (Middlesex),
Burpee (Sunbury),	Huntington,	Rymal,
Cameron (Huron),	Killam,	Scriver,
Cartwright,	King,	Sutherland,
Casey,	LaRue,	Thompson,
Casgrain,	Laurier,	Trow,
Charlton,	Macdonell (Lanark),	Weldon,
Cockburn (Muskoka),	MacDonnell (Inverness),	Wheler,
Dumont,	McIsaac,	Yeo.—50.
Fiset,	Malouin,	

NAYS:

Messieurs

Allison,	Fulton,	Manson,
Arkell,	Gault,	Massue,
Baker,	Gigault,	Merner,
Bannerman,	Girouard (Jac. Cartier),	Méthot,
Barnard,	Girouard (Kent),	Mongenais,
Beaty,	Grandbois,	Montplaisir,
Beauchesne,	Hackett,	Mousseau,
Benoit,	Hay,	Muttart,
Bergeron,	Hesson,	Ogden,
Bergin,	Hilliard,	Orton,
Bill,	Hooper,	Ouimet,
Bolduc,	Houde,	Patterson (Essex),
Boultbee,	Hurteau,	Pinsonneault,
Bourbeau,	Jones,	Platt,
Bowell,	Kaulbach,	Plumb,
Brecken,	Kilvert,	Pope (Compton),
Brooks,	Kirkpatrick,	Poupore,
Bunster,	Kranz,	Richey,
Bunting,	Landry,	Robertson (Hamilton),
Cameron (Victoria),	Lane,	Rouleau,
Caron,	Langevin,	Routhier,
Cimon,	Lantier,	Royal,
Colby,	Longley,	Ryan (Marquette),
Connell,	Macdonald (King's),	Ryan (Montreal),
Costigan,	Macdonald (Sir John),	Scott,
Coughlin,	McDonald (Cape Breton)	Shaw,
Coupal,	McDonald (Pictou),	Sproule,
Coursol,	McDonald (Vict., N.S.),	Strange,
Daly,	Macmillan,	Tassé,
Daoust,	McCallum,	Tellier,
Dawson,	McCarthy,	Tilley,
Desaulniers,	McConville,	Valin,
Desjardins,	McCuaig,	Vallée,
Domville,	McGreevy,	Vanasse,
Doull,	McInnes,	Wade,
Dugas,	McKay,	Wallace (Norfolk),
Elliott,	McLennan,	Wallace (York),
Farrow,	McLeod,	White (Cardwell),
Ferguson,	McQuade,	White (Renfrew),
Fitzsimmons,	McRory,	Williams.—121.
Fortin,		

Mr. CAMERON (Huron). I am sorry to trouble the House at this hour with another amendment, and a few observations thereon. The various amendments offered to the House thus far have been directed to questions of a national or Dominion character, but I propose before resuming my seat to submit an amendment which does not bear to so great an extent upon questions of a Dominion or national character as those which have already been submitted. While it is quite proper that, as members of this House, we ought to discuss these questions from a Dominion standpoint, we must not close our eyes to the fact that this Dominion is composed of various Provinces which are all more or less interested in and affected by the great question we have been discussing I am sure even the Minister of Railways will not dispute that proposition, in view of his recent statement to a delegation from the Toronto Board of Trade; for when his attention was called to the fact that the language of this contract was not sufficiently specific to protect the interests of Ontario and the railways of that Province, he stated that if that was the case, it would be a national calamity. So far as I have been able to discover, no sufficient protection is afforded to the railways of the Provinces of Ontario and Quebec by this contract, or the Bill founded upon it. The Province of Ontario has expended large sums of money in the construction of railways and opening up communication with the back sections of the Province, and to some extent the resources of the Province have been trenched upon for the purpose of extending these lines of railway, in the hope and expectation of securing a portion of the carrying trade of the great North-West; but what I complain of is, that the endeavors of the Province of Ontario in that respect have not been seconded by hon. gentlemen on the Treasury benches; that no sufficient safeguard has been thrown about these railways in this contract, but that they are left practically in the hands of the Syndicate to deal with them as they see fit. We in Ontario want no advantage over the railways that are east of us; we want only fair play and justice; we want our railways only to be enabled to compete on fair terms with these railways. We do not want to get a single pound of the freight of the North-West to which we are not honestly and fairly entitled. From its geographical and commercial position Montreal will always receive the lion's share of that trade. While we acknowledge that, we desire that our manufacturers and merchants, who are deeply interested in the development of the great North-West, shall have their full share of the trade with that country. Under this contract the Canadian Pacific Railway have the power to acquire the Canada Central Railway and other railways east of Lake Nipissing. The question may be dealt with on the assumption that the Canadian Pacific

Railway will not acquire the railways east of Lake Nipissing; or it may be dealt with on the assumption that the Canadian Pacific Railway will acquire the Canada Central Railway. It is, therefore, desirable to consider the effect of this contract on the carrying trade of the Ontario and Quebec railways, assuming that the Canadian Pacific Railway will not acquire the Canada Central Railway Let us see how the traffic of the Province of Ontario is going to be affected by this contract; what safeguards are provided, if any, on the assumption that the Canadian Pacific Railway will have its terminus at Lake Nipissing. In section 24 of the Act an attempt is made to afford a sort of protection to the Ontario and Pacific Junction Railway. It provides:

"For the receiving and forwarding of and delivery of traffic upon and for the railways of the said companies respectively, for the return of carriages, trucks, and other vehicles, and no one of the said companies shall give or continue any preference or advantages to, or in favor of either of the others, or of any particular description of traffic in any respect whatsoever."

It further provides that:

"Nor shall any one of the said companies subject any other thereof, or any particular description of traffic, to any prejudice or disadvantage in any respect whatsoever; and any one of said companies which shall have any terminus, or station near any terminus, or station of either of the others, shall afford all reasonable facilities for receiving and forwarding all the traffic arriving by either of the others, without any unreasonable delay, and without any preference or advantage, or prejudice or disadvantage; and so that no obstruction may be offered in the using of such railway as a continuous line of communication; and so that all reasonable accommodation may at all times, by the means aforesaid, be mutually afforded by and to the said several railway companies; and the said Canadian Pacific Railway Company shall receive and carry all freight and passenger traffic shipped to or from any point on the railway of either of the said above-named railway companies passing over the Canadian Pacific Railway or any part thereof, at the same mileage rate and subject to the same charges for similar services; without granting or allowing any preference or advantage to the traffic coming from or going upon one of such railways over such traffic coming from or going upon the other of them, reserving, however, to the said Canadian Pacific Railway Company the right of making special rates for purchasers of land, or for emigrants or intending emigrants, which special rates shall not govern or affect the rates of passenger traffic as between the said Company and the said two above-named companies or either of them."

These provisions, at first sight, would appear to afford some reasonable protection for the Ontario system of railways, and possibly for the Quebec system; but a more careful reading of the clause with the light now shed on such questions by the experience of our own country and that of the United States, shows that it affords no protection to either. I will first discuss this point on the assumption that the Canadian Pacific Railway will have its terminus at Lake Nipissing, that that will be neutral ground common to the Ontario and Quebec railway systems, the Ontario railways connecting at that point with the Canadian Pacific Railway by the Pacific Junction Railway, and the Quebec system by the Canada Central and the Occidental which has running powers over the Canada Central line to Lake Nipissing. In the first place, you will find that the clause only declares that both of the companies to which I have just referred shall be afforded facilities for receiving and handling freight at the terminus of the Canadian Pacific Railway, but there is no protection against a preference being shown to either company to the detriment of the other. The Canadian Pacific Railway have the power at Lake Nipissing, or in the far west, to say over which of those two roads the freight shall pass, by the imposition upon the one as against the other of terminal charges. They have the power to give the preference to the one road by imposing on the other terminal charges. An eminent authority in England has laid down the rule that those terminal charges do afford a protection to one road against the other, and contends that there ought to be a reasonable, moderate and uniform rate for terminal services charged to all companies receiving their freight from a trunk line. These terminal charges may be so high to the one company as to drive every single pound of freight from the great North-West over either of the lines to which I have referred. It is stated that ¼ cent a bushel in the way of terminal charges will determine the route by which traffic is to go. I shall read the following extract from Parsloe:—

"Another part of the freight question, that relating to terminal charges, is one which affects the interests of traders to a considerable extent. It is a matter, moreover, involved in great doubt and difficulty; indeed it is scarcely reducable to coherence. We can only hope, therefore, to give a very general idea as to the affect and meaning of 'terminals.' The charges in question are made for the services which the companies render in the forwarding and receiving of goods, in addition to the cost of carriage along the lines. Such services include all the duties generally performed at the railway stations. The provisions of the Special Acts of the companies empower them to demand 'a reasonable sum for loading and unloading, delivery and collection, &c., where the services, or any of them, are or is performed by the company.'"

Now you will see the point: it is said that in this Bill it is provided that an equal rate shall be charged the Ontario and Pacific Junction and the Canada Central Railway. But the terminal charges are wholly independent of the freight rates, and the Canada Pacific Railway Company can, by these charges, divert every pound of freight from one railway to another, for carriage to tide-water. That will show the importance of affording protection against the preferences I have indicated. If the intention of the Government was to deal with those railways belonging to both Provinces, on precisely the same footing, then it was the grossest ignorance or carelessness, in the preparation of this contract, to have omitted such a provision. I contend that the Canadian Pacific Railway has the power, without violating the Act, in another way, to force every pound of freight to the seaboard either over the Ontario and Pacific Junction Railway or the Canada Central, in preference to the Quebec railways, by the imposition of elevator charges. The Company can construct their own elevators in the North-West, and charge for storage of grain, and can impose those charges on the freight passing over one railway, and not on the freight over another, which they have a perfect right to do. They can achieve the same results, whether or not the eastern terminus be at Lake Nipissing—can divert all the western freight over either the Ontario or Quebec railways, as they see fit—how? By drawbacks and rebates on ocean shipments. This Bill affords no protection whatever for the railways of the one Province against the railways of the other in that respect. The Canadian Pacific Railway, when they get a through bill of lading for Liverpool, may send their freight over the Ontario and Pacific Junction, the Grand Junction to Belleville and then by the Grand Trunk to Montreal, and thence to Portland and Liverpool, and drive every pound of freight from the west over those lines in preference to the Quebec railways by allowing rebates on ocean shipments alone. This question has already engaged public attention in the United States and remedies are there provided. The Canadian Pacific Railway can also favor one system of railways at the expense of another, by carrying the freight at the owner's risk in one case, and in the other at the Company's risk. There is an extra charge made where it is carried at the owner's risk, and it may be made in one case and not another. On this subject Parsloe says:

"Attention has been called already to the fact that in some instances the rates are varied according to whether goods are conveyed at 'owner's risk' or 'company's risk.' * * * The plan has been adopted in order to give traders reduced rates in certain cases, whilst the companies are relieved of some responsibility."

Under that ingenious device the Canadian Pacific Railway Company will be enabled to send freight over one railway in preference to another, as also by the system of drawbacks. In every State of the Union, possessing a large system of railways, they have had to enact stringent legislation to prevent drawbacks, rebates, terminal charges and other devices to which railways resort for the purpose of evading the law. There is now before Congress a Bill, having the same object in view, which will become law. I deny the statement of hon. gentlemen, that the Railway Act covers all this

ground. If it did, what necessity for putting this provision in the Bill at all? All that was necessary was to make the General Railway Act apply if it does not now apply. But if it did, I say its provisions are wholly insufficient to cover the points to which I have just alluded. Clause 24 in the Bill of the Minister of Railways is substantially taken from what is called the "Cardwell Bill," passed in England in 1854. Now, that clause substantially has been in the Railway Act of the United States for years, and it has been found wholly insufficient for the purpose of effecting the desired object. That has also been found to be the case in Canada, and it has also been found to be the case in England. Here is what Parsloe says on that subject:

"Parliament has again and again endeavored to deal effectually with the great question of a proper regulation of our railways; but, notwithstanding all the legislation which has thus been produced, the great object in view, namely, the passing of such measures as should provide complete and adequate public protection, has not been attained to a full and necessary development. Many of the Acts of Parliament have been subject to such a powerful railway influence that some of these provisions—and these the most important ones as regards the public—have been rendered, to a large extent, unsatisfactory. It is not surprising that, under such conditions, to resort to law with a great and powerful railway company has been, and, indeed, is now considered too formidable an undertaking to be hastily attempted by any single individual. But, further, not only was it found, years ago, that the Acts of Parliament were in themselves, inadequate and not sufficiently explicit, but that to deal with such subjects a tribunal was necessary which possessed a practical acquaintance with the subject."

We know perfectly well that the law has been insufficient in Canada. I think now is the time when we should have the Ontario system of railways put upon the same footing as those of Quebec, and *vice versa*. On the assumption that the Canadian Pacific Railway will not have its eastern terminus at Lake Nipissing, and that it will acquire the Canada Central, what will be the resul? During last Session an Act of Parliament was passed. This Act secured for the railways of Ontario and Quebec the same protection. It provided that the Quebec railways should have running powers over the entire line of road owned by the Canada Central Railway, extending from Ottawa *vid* Renfrew to the Sault. Under that Act the Quebec, Montreal, Ottawa and Occidental Railway had running powers over these lines from Ottawa to the Sault. You must bear in mind that the terminus of the Canada Central Railway is at Brockville, and if the Canadian Pacific Railway acquires the Canada Central Railway, it will be the interest of the Canadian Pacific Railway to carry its eastern freight *vid* Brockville, and therefore the only safety that either the Occidental or the Ontario and Pacific Junction can have will be to make the eastern terminus of the Canadian Pacific Railway at Nipissing. In that case, the system of railways in Ontario and Quebec will be on a footing of perfect equality, and it will be the interest of the Canadian Pacific Railway to deal fairly with the railways, in order to secure the freight both ways—east and south. There is another point in connection with this matter to which I wish to refer. Assuming that the Canadian Pacific acquires the Canada Central, the Canadian Pacific will then have an outlet at two points, Ottawa and Brockville. But when we reach Carleton Place we reach a point common to both routes—29 miles from Carleton Place to Ottawa, and 45 miles from Carleton Place to Brockville—so that it will be the interest of the Canadian Pacific Railway to carry the traffic over the longer distance on its own line to Brockville. Let us see what the distances are. From Lake Nipissing to Montreal, by way of Brockville, is 377 miles; from Nipissing to Montreal by the Canada Central and the Ottawa and Occidental it is only 352 miles. Does anybody suppose that the Canadian Pacific Railway will not run their own trains over their own railway to Brockville and there make traffic, or rather arrangement, with the Grand Trunk and send the freight to Montreal by this route in preference to the route *via* the Occidental? The difference of 25 miles in the distance is practically nothing. I am glad to see the people of Quebec are alive to their interests in this respect. The organ of the Conservatives has spoken out on this point and warned the Government against giving the Canadian Pacific Railway unlimited power to destroy the Quebec railways. I think if there was ever a piece of legislation carried through Parliament calculated to destroy their system of railways, the scheme we are now discussing will have that effect. Now, there is another way by which the Quebec system of railways may be injured and practically destroyed if the Syndicate thinks fit. The Canadian Pacific is not bound to carry its traffic by the Canada Central Railway and the Occidental down to Montreal. There is still another route *via* the Ontario and Pacific Junction Railway and the Grand Junction to Belleville, then *vid* the Grand Trunk to Montreal, by which the western traffic can reach tide water. Suppose the Canadian Pacific Railway should say: "We will not acquire the Canada Central Railway; we will acquire or make traffic arrangements with the Ontario and Pacific Junction Railway and the Grand Junction Railway and carry our freight to the seaboard *vid* those lines and the Grand Trunk." How will this affect the Quebec railways. The difference in the distance is very small. Let us see. It is 480 miles *vid* the route I have indicated, from Lake Nipissing to Montreal, and 325 miles by the other route from Lake Nipissing to Montreal, utilizing the Occidental, or a difference of only 128 miles. Everybody knows that a difference of 50 miles, or even of 150 miles, is not taken into account at all upon through traffic extending over 2,000 miles. In the way I have pointed out the Canadian Pacific Railway may make the arrangement I have indicated and thus effectually destroy the Occidental Railway. That is not all. The power of the Canadian Pacific Railway to destroy the Quebec railways in the traffic to Quebec is equally clear. Let us see how this works. The Occidental runs to Quebec, the Grand Trunk also reaches Quebec by a different route. Compare the distances by the different routes and see what there is to prevent the Syndicate from effectually destroying every line of railway in the whole Province of Quebec. We will again start at the point common to both routes, which is Carleton Place. From Carleton Place to Quebec *vid* Brockville the distance is 342 miles; and *vid* Ottawa, over the Occidental, the distance is 319 miles, or a difference in favor of the Occidental of only 23 miles. That is a small difference, but it will enable this Company to say to the people of Quebec: "Unless you submit to our terms we will not ship one pound of freight over the Canada Central Railway to Ottawa, and the Occidental to Montreal and Quebec." It is clear, from the table of distances I have referred to, that the position I have taken cannot be successfully controverted. Now, there is another way by which the freight from the North-West to the seaboard may be effectually diverted from the city of Montreal, and from the Quebec system of railways. Suppose freight is going from the far west to New York, as will probably be the case on account of the facilities for shipment afforded at that port. What is the distance from Lake Nipissing to New York *vid* the Canada Central and Occidental? and what is the distance by the other route, both seeking New York as an outlet? From Montreal to Lake Nipissing *vid* the Canada Central and Occidental is 352 miles; from Montreal to Rutland, in the United States, the distance is 169 miles; from Rutland to Albany 101 miles, from Albany to New York 138 miles; in other words, 760 miles from Lake Nipissing to New York *vid* the city of Montreal. What is the distance *vid* Brockville? From Lake Nipissing to Brockville is 232 miles—there is a proposition to bridge the St. Lawrence at Brockville to connect the Canada Central with the Morristown Railway across the river, about one mile;- from Morristown to Albany the distance is 132 miles; from Albany to New York 138 miles, or 609 miles from Lake Nipissing to New York, or 151 miles in favor of the route by Brockville. Do

you suppose for a moment that one pound of freight from the North-West to New York would pass over the Occidental Railway or any other railway in Quebec, while it is the direct interest of the Canadian Pacific Railway, under this contract, to go *viâ* Brockville?

Mr. BANNERMAN. Does the hon. gentleman know the difference in the freight charged by the Occidental, by the Canada Central and by the Grand Trunk?

Mr. CAMERON. I neither know, nor do I care; and if the hon. gentleman had paid attention to my argument he would have seen that the amount charged for freight from Ottawa to Montreal and Quebec has nothing whatever to do with it. I say that everything points to the fact that if the Canada Central is acquired by the Canadian Pacific not a single pound of freight will pass over the Occidental Railway to Montreal or Quebec or New York. There is another way by which the Quebec system of railways can be effectually destroyed by the Syndicate. Assuming that the Canadian Pacific Railway will acquire the Canada Central Railway and thus reach Ottawa by that route, when it does reach Ottawa, we know well that there are various ways by which the Canadian Pacific Railway can reach Montreal, Quebec and New York without utilizing a foot of the Occidental. What is to prevent the Canadian Pacific Railway making an arrangement with the St. Lawrence and Ottawa Railway for an outlet from Ottawa to the east? What is to prevent the Canadian Pacific Railway from making such arrangements with the Coteau Railway, or taking advantage of the Bill introduced last Session by the hon. member for Stanstead (Mr. Colby) for the construction of a railway from the seaboard up to Ottawa and thence westward and utilizing that charter to reach the sea? There are several ways by which the Syndicate, having acquired the Canada Central, can reach Montreal, Quebec and the seaboard without touching at all upon the Quebec system of railways. It appears to me manifestly clear that, in so far as the certainty is concerned of deriving any benefit whatever from the construction of the Canadian Pacific Railway. the Quebec system of railways has none, on the contrary, that system of railways is entirely at the mercy of the Canadian Pacific Railway. Let us now see how this contract guards the out system of railways under section 25 of the Bill the Canadian Pacific Railway has the power of acquiring the Canada Central Railway, and under section 15 the line so acquired becomes the Canadian Pacific Railway. Now, under section 24 of this Bill it is provided that the Canadian Pacific Railway shall afford equal facilities and charge equal mileage rates both to the Ontario and Pacific Junction Railway and to the Canada Central Railway. There is no provision in the Bill respecting the Quebec railways; it is confined entirely to the two railways I have indicated. But supposing the Canadian Pacific acquires the Canada Central what would be the legitimate effect? The moment one absorbs the other, that moment I contend, according to the clear legal construction of this contract, that protection ceases to exist. It may be said that until the Canadian Pacific acquires the Canada Central, clause 24 affords protection to the Ontario and Pacific Junction Railway as against the Canada Central Railway and *vice versa*. That clause in the contract relates to the three companies, the Canadian Pacific, Canada Central, and Ontario and Pacific Junction, and the moment the Canadian Pacific acquires the Canada Central that moment one of those contracting parties drops out, and then that clause is of no effect, and therefore I say there is no protection whatever for the Ontario and Pacific Junction as against unequal rates which the Canadian Pacific may impose. If that protection is removed, the Canadian Pacific, without violating the letter of the law, will have power to impose unequal rates and discriminate against the Ontario and Pacific and in favor of the line of railways eastward. It is quite clear the people of Ontario understand the effect of the absorption of the Canada Central Railway by the Canadian Pacific Railway. The people of Quebec view that position in the same light. The organ of hon. gentlemen opposite—*La Minerve*—urges on the Government the necessity of affording protection to the Occidental as against the imposition of unequal rates; and the people of Ontario have taken the same ground. The Minister of Railways will recollect he was interviewed in Toronto by a large deputation of business men. What did they say? They said:

"That the acquisition of such railways by the Syndicate would destroy the neutral character of the eastern terminus of the National Railway, and would practically transfer its terminus to Montreal.

"That the acquisition of such railways by the Syndicate will also give them a strong and direct interest to divert the traffic of the North-West away from the Ontario system of railways and centres of trade, so as to pass it over the whole length of their eastern lines.

"Therefore, your memorialists view with alarm such proposal of the Syndicate, and protest against the power being granted to the Syndicate to absorb the railways to the east of Lake Nipissing without the most stringent provisions being made to prevent injustice to Ontario traffic.

"That in order to protect Ontario interests, it is absolutely necessary that no higher mileage rates should be charged on Ontario traffic over the Canadian Pacific west of Lake Nipissing than what would be *pro rata* mileage charges on eastern traffic, in proportion to the whole distance of its carriage by the railways owned or operated by the Syndicate; or, in other words, that the Syndicate should not be permitted to place any higher mileage rates on the portion of their railway over which Ontario traffic must pass than on the portion over which eastern traffic must pass."

The hon. Minister in meeting the arguments presented by the deputation said that the contract afforded sufficient protection, but if it did not it would be a national calamity. The deputation was composed of business men of large experience in such matters; they were not satisfied. They reported to their constituents, and what did they say? They said:

"Your Committee is still of opinion that railways will always forward business in the direction of their own interests, and that the Syndicate, if allowed to amalgamate the Canada Central will own a long railway mileage in the direction of Montreal, while owning nothing in the direction of Ontario, they will naturally endeavor to forward business by their own railway instead of handing it over to another at Lake Nipissing."

The House will understand what protection the people of Ontario are entitled to receive from Parliament in dealing with this question, and how little they receive under the terms of this contract. I cannot make the point stronger than the deputation made it to the Minister of Railways. According to what those gentlemen said, and I believe it is the correct interpretation of this contract, the Syndicate will be in a position to divert every pound of freight from west to east, or east to west, away from the Ontario system of railways. If the Syndicate see fit, every pound of freight from Montreal west might pass over the Grand Trunk to Brockville and thence over the Canadian Pacific westward, and so with the traffic from the west eastward. It may be said that this is not likely to occur; but it has occurred elsewhere. In the United States, England and Canada, railways carry freight often at cheaper rates for long than for short distances. The Grand Trunk charges for a cargo of oil cake from Baden to Belleville, $52—the distance is 168 miles; the same car load would be carried from Chicago to Belleville, 628 miles, for $50. If that is done by the Grand Trunk, what is there to prevent the Canadian Pacific carrying freight for short distances at a smaller remuneration than longer distances, so as to force the traffic over the lines owned and controlled by the Company? In England, where they have the full protection afforded by Clause 24, the same grievance often happens, and shippers are at the mercy of the railways in this respect. There is another way in which the Ontario Railways and the business men of that Province, and its towns and villages, may be prejudiced to a considerable extent by the Pacific Railway under the terms of this contract. I contend that, under this charter, every pound of freight from and to the far west from every village, town and city on the Grand Trunk, west of Brockville, will pass over the Canadian Pacific, the Canada Central and the Grand

Trunk west of Brockville, instead of taking the natural route by the Ontario and Pacific and the other railways which connect with it south and east. If hon. members will look at the table of distances they will probably be convinced that there is every possibility, and every probability, that the Canadian Pacific Railway will, in order to destroy the Ontario and Pacific Junction Railways, and the system of Ontario railways connecting with it, and to divert all traffic away from the Ontario and Pacific, carry all their freight by the lines I have indicated. Suppose freight was coming to Kingston from the far west, one would naturally expect it to pass over the Ontario and Pacific, and thence by other Ontario lines to its destination. Will it do so? Let us see what the distances are, because we will then have some foundation for the position we are taking. The distance from Nipissing to Kingston, *viâ* the Canada Central Railway and the Grand Trunk Railway, is, from Nipissing to Brockville 252 miles, and from Brockville to Kingston 47 miles, a total of 299 miles; the distance, *viâ* the Ontario and Pacific Junction Railway, the Grand Junction Railway and the Grand Trunk Railway, is, from Nipissing to Bellville, *viâ* Ontario and Pacific Junction Railway, the Grand Junction Railway, 260 miles, and from Belleville to Kingston *viâ* the Grand Trunk 48 miles, a total of 308 miles; only 9 miles against the Ontario and Pacific Junction Railway route. Now, let us see how the traffic to Belleville will be affected. The distance from Nipissing to Belleville is, *viâ* the Canada Central Railway to Brockville, 252 miles, and from Brockville to Belleville *viâ* the Grand Trunk Railway, 95 miles, a total of 347 miles; the distance *viâ* the Ontario & Pacific Junction and the Grand Junction Railway is 260 miles; or 87 miles in favor of the Ontario and Pacific Junction Railway. My contention is that the Canadian Pacific Railway Company, having acquired the Canada Central, will carry their freight to Brockville by the Canada Central Railway, and then make arrangements with the Grand Trunk Railway to carry it westward. If we take Port Hope as an objective point, we shall find ourselves in the same position. The distance from Nipissing to that point is, from Nipissing to Brockville 252 miles, and from Brockville to Port Hope 145 miles, a total of 397 miles; the distance *viâ* the Ontario and Pacific Junction Railway is 215 miles; or 182 miles in favor of the Ontario and Pacific Junction Railway. Now, let us take Whitby. The distance *viâ* the Canada Central Railway is, from Nipissing to Brockville 252 miles, and from Brockville to Whitby 178 miles, a total of 430 miles; the distance *viâ* the Ontario and Pacific Junction Railway, from Nipissing to Whitby is 217 miles; or 213 miles in favor of the latter. If we take Toronto, a point farther west, and taking this as a starting point, we practically take the whole of western Ontario. The distance *viâ* the Canada Central Railway is from Nipissing to Brockville, 252 miles, and from Brockville to Toronto 208 miles, a total of 460 miles; the distance *viâ* the Ontario and Pacific Junction Railway is 222 miles, showing 238 miles in favor of the latter route. Yet I say again that even for points as far west as Toronto the Canadian Pacific Railway Company may carry their freight to Brockville on their own railway, and then ship it westward *viâ* the Grand Trunk to Toronto. To Hamilton the distance *viâ* Brockville is 490 miles, and *viâ* the Ontario and Pacific Junction Railway, 252 miles, being 238 miles against the Canada Central Railway. Under this contract, no safeguards are provided against increased traffic to points west of Brockville, over the longer rather than the shorter routes. I think it is quite clear that hon. gentlemen opposite could, had they so desired, have protected these inland lines of railway against this unequal competitor. A word or two as to the position of these two railways—the Occidental and the Ontario and Pacific Junction Railways. With respect to the Sault Branch, you are aware that by section 14 of the Statute to which I have referred, the Government of Quebec have running powers secured to them over the Canada Central Railway from Ottawa to Sault Ste. Marie. You are also aware that the Ontario and Pacific Junction Railway have, by section 13 of the same Statute, running powers over the extension from Lake Nipissing to the Sault. So that both of these roads can pass over that extension, and under that law both occupied precisely the same position both at Lake Nipissing and the Sault—no preference being given the one over the other. The policy of the late Government, as well as that of this Government, until recently, was to make Lake Nipissing a neutral point, so that that should be the terminus of the Canadian Pacific Railway, and that all railways meeting there, from the east and south, should be put on a perfect equality. It seems to me that was a wise policy, as it gave them all the privilege of competing on equal terms for the trade of the North-West, which reached that point by four different outlets: 1st. By the Canadian Pacific all-rail route. 2nd. By the Thunder Bay Branch, thence by Lake Superior to the Sault. 3rd. By the Northern Pacific to Duluth, then by Lake Superior to the Sault. 4th. By the line south of Lake Superior to the Sault. Under the policy now advocated by hon. gentlemen opposite, the Occidenta land Ontario and Pacific Junction Railway can only hope to secure each a share of the traffic over the trunk line alone. I contend that the Government ought to have done what the Government have not done, protect the interests of these two railways, The Government ought to have made Lake Nipissing a neutral point; the Government ought, at that point, to have placed both railways on a footing of perfect equality, so that the one could not possibly be put under any disadvantage to the other. These roads are, by this contract, effectually cut off from any connection in the North-West by way of the Sault. We know that the Canadian Pacific Railway, under this contract, can destroy either road at its option. We know that Quebec desires the construction of the Sault Branch. We know the hon. member for Cardwell, although he strongly supports the Government in the House, is strongly in favor of the Sault line outside of the House, that although he has voted in favor of the policy of the Government, he has outside the House pronounced strongly against that policy, and has induced the people to believe the Government is still in favor of the Sault line; and in order that the hon. gentleman and others may be able to harmonize their views inside with their opinions outside of Parliament, I beg to propose the following amendment:—

"That the contract respecting the Canadian Pacific Railway, laid on the Table, does not, as it should, provide for running powers for the Quebec, Montreal, Ottawa and Occidental Railway, and for the Ontario and Pacific Junction Railway, over the 63 miles from Nipissing to Sturgeon River, which form the line common to the through line, and the Sault Ste. Marie line.

"And that the contract does not make satisfactory provision for securing the traffic to and from Montreal and the East by the Quebec, Montreal, Ottawa and Occidental Railway against preferential charges which the Canadian Pacific Railway may establish in favor of the Canada Central Railway, the St. Lawrence and Ottawa Railway, the Côteau Railway, or other lines of railway to the south and east, nor against the preferential charges which it may be the interest of the Canadian Pacific Railway to establish, in case of the authorized and contemplated acquisition of, or amalgamation with, or of the use of running powers over the Canada Central Railway, nor in case the Canadian Pacific Railway amalgamation with, or obtains running powers over the St. Lawrence and Ottawa Railway, the Côteau Railway, or any other railway running south or east.

"Nor does the said contract make satisfactory provision for securing the traffic to and from Ontario, by the Ontario and Pacific Junction Railway, against the preferential charges which it way be the interest of the Canadian Pacific Railway to establish in the event of the authorized and contemplated acquisition of, or amalgamation with, or use of running powers over, the Canada Pacific Railway and other railways south and east of Ottawa; and the said contract is, in these respects, objectionable."

Mr. PLUMB. The gist of the hon. gentleman's statements amount to this, that the longer the distance over which traffic passes the cheaper the rate of freight, and to bring his reasoning to a logical conclusion there may be a road so long that freight will be carried over it for nothing. The hon. gentlemen are making an onslaught of this kind,

but I can say, with authority, with regard to this Sault route, of which we hear so much, and of which the leader of the Opposition was so enamoured, that he said if it could be constructed his objection to the Syndicate would vanish, that his political friends in the Ontario Legislature, where they have a large majority, have not taken that patriotic view of the Sault route, or considered it so important as to do much for it, for I heard if they would give a bonus of $400 a mile that road would be built. I think if Ontario is so protected in this respect, it should be by the Government which is now in power in that Province, and which, by the municipalities and other authorities, large aid has been extended to railways. Nor are we greatly alarmed by any statement named in this discussion by hon. gentlemen opposite, nor by the bug-bears put before the House to catch, for a moment, the public ear. We are willing that these harmless resolutions should be fired off one after another, and that hon. gentlemen opposite should sit still longer in sack cloth and ashes. We have all the pleasures on our side, and are perfectly willing that they should put on the deepest mourning and wear it as long as they like.

Amendment (Mr. Cameron, Huron) negatived on the following division:—

YEAS:

Messieurs

Anglin,	Fiset,	Mills,
Bain,	Fleming,	Olivier,
Béchard,	Geoffrion,	Paterson (Brant),
Blake,	Gillies,	Pickard,
Borden,	Glen,	Rinfret,
Bourassa,	Gunn,	Robertson (Shelburne),
Brown,	Guthrie,	Rogers,
Burpee (St. John),	Holton,	Ross (Middlesex),
Burpee (Sunbury),	Huntington,	Rymal,
Cameron (Huron),	Killam,	Scriver,
Cartwright,	King,	Sutherland,
Casey,	LaRue,	Thompson,
Casgrain,	Laurier,	Trow,
Charlton,	Macdonell (Lanark),	Weldon,
Cockburn (Muskoka),	MacDonnell (Inverness),	Wheeler,
Dumont,	McIsaac,	Yeo.—48.

NAYS:

Messieurs

Allison,	Gault,	Méthot,
Arkell,	Gigault,	Mongenais,
Baker,	Girouard (Jac. Cartier),	Montplaisir,
Bannerman,	Girouard (Kent),	Mousseau,
Barnard,	Grandbois,	Muttart,
Beaty,	Hackett,	Ogden,
Benoit,	Hay,	Orton,
Bergeron,	Hesson,	Ouimet,
Bergin,	Hilliard,	Patterson (Essex),
Bill,	Hooper,	Pinsonneault,
Bolduc,	Houde,	Platt,
Boultbee,	Hurteau,	Plumb,
Bourbeau,	Jones,	Pope (Compton),
Bowell,	Kaulbach,	Pope (Queen's),
Brecken,	Kilvert,	Poupore,
Brooks,	Kirkpatrick,	Richey,
Bunster,	Kranz,	Robertson (Hamilton),
Bunting,	Landry,	Rouleau,
Cameron (Victoria),	Lane,	Routhier,
Caron,	Langevin,	Royal,
Cimon,	Lantier,	Ryan (Marquette),
Colby,	Longley,	Ryan (Montreal),
Connell,	Macdonald (King's),	Scott,
Costigan,	Macdonald (Sir John),	Shaw,
Coughlin,	McDonald (Cape Breton)	Sproule,
Coupal,	McDonald (Pictou),	Strange,
Coursol,	McDonald (Vict., N.S.),	Tassé,
Daly,	Macmillan,	Tellier,
Dawson,	McCallum,	Tilley,
Desjardins,	McCarthy,	Valin,
Domville,	McConville,	Vallée,
Doull,	McCuaig,	Vanasse,
Dugas,	McInnes,	Wade,
Elliott,	McKay,	Wallace (Norfolk),
Farrow,	McLeod,	Wallace (York),
Ferguson,	McQuade,	White (Cardwell),
Fitzsimmons,	McRory,	White (Renfrew),
Fortin,	Manson,	Williams.—116.
Fulton,	Massue,	

Mr. PLUMB.

Mr. KILLAM. I rise for the purpose of moving an amendment to the resolution bearing upon the clause of the contract which refers to the exemption from duty of rails and other materials imported for the use of the railway. Of course it is entirely impossible for me, at this hour, in the midst of so much noise and confusion, to use any argument which could impress on the minds of hon. gentlemen opposite the proper ideas which should have actuated them when the contract was entered into. Ministers seem to have been anxious to throw themselves into the arms of the Syndicate, and get rid of their responsibilities, without considering the professions they have made to the people, that the interest of the manufacturers of Canada should be regarded in all negotiations of this kind. The amount involved in the exemption of those articles from duty is not particularly to the point. The point is this, a question of principle is at stake, which has been entirely forgotten, or disregarded by the hon. gentlemen opposite. We are to have a National Policy, a protection of home industries. I should like to know why the manufacturers of the articles to be used in the construction of the Canadian Pacific Railway should not have been considered as well as the foreigners, who are invited, under this contract, to compete with them. The member for Montreal (Mr. Gault) feels this point keenly, no doubt. He pretends to be deeply interested in the development of our mining and manufacturing industries; but what is to be said for him as a protectionist, and of other such supporters of the Government, in regard to a contract, one of the strong points of which is that no iron rails manufactured in the Dominion, no spikes, fish plates, bolts and nuts, shall be used in this railway, but that they all shall be imported. I understand perfectly well the amount of duties which are to be paid, and I think I am as well qualified to speak on the subject as the member for Frontenac (Mr. Kirkpatrick), who read us a lecture the other day. He, in his calculations, left out the duty on steel rails.

Mr. KIRKPATRICK. There is no duty on steel rails.

Mr. KILLAM. If we are to have protection to our own manufactures, why should not the manufacturers of Nova Scotia have a chance to supply the materials of this railway? Why should they be left out in the cold? Under this protection policy we were told that the construction of the Canadian Pacific Railway would afford a great field for our manufactures, but their interests have been sadly neglected in this business. The member for Frontenac said there was a duty on spikes of 20 per cent. That shows the amount of his information on this and other matters. In fact he did not understand the matter, and is as much mixed as to the duty on steel rails, bolts, nuts and spikes as was the Finance Minister when he brought in his tariff. I would like to ask the Minister of Finance if he knows what the duty was on nuts and bolts a year ago.

Mr. KIRKPATRICK. Thirty per cent.

Mr. KILLAM. The member for Frontenac knows no more about it than the Minister, and that is all that is necessary to say on the subject. The Government on this question have entirely overlooked the question at stake.

Mr. KIRKPATRICK. I would like to ask the hon. gentleman how many spikes the Syndicate will use.

Mr. KILLAM. I am not prepared to say how many spikes the Syndicate may use, but I am quite prepared to say how many should be used in a railway of that length, and am quite prepared to nail the hon. member when he pretends to discuss subjects of which he is so thoroughly ignorant. The Finance Minister has backed down entirely on this subject, and has not shown himself to be alive to the interests of our manufacturers. I move:

That the contract respecting the Canadian Pacific Railway provides for the admission duty free of all steel rails, fish-plates and other fastenings, spikes, bolts and nuts, wire, timber, and all materials for bridges to

be used in the original construction of the railway, and of a telegraph line in connection therewith, and all telegraphic apparatus required for the first equipment of each telegraph line; that such exemption from duty is unjust, and the contract is, in this respect, objectionable.

Amendment (Mr. Killam) negatived on the following division:—

YEAS:

Messieurs

Anglin,	Fleming,	Olivier,
Bain,	Geoffrion,	Paterson (Brant),
Béchard,	Gillies,	Pickard,
Blake,	Glen,	Rinfret,
Borden,	Gunn,	Robertson (Shelburne),
Bourassa,	Guthrie,	Rogers,
Brown,	Holton,	Ross (Middlesex),
Burpee (St. John),	Huntington,	Rymal,
Burpee (Sunbury),	Killam,	Scriver,
Cameron (Huron),	King,	Sutherland,
Casey,	LaRue,	Thompson,
Casgrain,	Laurier,	Trow,
Charlton,	Macdonell (Lanark),	Weldon,
Cockburn (Muskoka),	MacDonnell (Inverness),	Wheler,
Dumont,	McIsaac,	Yeo.—47.
Fiset,	Mills,	

NAYS:

Messieurs

Allison,	Gault,	Mongenais,
Arkell,	Gigault,	Montplaisir,
Baker,	Girouard (Jac. Cartier),	Mousseau,
Bannerman,	Girouard (Kent),	Muttart,
Beaty,	Grandbois,	Ogden,
Benoit,	Hackett,	Orton,
Bergeron,	Hay,	Ouimet,
Bergin,	Hesson,	Patterson (Essex),
Bill,	Hilliard,	Pinsonneault,
Bolduc,	Hooper,	Platt,
Boultbee,	Houde,	Plumb,
Bourbeau,	Hurteau,	Pope (Compton),
Bowell,	Jones,	Pope (Queen's),
Brecken,	Kilvert,	Poupore,
Brooks,	Kirkpatrick,	Richey,
Bunster,	Kranz,	Robertson (Hamilton),
Bunting,	Landry,	Rouleau,
Cameron (Victoria),	Lane,	Routhier,
Caron,	Langevin,	Royal,
Cimon,	Lantier,	Ryan (Marquette),
Colby,	Longley,	Ryan (Montreal),
Connell,	Macdonald (King's),	Scott,
Costigan,	Macdonald (Sir John),	Shaw,
Coughlin,	McDonald (CapeBreton)	Sproule,
Coupal,	McDonald (Pictou),	Strange,
Coursol,	McDonald (Vict. N.S),	Tassé,
Daly,	Macmillan,	Tellier,
Dawson,	McCallum,	Tilley,
Desjardins,	McCarthy,	Valin,
Domville,	McConville,	Vallée,
Doull,	McCuaig,	Vanasse,
Dugas,	McInnes,	Wade,
Elliott,	McKay,	Wallace (Norfolk),
Farrow,	McQuade,	Wallace, (York),
Ferguson,	McRory,	White (Cardwell),
Fitzsimmons,	Manson,	White (Renfrew),
Fortin,	Massue,	Williams.—113.
Fulton,	Methot,	

Mr. FISET. Mr. Speaker, before you order the second reading of those resolutions, I will take the liberty of drawing the attention of this honorable House to a clause of the contract that has not been dwelt upon by hon. members of the Opposition who have spoken before me. I refer to the second clause of the contract:

"The contractors, immediately after the organization of the said Company, shall deposit with the Government $1,000,000 in cash or approved securities, as a security for the construction of the railway hereby contracted for. The Government shall pay to the Company interest on the cash deposited at the rate of 4 per cent. per annum, half yearly, and shall pay over to the Company the interest received upon securities deposited, the whole until default in the performance of the conditions hereof, or until the repayment of the deposit, and shall return the deposit to the Company on the completion of the railway, according to the terms hereof with any interest accrued thereon."

The hon. Minister of Railways, in his speech of the 14th December, thought to avoid all reproach with regard to the slight guarantee that the Government requires from the Syndicate, by saying:

"Provided you get the parties who are most likely to deal successfully with the matter, the less security you demand the better; because, just in proportion as you lock up the resources of the party, the more you decrease his power to carry out the work successfully."

Then, as the leader of the Opposition remarked at the time, why not do away entirely with the clause relating to the million. In that case, the resources of the Company would be in nowise decreased, their chances of success would in no way be diminished. That is the logical conclusion to which the reasoning of the hon. Minister brings us. Starting from that point, we might, with much more force, apply the same argument to other contractors, whose resources are less considerable than those of the Syndicate; but far from that, the Government requires from ordinary contractors a deposit of five per cent. of the price of their contract. In an undertaking like the Canadian Pacific Railway, the great importance of which no one denies, the Government should take all the necessary steps for securing the execution of the contract; otherwise they are exposing themselves to deceptions that might endanger the undertaking itself. Supposing, for instance, that the Company, "as it is its intention to do," should construct in three years the central section, or the first 900 miles from Selkirk towards the Rocky Mountains. According to the estimates of Mr. Fleming, this part of the road, which is the easiest to build, will cost $11,700,000. The Government gives the Company for this same work: (1) a subsidy of $10,000 per mile, making a total amount of $9,000,000; (2) the Government gives 11,250,000 acres of land, which, valued at $2 an acre, give $22,500,000. This estimate should not seem exaggerated, because these lands are of the best quality, and the nearest to the road. The Government, therefore, pays for 900 miles of road, that ought only to cost $11,700,000, the enormous sum of $31,500,000. Now, supposing that the Company, always according to the estimate of Mr. Fleming, build and equip this part of the road for $11,700,000—many pretend that it can be built for less—the Company remains with a profit of $19,800,000. Then, if it please the Company to suspend their operations at this point of the contract, they will only lose their million deposited with the Government, and they will remain with a balance of $18,800,000. And supposing that the Government should withhold, besides, a fifth of the lands granted to the Company, say 2,500,000 acres, valued at $2 an acre, which would give $4,600,000, the Company would nevertheless have a clear profit of $14,200,000; but I would at once observe that the 5,000,000 acres of land reserved by the Government are to secure the keeping up and the working of the road after it is built. So, if after having completed the 900 miles of the prairie section, the Company wishes to withdraw with such considerable profits, profits sufficient to make the fortunes of each member of the Syndicate, is it not evident that we will not have had sufficient security for the execution of this gigantic enterprise? Is it not evident, on the contrary, that the Government are giving the Company every facility for arriving at that result, and are inducing them to do so, as it were, by allowing them to make such great profits at the beginning of the undertaking? But that is not all. Not only will the Company be able to withdraw and abandon the remainder of the road, after having realized a profit of $14,200,000; but, moreover, they will be able, if they choose, to remain in possession of the finished part of the road and work it for their own profit. And as that part of the road will pay the most, who can assure us that the Company will not take advantage of this privilege? In fact, there is no clause in the contract which provides that any part of the road built by the Company shall become the property of the Government if the Company fail to keep their engagements. Let us now see whether the 5,000,000 acres of land that the Government are to withhold, are a sufficient security for the keeping up and working of the road after it is built. These 5,000,000 acres of land are especially given, it is said, to make good to the Company the losses that will be sustained during the

first ten years of the working of the road. If you emit the idea that the Company will sustain losses, we should become still more circumspect with regard to the security to be furnished by the Company. For, after all, however honorable the members of the Syndicate may be, they have not certainly undertaken the construction and working of the Pacific Railway with the intention of losing money by it. What I find skilful is the manner in which they go about it; in the first place, they leave the Government to build the most difficult parts of the road; next, they undertake themselves the immediate construction of the central section, which is the most easy, and which in three years will allow them to realize a clear profit of $14,000,000; in the meantime, they will begin the works on the Lake Superior section, and at the western end, but we know what "beginning the works" means. Finally, after ten years, they are to work the road, which is the most onerous part of the contract, and which will pay the least, and the only security the Government will have will be those 5,000,000 acres held back, say $5,000,000, according to the Government's estimate. This is the way the Company will then argue the matter. As it is the north of Lake Superior which will be the most costly to work and the least paying, seeing that the lands in that region are of inferior quality, and that the immigrants will prefer to settle on the western plains, we will take this section as an example. It is well known that in Canada it costs at least $2,300 per mile to work a railway; so that to work the 650 miles to the north of Lake Superior it will cost the Company over $1,400,000 yearly. Now, as the Company is only obliged to pay the interest on the $5,000,000 withheld by the Government if the road is not kept open, or $200,000 a year, you readily understand that if the road does not pay the Company will prefer to pay this small sum of $200,000 than to expend $1,400 000 a year in working the road. So that, after having given our money and grant, 20,000,000 acres of land, the Government run the risk of having to work the road at their own expense, less the interest on $5,000,000 that the Company will have to pay. Then can hon. gentlemen be in good faith when they say that these 5,000,000 acres of land offer a sufficient security for the working of the road after it is built? Evidently not. The Company may argue the matter in another way. According to the contract, if the Company does not issue land grant bonds, it has the privilege of issuing bonds to the amount of $20,000 per mile on the 2,700 miles of road. Supposing these bonds are floated, the Company will realize $20,000 per mile, or a sum of $54,000,000. Now, once the road is built the Company enters into possession of its rights, and the Government pays over the $25,000,000, and hands over the 20,000,000 acres of land, holding back the 5,000,000 acres as security for the working of the road. Here, again, we see in what a fine position the Syndicate will be. They will have realized $54,000,000 with the bonds issued, they will have drawn $25,000,000 from the Government and 20,000,000 acres of land, and having realized all the profits that they expected, the members of the Syndicate would be able to say to the Government, "Here, keep your 5,000,000 acres of land and work the road. As for us, we have had enough of it." That is really what we are exposing ourselves to. It is easy to be seen that the security the Government requires is not sufficient. If, besides these 5,000,000 acres of land, the Government had reserved to themselves the right of retaining the $1,000,000 deposited with them at the beginning of the work, it would be another security; but, on the completion of the road, this $1,000,000 has to be returned to the Company. Therefore I move:

That the contract respecting the Canadian Pacific Railway makes no sufficient or satisfactory provision for the construction of the work in a proper manner, or its efficient operation afterwards, nor does it, as it should, provide that so much of the work as is done by the Company shall, in case they make default in completing the railway, belong to the Government, and that the contract is, in these respects, objectionable.

Mr. FISET.

Amendment (Mr. Fiset) negatived on the following division:—

YEAS:

Messieurs

Anglin,	Fiset,	Mills,
Bain,	Fleming,	Olivier,
Béchard,	Geoffrion,	Paterson (Brant),
Blake,	Gillies,	Pickard,
Borden,	Glen,	Rinfret,
Bourassa,	Gunn,	Robertson (Shelburne),
Brown,	Guthrie,	Rogers,
Burpee (St. John),	Holton,	Ross (Middlesex),
Burpee (Sunbury),	Huntington,	Rymal,
Cameron (Huron),	Killam,	Scriver,
Cartwright,	King,	Sutherland,
Casey,	LaRue,	Thompson,
Casgrain,	Laurier,	Trow,
Charlton,	Macdonell (Lanark),	Weldon,
Cockburn (Muskoka),	MacDonnell (Inverness),	Wheler,
Dumont,	McIsaac,	Yeo.—48.

NAYS:

Messieurs

Allison,	Gault,	Mongenais,
Arkell,	Gigault,	Montplaisir,
Baker,	Girouard (Jac. Cartier),	Mousseau,
Bannerman,	Girouard (Kent,)	Muttart,
Beaty,	Grandbois,	Ogden,
Benoit,	Hackett,	Orton,
Bergeron,	Hay,	Ouimet,
Bergin,	Hesson,	Patterson (Essex),
Bill,	Hilliard,	Pinsonneault,
Bolduc,	Hooper,	Platt,
Boultbee,	Houde,	Plumb,
Bourbeau,	Hurteau,	Pope (Compton),
Bowell,	Jones,	Pope (Queen's),
Brecken,	Kilvert,	Poupore,
Brooks,	Kirkpatrick,	Richey,
Bunster,	Kranz,	Robertson (Hamilton),
Bunting,	Landry,	Rouleau,
Cameron (Victoria),	Lane,	Routhier,
Caron,	Langevin,	Royal
Cimon,	Lantier,	Ryan (Marquette),
Colby,	Longley,	Ryan (Montreal),
Connell,	Macdonald (Kings),	Scott,
Costigan,	Macdonald (Sir John),	Shaw,
Coughlin,	McDonald (Cape Breton)	Sproule,
Coupal,	McDonald (Pictou),	Strange,
Coursol,	McDonald (Vict., N.S.),	Tassé,
Daly,	Macmillan,	Tellier,
Dawson,	McCallum,	Tilley,
Desjardins,	McCarthy,	Valin,
Domville,	McConville,	Vallée,
Doull,	McCuaig,	Vanasse,
Dugas,	McInnes,	Wade,
Elliott,	McKay,	Wallace (Norfolk),
Farrow,	McQuade,	Wallace (York),
Ferguson,	McRory,	White (Cardwell),
Fitzsimmons,	Manson,	White (Renfrew),
Fortin,	Massue,	Williams.—113.
Fulton,	Méthot,	

Mr. LARUE. Mr. Speaker, at such a late, or rather at such an early hour, I do not intend to speak at any length. You will allow me, however, to make a motion in amendment to the resolutions now before the House. I rise to fulfil what I consider to be a patriotic duty. The hon. Minister of Public Works, and all the friends of the Conservative party who have taken part in the present debate, have frequently spoken of patriotism; they have often insisted upon the patriotic sentiments that actuate them. Well, for my part, I think that hon. gentlemen would have done much better to study more attentively the contract that they have submitted to the House; that was the only means, the true way, to my mind, of showing whether they really had in their hearts that patriotism that the people have the right to look for in those who represent them. The more we study the contract brought down by the hon. Minister of Railways and his colleagues, the more we are convinced that the Government has been taken by surprise, and that the Syndicate has taken a very active part in the drawing up of this contract, and the more we are convinced, I say, that the members of the Syndicate have exercised a very effective pressure upon the patriotism of

hon. Ministers who at present govern the country. Sir, if I rise to move the amendment that I shall have the honor of placing in your hands in a few moments, it is because I consider that the present contract does not sufficiently protect the interests of Canada; not only the interests of French-Canadians, but the interests of the inhabitants of the Dominion of Canada. Indeed, if we study each clause of the contract, we will easily be convinced that there is not in the contract one single clause which provides that this great undertaking, that has been put into the hands of the Syndicate, shall be exclusively, or even for a small part, in the future, the work of Canadians. No clause in the contract prohibits the members of the contract from transferring the rights granted by the Government to a foreign company. It might happen that at some day, more or less distant, the Syndicate will be composed entirely of foreigners; then how will the interests of Canadians be protected? If the present members of the Syndicate see fit to sell the interests they have in the present contract to a foreign company, whether it be an American, a German, or a French company; for it is very well known—though at this early hour we do hear the Conservative rooster crowing—it is perfectly well known that we find all the nationalities I have just mentioned among the members of the Syndicate. The Conservative party protected Canadian interests much better when the famous contract with Sir Hugh Allan was passed; by referring to the contract passed between the Conservative Government of the day and Sir Hugh Allan I find a clause that protected Canadians, that protected the people of this country, and I will take the liberty, Sir, of quoting a few lines of this contract in order to show the country, and at the same time to show this House, that the interests of Canada were much better protected by that contract than by the present contract. Clause 36 of the Allan contract contains the following provision:—

"Each director shall be a subject of Her Majesty."

And we find the following in the same clause:—

"And the majority of the Directors shall reside in Canada."

In the present contract we find nothing of that; the members of the Syndicate are not obliged to be subjects of Her Majesty, and the directors are not obliged to reside in Canada. Moreover, we find in this contract that the Company can have their offices in Canada, in the United States, in France, in England, or, in short, in any country in the world. By referring to clause 9 of the present contract we find the following:—

"The chief place of business of the Company shall be at the city of Montreal, but the Company may from time to time * * * "

Several hon. MEMBERS. Hear! hear!

Mr. LARUE. If my hon. friends will allow me to continue, they will see that I have taken the trouble to read the contract, which is something that a good many of them have not done, in a serious enough manner perhaps. But I trust that when we are before the public these gentlemen will have the courage to read all the clauses of the contract and explain to their electors why, when the dearest interests of the country were at stake, they blindly submitted to the wishes of their leader, the hon. the Minister of Public Works, and especially to the wisher of the great leader of the Conservative party, who is so well beloved, and who is, indeed, so amiable to his friends. I shall continue, with the permission of these hon. gentlemen, who have done nothing but sing since the beginning of the Session, but who will not sing, perhaps, with so much ease at the next general elections. I understand that the Conservative party, with a majority of eighty, can sing in the House of Commons, but at the next elections perhaps the voice of the hon. member for Montmagny (Mr. Landry) will not be so harmonious or so charming. The hon. member for Montmagny will be kind enough, I hope, to allow me to continue the quotation I had begun in order to establish in a clear and precise manner the second part of my amendment. The 9th clause of the present contract reads as follows:—

"The chief place of business of the Company shall be at the city of Montreal, but the Company may from time to time, by by-law, appoint and fix other places within or beyond the limits of Canada at which the business of the Company may be transacted; and at which the directors or shareholders may meet, when called as shall be determined by the by-laws."

Well, Sir, I appeal to the members who represent so worthily the city of Montreal. If they really had at heart the interests of the great commercial metropolis of Canada, is it not time they would have, I do not say abused their influence, but made use of it in order to convince hon. Ministers that in order to protect the interests of Montreal, and in order to protect the interests of Canada, it is necessary to insert a clause obliging the present Syndicate to have its principal place of business, and to carry on all the business of the Company, in the city of Montreal, not only for a few days, or a few months, but for all time to come? If the hon. members who represent the city and district of Montreal have not as much influence as an hon. member who, the other day, rose in his place, and obtained from the Government a concession that the whole House noticed, and that the country will notice, what will happen? Why it will happen that the city of Montreal will see, some day or another, the members of the Syndicate transferring their chief place of business to St. Paul, Minnesota, or to New York, or to no matter what other city of the United States. At this hour of the morning—it is six o'clock, I believe—I will not enumerate all the disadavntages the city of Montreal, the district of Montreal and even Quebec, will experience, if all the great works, if all the principal business of the Syndicate is to be carried on in the Province of Quebec, or in the Dominion of Canada. But these disadvantages are evident. Sir, I do not wish to take up the time of the House any longer. I think I have fulfilled my duty as the representative of Bellechasse, and also as a representative of the interests of the Province of Quebec and of the Dominion of Canada. I have not the pretension, as several hon. members of this House have the right and the duty to pretend, of representing here the general opinion of the party to which I have the honor to belong, but on this occasion I think I have done my duty as a member of this House. I am satisfied that when I go before my electors they will be content with the work I have done, and that they will be better pleased with the speech I have made than with the songs that hon. gentlemen opposite have been singing. I therefore move the following amendment:—

That the said resolution be not now read a second time, but that it be resolved, That the contract respecting the Canadian Pacific Railway makes no provision for the creation or continuance of a substantial Canadian interest in the stock of the Company; nor does it guard againt the transfer of a controlling interest to foreigners at any time of the incorporation of the Company; and it provides that the Company may appoint and fix places of business beyond the limits of Canada, where the business of the Company may be transacted, and at which the directors and shareholders may meet; that under this provision the important business of the Company may be transacted, and its directors' and shareholders' meetings held in St. Paul, Minnesota, or New York, or elsewhere in the United States; that such power should not be given, and that the contract in this respect is objectionable.

Mr. COURSOL. Mr. Speaker, the hon. member for Bellechasse (Mr. LaRue) has just shown great solicitude for the French-Canadians in general, and for those of Montreal in particular. He was complimentary enough to tell us that we had not read the contract, that we had neglected the interests of our constituents. That is a serious reproach, and if I merited it, I would be inclined to think that I was unworthy of representing the city of Montreal. But as the

hon. member for Bellechasse has had the advantage of understanding the contract, I would be happy to see him come to Montreal after the 10th February next and contest my right to represent the Eastern division of Montreal.

Mr. LANDRY. Mr. Speaker, I have only one word to say in answer to the remarks that the member for the county of Bellechasse has indulged in. He has stated that we were singing. Well, Sir, we have a right to sing. You have, no doubt, heard of a game of cards called whist. When we get to eight we are allowed to sing. That is what the Conservative party are now doing in this House with their majority of eighty. And what can be the objection? In the game we are now playing our partner is the people, and when we go before the people at the next elections we will have the trumps. Where will the hon. member for Bellechasse be then? Perhaps he will be in the hole, if I may be allowed to continue the comparison. Just now he speaks very willing of our future election, but have we not two years to run yet? whilst he runs the risk of soon strapping on his armour. The prospect is even sure, if on the 10th February next a judgment of the Supreme Court should set aside the hon. member's election. The hon. member would be obliged to go before the people. It is, perhaps, for that reason that he has been chosen to make the motion that he has now read. But why does he say that we have not studied the contract? Is it not rather himself who has not studied the motion he has just made. Having made a speech in French, we had a right to expect that the summing up of this speech, which is the motion, would be in the same language; but he read it in English: by which he has shown that the motion he held in his hand had been prepared by another, and that is probably why there is so wide a difference between the motion and the speech. The motion has reference to the Pacific Railway contract, and the speech is an attack upon the Conservative members in general and the member for Montmagny in particular.

Mr. HOUDE. Mr. Speaker, the hon. member for Bellechasse has reproached us with not having studied the contract now before us. Yet, whilst he was thus reproaching us, he gave us the proof that he himself had not studied it in all its parts, for he stated that no clause of the contract provided that the directors should be chosen among British subjects, whereas, as you are well aware, Sir, the contract expressly stipulates that a majority of the directors of this Company shall be British subjects. The hon. member disturbed my convictions for a few moments when he said that the board of directors of this Company could be established outside of the limits of this country, and I asked myself, in fact, whether this Syndicate that is going to build a railway on Canadian territory might not decide to build a railway to the moon. Perhaps that railway might be of some use as a means of carrying away the imaginations of hon. members opposite who really, since this discussion has begun, seem to be travelling in the moon. And it would probably be in accordance with the economical ideas of the Opposition to substitute for the present contract, a railway to the moon. The hon. member has stated that his electors, as well as the electors of his friends of the Opposition, will be delighted to see. I think, indeed, that the electors of our friends opposite will be so glad to see them that they will not let them go, and that in the next Parliament we shall see a great many of them no more.

Amendment (Mr. LaRue) negatived on the following division:—

YEAS:

Messieurs

Anglin,	Fleming,	Olivier,
Bain,	Geoffrion,	Paterson (Brant),
Bechard,	Gillies,	Pickard,
Blake,	Glen,	Rinfret,
Borden,	Gunn,	Robertson (Shelburne),
Bourassa,	Guthrie,	Rogers,
Brown,	Holton,	Ross (Middlesex),
Burpee (Sunbury),	Huntington,	Rymal,
Cameron (Huron),	Killam,	Scriver,
Cartwright,	King,	Sutherland,
Casey,	LaRue,	Thompson,
Casgrain,	Laurier,	Trow,
Charlton,	Macdonell (Lanark),	Weldon,
Cockburn (Muskoka),	MacDonnell (Inverness),	Wheler,
Dumont,	McIsaac,	Yeo.—47.
Fiset,	Mills,	

NAYS:

Messieurs

Alisson,	Gault,	Méthot,
Arkell,	Gigault,	Mongenais,
Baker,	Girouard (Jac. Cartier),	Montplaisir,
Bannerman,	Girouard (Kent),	Mousseau,
Beaty,	Grandbois,	Muttart,
Benoit,	Hackett,	Ogden,
Bergeron,	Hay,	Orton,
Bergin,	Hesson,	Ouimet,
Bill,	Hilliard,	Patterson (Essex),
Bolduc,	Hooper,	Pinsonneault,
Boultbee,	Houde,	Platt,
Bourbeau,	Hurteau,	Plumb,
Bowell,	Jones,	Pope (Compton),
Brecken,	Kilvert,	Pope (Queen's),
Brooks,	Kirkpatrick,	Poupore,
Bunster,	Kranz,	Richey,
Bunting,	Landry,	Robertson (Hamilton),
Cameron (Victoria),	Lane,	Rouleau,
Caron,	Langevin,	Routhier,
Cimon,	Lantier,	Royal,
Colby,	Longley,	Ryan (Marquette),
Connell,	Macdonald (King's),	Ryan (Montreal),
Costigan,	Macdonald (Sir John),	Scott,
Coughlin,	McDonald (Cape Breton)	Shaw,
Coupal,	McDonald (Pictou),	Sproule,
Coursol,	McDonald (Vict., N.S.),	Strange,
Daly,	Macmillan,	Tasse,
Dawson,	McCallum,	Tellier,
Desjardins,	McCarthy,	Tilley,
Domville,	McConville,	Valin,
Doull,	McCuaig,	Vallée,
Dugas,	McInnes,	Vanasse,
Elliott,	McKay,	Wade
Farrow,	McQuade,	Wallace (Norfolk),
Ferguson,	McRory,	Wallace (York),
Fitzsimmons,	Manson,	White (Cardwell),
Fortin,	Massue,	Williams.—112.
Fulton,		

Mr. KING. Before these resolutions are read a second time, I desire to call attention to what appears to me to be a dangerous, as well as an important, feature in this contract. I refer to the standard of construction. Everyone who has paid any attention to the building of the Canadian Pacific Railway, knows that two great objects have been kept in view. First, the opening up and development of the fertile lands in the North-West; and next, the securing a large foreign traffic over the road when constructed. As surveys have progressed from time to time, the country has been told that we possessed a route a thousand miles shorter from the Pacific coast to England than that from San Francisco *vid* New York; that in addition to this, it would be possible to secure, at a reasonable cost, a route eminently more favorable in respect to grades and curves than that of any line now built south of the boundary. Speech after speech has been delivered, in this House and out of it, showing that foreign travel and traffic were to flow over this great transcontinental line. The trade of China and Japan was to pass by our doors. The hon. member for Lambton had been so far successful, before retiring from office, as to be in a position, had the financial condition of the country warranted it, to have placed the whole line under contract, basing his estimates for the work on actual surveys, over a line on which the grades would not exceed 26 feet per mile coming east, and 40 feet per mile going west. We find, on referring to the report of the Chief Engineer, 1877, that the estimates then made were for a line of road equal in every respect to the Intercolonial, and so far as grades and curves were concerned, they were to be very much more favorable. In proof of this, I propose reading from the report to which I

have alluded, in which Mr. Fleming says, speaking of the Canadian Pacific Railway:

"The amount of expenditure, however, may in the first place be reduced by the introduction of timber trestle-work in the place of solid earth-work or rock embankments, and by the use of temporary structures in place of permanents and more costly ones various expedient could be resorted to to limit the first expenditure, generally by the adoption of perishable works, to be replaced as they require restoration by more permanant works. By this means, the first cost could be reduced, but with the prospect of ultimate increased expense. It is considered advisable to take the standard of the Intercolonial Railway where solid and permanent works generally prevail"——

Mr. DOMVILLE. I rise to a point of order. The reading of speeches is getting to be beyond a joke. I ask you, Mr. Speaker, to enforce the Rules of Parliament, that speeches shall be spoken and not read.

Mr. KING. I am reading extracts simply. The hon. gentleman thinks he is making a point against me. The hon. gentleman has a horror of notes.

Mr. DOMVILLE. I have no horror of notes, except the hon. gentleman's own notes.

Mr. KING. I am surprised that the hon. member for King's, who has not been present during the discussion on the twenty amendments that have been moved in this House, should now be in his place. I am about to propose an amendment which will meet one of the objections the hon. gentleman has made to the contract. The first intimation we had of a departure from the policy of the hon. member for Lambton, for the construction of the Canadian Pacific Railway, was a letter addressed to the Chief Engineer by the Minister of Railways, on the 15th of April, 1880, in which he says:

"DEAR SIR,—The Pacific Railway debate will begin this afternoon, and I must ask you to furnish me with an estimate of cost. In doing this, take the following data:—

"The four contracts recently let in British Columbia, making full allowances for the reductions to be made and referred to in your report on these contracts.

"With regard to the location and character of the railway, I am aware that your own preference has been for a line with light, easy gradients. The Government recognizes the advantage of this feature between Lake Superior and Manitoba, but west of Red River we attach less importance to it than the rapid settlement of the country and the immediate accommodation of settlers.

"The policy of the Government is to construct a cheap railway, following, or rather, in advance of settlement, with any workable gradients that can be had, incurring no expenditure beyond that absolutely necessary to effect the rapid colonization of the country."

I can understand that the position then taken by the Government might be defended on the ground that the saving to be effected by the change of line was in the interests of the taxpayers; but it is quite a different thing when it is now proposed to hand over to the Syndicate 2,000 miles of that road, to build which, according to the estimate of Mr. Fleming, submitted last year, would cost $48,500,000, for which they are to receive nearly double that amount. The hon. gentleman then called the attention of the House to a return laid on the Table which purports to be the basis upon which the Government founded their policy in selecting as a standard for the construction of the Canadian Pacific Railway, the Union Pacific Railway. The return was made up of a letter signed by the President of the road and some directors, a report on the condition of the road, and a minority report of directors. The gentlemen who made the first report gave it as their opinion that the Union Pacific Railway was completed in 1870. The other report, and the one on which it would appear the Government based their judgment, read as follows:—

"The first question that comes before the Commission is, what is meant by Congress in its various Acts relating to the Pacific Railroad by the words 'first-class railroad?' * * * In the opinion of the Commission the requirements of the law will be satisfied, and the designs of Congress carried out, if the roads were properly located, with judicious grades; have substantial road-beds of good width; ballasting, which with proper care shall be able to keep the track in good condition throughout the year; permanent structures for crossing streams, good cross ties, iron and joint fastenings; sufficient sidings, water tanks, buildings, machinery, adequate rolling stock—the more important machine shops and engine houses being of masonry; and the Commission is glad to be able to say that, in its opinion, while some expenditures still need to be made, these two roads are substantially such roads to-day. The expenditures needed for completion will be given in detail for each road."

Notwithstanding these gentlemen are disposed to report so favorably, we find, a little further along in their report, they are obliged to admit that over one and a-half millions of dollars will be required to put the road in condition fit for traffic. In the details of deficiencies enumerated by them we find that $529,000 would be required to be expended in the way of ballasting, and $551,000 in replacing temporary bridges and trestle-work with more permanent structures. I have in my hands a report by another gentleman who was appointed by the United States Government to examine the condition of the Union Pacific in 1869. He says, with reference to the road-bed:

"I examined the road-bed constructed in this valley (Salt Lake Valley) by the Central Pacific Company and found it of a uniform width of fourteen feet, and neatly finished. The Union Pacific road-bed is neither of these. Its width at the grade line on embankments, especially where it should be the widest, if any difference existed, is only the width of the tie or eight feet, sometimes a little over and sometimes a little under. In several places I saw the ends of the ties projecting over the embankment. What is here said will apply equally to that part of the road lying east which I examined."

In summing up, this Commissioner says:

"While I may possibly be somewhat at fault in details I have given, I feel satisfied I am substantially correct. But however important or unimportant these details, they cannot affect the great truth I shall now state:

"1st.—The road is not, as the law requires, a first-class road.

"2nd.—It is not supplied with the necessary buildings.

"3rd.—It has not safe and substantial bridges.

"4th.—The tunnels are not wide enough for a double track.

"5th.—The road-bed at the grade line is not of a uniform width of fourteen feet, nor has it been properly levelled, nor the rails lined.

"6th.—Especially would it be extremely dangerous for heavy trains to pass over the western portion of the road.

"7th.—The ties have sunken in many instances sometimes at one end and sometimes entirely, the dirt being washed from under them. This is more generally the case on embankments.

"Miles upon miles of them were laid during the winter, when the frost was in the ground. The rails consequently have an uneven bearing and in numerous instances are bent and appear, as you look back upon them, like a succession of small waves.

"I saw, however, a number of men at different points engaged in raising the ends of the ties and packing dirt under them, so as to level the track as far as that would do it.

"Two considerations remain which I deem of more importance than others. First: The road is not ballasted, nor is any part of it. True, hands have been and are now here and there employed in throwing a few shovels of such material as the road-bed is composed of, (taken in all cases from the sides of the embankments, where they exist,) between the ties.

"Cross-ties are laid with great irregularity on the bed of the road. They appear, indeed, to have been pitched on, and the rails spiked to them wherever they fell."

This was the condition of the Union Pacific Railway as it was when first constructed, and I am not surprised to find that hon. gentlemen opposite are dissatisfied with it as a standard for our road. But now we find a letter laid upon the Table of the House, signed by three gentlemen of the Syndicate, agreeing to adopt, as the standard for this contract, the Union Pacific as it was in February, 1873. This letter may, or may not, be binding on the Syndicate. But let us enquire into the condition of that road at that time, and what do we find? That, of the large sum which was deemed necessary to expend in the way of ballasting the road, not one dollar had been spent prior to 1874, and only about one-half the temporary bridges had been replaced by permanent structures at that time. The Government Railroad Bureau, in its report, dated December 2nd, 1874, states:

"Between the 1st of January, 1874, and the close of our inspection of the road in August last, fifty-five miles of 58 pound rails had been relaid; the cost of rails and transportation to points where used having been $271,552 94. An additional twenty-two miles of rails were contracted for, one-half being in transit, and all to be delivered before the close of November.

"In the same time there had been put in track 367,307 pine and 47,892 hard-wood ties; the cost of which, at points where used, being $260,249.11, a fraction less than 65 cents per tie, including transportation.

"Eight miles of track have been raised during the year, releasing one-half mile of snow-sheds and ten miles of snow-fence—the fences in many places being double or treble breasts, thus accounting for the excess of miles of fence over miles of raised track. The protection of the road now against obstruction by snow has been carried to such a degree of perfection, that impediments to the operation of the line from that cause will be no greater in the future than may be expected on any of the lines between Chicago and New York. The problem of the practicability of the road for winter operation may be considered as solved.

"The filling of the high and long trestles mentioned in our report of 1873 has been completed, as follows:—

No. 765, near Arpen, 24 feet high, 498 feet long.
No. 766, near Arpen, 50 feet high, 600 feet long.
No. 767, near Arpen, 29 feet high, 186 feet long.
No. 798, near Wasatch, 29 feet high, 186 feet long.
No. 799, near Wasatch, 71 feet high, 590 feet long.
No. 800, near Wasatch, 24 feet high, 369 feet long.
No. 801, near Wasatch, 35 feet high, 350 feet long.
No. 802, near Wasatch, 35 feet high, 386 feet long."

If further proof is wanted that the road, in February, 1873, was not in the condition of a first-class road, we have it in a report from the President of the Company to the shareholders, in 1875, in which it is stated that the permanent bridges were not completed till 1874. I think this ought to satisfy hon. gentlemen that the Union Pacific Railway, as it existed in 1873, is not a fit standard to be selected for the Canadian Pacific Railway. But we are told that the interest of the Syndicate will induce them to construct a first-class road. We are also told that we are fortunate in having secured these gentlemen, as they have a very extensive experience in dealing with railways in the West. But, I ask, what guarantee have we in this contract that this Syndicate will build the road of themselves? What is to prevent them handing the contract over to Grit Syndicate No. 2, retaining in their own hands the difference in the low offers; viz., $3,000,000 in cash, and 3,000,000 acres of land. I think if anything should be taken on trust in this matter, it should be the promises of the Government, and not that of the Syndicate. It must be plain to every hon. gentleman that the Minister of Railways and Canals, in letting this contract, was not aiming at securing a first-class road. I will read from *Hansard*, of December 14th, 1880, an extract from the speech of the Minister of Railways, as follows:—

"What would have been my position in demanding excessive terms in relation to the standard of the road, when they had in their hands my own statement, the statement of the Government of Canada, with all the resources of the country at our back, that we were compelled to lower the character of the road in order to construct a cheap line of railway?"

It must be well known that the Government have contracted with the Syndicate already for the construction of a portion of the Canadian Pacific. Section 6 of the contract says:

"Unless prevented by the Act of God, the Queen's enemies, intestine disturbances, epidemics, floods or other causes beyond the control of the Government, the Government shall cause to be completed the said Lake Superior section, by the dates fixed by the existing contracts for the construction thereof; and shall cause to be completed the portion of the said western section now under contract, namely, from Kamloops to Yale, within the period fixed by the contracts therefor, namely, by the thirtieth day of June, 1885; and shall also cause to be completed, on or before the first day of May, 1891, the remaining portion of the said western section, lying between Yale and Port Moody, which shall be constructed of equally good quality in every respect with the standard hereby created for the portion hereby contracted for. And the said Lake Superior section and the portions of the said western section now under contract, shall be completed as nearly as practicable according to the specifications and conditions of the contracts therefor except in so far as the same have been modified by the Government prior to the 21st day of October, 1880."

Now, as this is the first contract let by the Syndicate for the construction of any portion of the Canadian Pacific Railway, it will only be necessary to determine its character in order to decide what the interests of the Company will lead them to in dealing with other portions of the line. We find, in referring to the report of Mr. Schreiber, made since this contract was entered into, that the part of the road referred to in Section 6 is to be an inferior road. In dealing with this question, that gentleman says:

"In British Columbia the line follows the valleys of the Thompson and Fraser Rivers, passing along the steep mountain sides, so that the shifting of the line a few feet either to the right or to the left, increases or diminishes the work to be done very much."

Acting upon suggestions made by Mr. Fleming, he proceeds to say:

"That by making an extremely careful study of the final location, by sharpening the curvature in some places, by using great judgment in adjusting the alignments to sinuosities and sudden and great irregularities of the ground, by substituting the cheaper classes of work for the more costly whenever it can safely be done, and by doing no work that is not absolutely necessary, a very marked reduction may be made"

Mr. Schrieber then proceeds to say:

"The engineers have given the final location great care and attention, and have exercised good judgment in fitting the line as far as practicable to the contour of the country which, combined with slightly sharpening a few of the curves and steepening some of the grades, has resulted in the reduced estimate of cost set forth in the statement referred to."

Now is it not plain, that if the Syndicate really intended to build a first-class road, they would, in making this, their first contract, have insisted upon a standard higher than laid down in the report which I have just read. It must be borne in mind that Mr. Fleming estimated this 125 miles of road to cost $10,000,000, and that on the basis of a road of any workable gradients, with no costly bridges. And that this year Mr. Schrieber has, by the means suggested in his report, still further reduced the estimate to about $8,000,000. Then we were told the standard was the same as that applied to the Allan contract. The provisions of the Allan contract were different from those in the present contract. It was known that the standard of construction, that is the Union Pacific, was only to be applied in a general way, and not as to its grades and curves, which were to be as favorable as the nature of the country would permit, without undue expense. I, therefore, move in amendment:

That the contract respecting the Canadian Pacific Railway provides as a standard, whereby the quality and the character of the railway and of the material used in the construction thereof, and in the equipment thereof may be regulated, the Union Pacific Railway of the United States as the same was when first constructed.

That by a letter, since laid on the Table, some members of the Syndicate have expressed their intention to abide by the standard of the Union Pacific Railway, as it was in February, 1873,—that this letter is not binding on the projected Company—that neither of the said proposed standards are satisfactory—that there are objectionable details in the construction of the Union Pacific Railway—that the conformation of the ground on the route of the Canadian Pacific Railway admits of much better alignments and grades than those of the Union Pacific Railway—that this was recognized in the contract made by the Government with Sir Hugh Allan and others in 1873, which provided in this respect, that the Union Pacific Railway should not be the standard with respect to any minor details in its construction and working, which may be found objectionable, and with respect to its alignments and grades which should be as favorable as the nature of the country will admit without undue expenditure, that the contract and letter on the Table contain no such provision, and provide a standard lower than that of the Allan contract, unsuitable to the country and calculated to secure an inferior railway—that the condition of the Union Pacific Railway was very different when first constructed from its condition in February, 1873, and its present condition is also very different from its condition in February, 1873,—that in order to apply its former condition as a standard for the Canadian Pacific Railway, it would be necessary to engage in an enquiry as to what its condition actually was many years ago. And this renders the proposed standard unsatisfactory, and that the contract is, in these respects, objectionable.

Mr. DOMVILLE. I would not have troubled the House at this hour but for the personal attack made upon me by the hon. gentleman. The hon. gentleman would not dare to make that attack in my own county—he would not dare to make it on the hustings either in St. John or in King's. I noticed that he was reading his speech; and I promise him I shall take good care and go to his own county and remind him and his people of the rigmarole he has read us to-night, at a great expense to the people of the Dominion. I was about to suggest that, in order to save the time of the reporters and of the House, the hon. gentleman should follow

the example introduced in Washington, and have his speech taken as read, and hand it to the reporters to be printed. My hon. friend had no business to keep us to-night with that long speech, with those books from the Library piled up before him. The country will not be prepared to submit to the obstructions we have had in this debate. We see Mr. Parnell obstructing the British House of Commons in a cause in which he and his friends think they are aggrieved; but we are not aggrieved in this matter, it is merely the question of the giving of a contract.

Mr. MACDONNELL (Inverness). I desire to give a decided contradiction to the assertions of the hon. gentleman from King's, N.B. (Mr. Domville), that my hon. friend from Queen's, N.B., was not reading his speech. I sat beside my hon. friend from Queen's while he was speaking, and I saw his notes, and I can assure the House that he was not reading his speech, but that his notes were only such as hon. gentlemen have been using all through this debate.

Amendment (Mr. King) negatived on the following division :—

YEAS :

Messieurs

Anglin, Bain, Béchard, Blake, Borden, Bourassa, Brown, Burpee (Sunbury), Cameron (Huron), Cartwright, Casey, Casgrain, Charlton, Cockburn (Muskoka), Dumont, Fiset, Fleming, Geoffrion, Gillies, Glen, Gunn, Guthrie, Holton, Huntington, Killam, King, LaRue, Macdonell (Lanark), MacDonnell (Inverness), McIsaac, Mills, Olivier, Paterson (Brant), Pickard, Rinfret, Robertson (Shelburne), Rogers, Ross (Middlesex), Rymal, Scriver, Sutherland, Thompson, Trow, Weldon, Wheler, Yeo.—46.

NAYS :

Messieurs

Allison, Arkell, Baker, Bannerman, Beaty, Benoit, Bergeron, Bergin, Bill, Bolduc, Boultbee, Bourbeau, Bowell, Brecken, Brooks, Bunster, Bunting, Cameron (Victoria), Caron, Cimon, Colby, Connell, Costigan, Coughlin, Coupal, Coursol, Daly, Dawson, Desjardins, Domville, Doull, Dugas, Elliott, Farrow, Ferguson, Fitzsimmons, Fortin, Fulton, Gault, Gigault, Girouard (Jac. Cartier), Girouard (Kent), Grandbois, Hackett, Hay, Hesson, Hilliard, Hooper, Houde, Hurteau, Jones, Kilvert, Kirkpatrick, Kranz, Landry, Lane, Langevin, Lantier, Longley, Macdonald (King's), Macdonald (Sir John), McDonald (Pictou), McDonald (Vict., N.S.), Macmillan, McCallum, McCarthy, McConville, McCuaig, McInnes, McKay, McQuade, McRory, Manson, Massue, Méthot, Mongenais, Montplaisir, Mousseau, Muttart, Ogden, Orton, Ouimet, Patterson (Essex), Pinsonneault, Platt, Plumb, Pope (Compton), Pope (Queen's), Poupore, Richey, Robertson (Hamilton), Rouleau, Routhier, Royal, Ryan (Marquette), Ryan (Montreal), Scott, Shaw, Sproule, Strange, Tassé, Tellier, Tilley, Valin, Vallée, Vanasse, Wade, Wallace (Norfolk), Wallace (York), White (Cardwell), White (Renfrew), Williams.—112.

Mr. MACDONNELL (Inverness). I desire to put my views on record in reference to this great question, but I do not intend to make any extended remarks at this hour of the morning. We have heard about the dangerous power we are creating in our midst by means of this Syndicate. I think we all have had some experience of the power of this great corporation. We have now been in Session about seven weeks, and the passing of these resolutions will be a virtual ratification of the contract before the House. Yet in not the slightest iota have these resolutions been changed. This House has been impotent to make any change in them. I feel satisfied that when the Bill comes before the House, it will pass without any amendment, which will furnish a precedent that has never been witnessed before. This power which we are creating in this country has already exercised its vast influence; it has paralyzed the power of this Parliament. One of the most odious features of this contract is the monopolies it creates, in transferring from the Parliament of the country franchises and rights which it should retain. Not the least of these is the privilege of building, to the exclusion of all other corporations, to the exclusion of the Government itself, roads throughout that great territory. I move :

That the contract respecting the Canadian Pacific Railway does not preserve to the Government the right to give to other corporations running powers over the Thunder Bay line and the Pembina Branch, but improperly cedes to the Company the absolute and exclusive right to these avenues to the North-West, and the said contract is, in this respect, objectionable.

Amendment (Mr. MacDonnell, Inverness) negatived on the following division :—

YEAS :

Messieurs

Anglin, Bain, Béchard, Blake, Borden, Bourassa, Brown, Burpee (Sunbury), Cameron (Huron), Cartwright, Casey, Casgrain, Charlton, Cockburn (Muskoka), Dumont, Fiset, Fleming, Geoffrion, Gillies, Glen, Gunn, Guthrie, Holton, Huntington, Killam, King, LaRue, Macdonell (Lanark), MacDonnell (Inverness), McIsaac, Mills, Olivier, Paterson (Brant), Pickard, Rinfret, Robertson (Shelburne), Rogers, Ross (Middlesex), Rymal, Scriver, Sutherland, Thompson, Trow, Weldon, Wheler, Yeo.—46.

NAYS :

Messieurs

Allison, Arkell, Baker, Bannerman, Beaty, Benoit, Bergeron, Bergin, Bill, Bolduc, Boultbee, Bourbeau, Bowell, Brecken, Brooks, Bunster, Bunting, Cameron (Victoria), Caron, Cimon, Colby, Connell, Costigan, Coughlin, Coupal, Coursol, Daly, Dawson, Desjardins, Domville, Doull, Elliott, Farrow, Ferguson, Fitzsimmons, Fortin, Fulton, Gault, Gigault, Girouard (Jac. Cartier), Girouard (Kent), Grandbois, Hackett, Hay, Hesson, Hilliard, Hooper, Houde, Hurteau, Jones, Kilvert, Kirkpatrick, Kranz, Landry, Lane, Langevin, Lantier, Longley, Macdonald (King's), Macdonald (Sir John), McDonald (Pictou), McDonald (Vict, N.S.) Macmillan, McCarthy, McConville, McCuaig, McInnes, McKay, McQuade, McRory, Manson, Massue, Méthot, Mongenais, Montplaisir, Mousseau, Muttart, Ogden, Orton, Patterson (Essex), Pinsonneault, Platt, Plumb, Pope (Compton), Pope (Queen's), Poupore, Richey, Robertson (Hamilton), Rouleau, Routhier, Royal, Ryan (Marquette), Ryan (Montreal), Scott, Shaw, Sproule, Strange, Tassé, Tellier, Tilley, Valin, Vallée, Vanasse, Wade, Wallace (Norfolk), Wallace (York), White (Cardwell), White (Renfrew), Williams.—109.

Mr. CASEY. It is of course impossible at this unseasonable hour at which we have been forced to sit, to discuss this question to anything like the extent to which it should be discussed. The amendment I have to propose concerns the power the Government should have, but has not, under the present contract, to acquire the road at any time they may see proper to do so. Although it has been frequently asserted that the policy of both parties has always been unanimous in regard to building this road by a company; and although that was the first policy marked out immediately after we placed ourselves under the obligation to build this road, yet it has always been put forward as an alternative by both parties, up to the publication of the present terms. The conception of the scheme of constructing the road by a company can best be expressed by a slight adaptation of a phrase which the hon. leader of the Government was very fond of making use of when he was leader of the Opposition. He used to say that his motto was: "With a party, by a party, but for the country;" and the popular plan of constructing the railway until recently has been with a company, by a company, but for the country. The Company has been looked on as the trustees for the construction of the road while the road belonged in equity to the country, and was to be run in the interest not of the Company but of the country; and I consider that the proper view. We employ a company in order to save certain risk and trouble in the management, and for the purpose of getting rid of some uncertainty as to what the railway will cost; but the principle of construction is not altered in the slighest degree by the fact that the Company, instead of the Government, will carry out the work. It is for the convenience of the public and for the purpose of filling up the valuable lands in the North-West, and improving their value, and for the convenience of the whole State, which pays the cost of its construction. When we consider that this is to some extent true of other railway companies, trustees of the rights and privileges given them by the State, and that all civilized nations have exercised a great control over the construction and operation of ordinary railways in which private capital has been placed, it is very clear that the control to be exercised over the trustees of the national highway should be of the most severe and searching character. Instead of the road being subjected to watchfulness on the part of the Government, we find, by the terms of the contract, that the Syndicate are not subject to close control, but they are relieved from many of the provisions applicable to ordinary roads. Instead of the Company being made trustees of the national highway, they are made owners in fee simple for all time. It is as if the executors of a will, who placed a certain portion of the property in trust, were to confiscate it, only in this case the party who confiscates the property is not the trustee, but it is done by the unfaithful conduct of those to whom was committed the power of creating the trust. The Government, which acts for the nation, instead of creating a trust in the hands of the railway company, gave over in fee simple the property for which the nation pays and should own. They handed it over without reserving the usual rights of taxation, which other nations reserve in similar cases. In France and Russia, when the State aids railways, it is provided that they shall revert absolutely to the Crown at the end of a certain period; and the condition of the country in Russia is very similar to that of Canada, for it is a new country, where the railways are compelled to obtain State aid in order to build railroads and open up large tracts of territory. We have reserved no equity of redemption. In this respect the present contract stands in marked contrast to the basis laid down by the hon. member for Lambton (Mr. Mackenzie) in his Bill of 1874. It is provided in that Act that in any contract for the construction of the railway, or any part thereof, the Government would reserve power to purchase the road, or any part of it, at an advance of ten per cent. on the actual contract price, all the cash and land bonuses previously given to the Company being counted as part of the price; so that if the Government happened to overpay the Company, they could assume the road at any time without any payment. If the Company were locating the road in an improper manner, constructing it improperly, managing it in their own interest, as distinct from the public interest, the Government would have the power under such contracts to assume control of the road at any time. In this case the House refuses to take other precautions. It is important that at least power should be reserved to the Government to take back that which belongs to it whenever the trustees of that great national work appear to be actuated solely by their own interests and those interests clash with the interests of the country. I, therefore, move the following amendment:—

Mr. MACDONNELL (Inverness).

That the contract respecting the Canadian Pacific Railway makes no provision for the Government having a right, at its option, to acquire the railway on proper terms, having regard to the amount of public resources invested in the enterprise; that the public security may require the exercise by the Government of such an option, and that the right should be secured by the contract, which is, in this respect, objectionable.

Amendment (Mr. Casey) negatived on the following division:—

YEAS:

Messieurs

Anglin,	Fleming,	Olivier,
Bain,	Geoffrion,	Paterson (Brant),
Béchard,	Gillies,	Pickard,
Blake,	Glen,	Rinfret,
Borden,	Gunn,	Robertson (Shelburne),
Bourassa,	Guthrie,	Rogers,
Brown,	Holton,	Ross (Middlesex),
Burpee (Sunbury),	Huntington,	Rymal,
Cameron (Huron),	Killam,	Scriver,
Cartwright,	King,	Sutherland,
Casey,	LaRue,	Thompson,
Casgrain,	Macdonell (Lanark),	Trow,
Charlton,	MacDonnell (Invesness),	Weldon,
Cockburn (Muskoka),	McIsaac,	Wheler,
Dumont,	Mills,	Yeo.—46.
Fiset,		

NAYS:

Messieurs

Allison,	Gault,	Mongenais,
Arkell,	Gigault,	Montplaisir,
Baker,	Girouard (Kent),	Mousseau,
Bannerman,	Grandbois,	Muttart,
Benoit,	Hackett,	Ogden,
Bergeron,	Hay,	Orton,
Bergin,	Hesson,	Patterson (Essex),
Bill,	Hilliard,	Pinsonneault,
Bolduc,	Hooper,	Platt,
Boultbee,	Houde,	Plumb,
Bourbeau,	Hurteau,	Pope (Compton),
Bowell,	Jones,	Pope (Queen's),
Brecken,	Kilvert,	Poupore,
Brooks,	Kirkpatrick,	Richey,
Bunster,	Kranz,	Robertson (Hamilton),
Bunting,	Landry,	Rouleau,
Cameron (Victoria),	Lane,	Routhier,
Caron,	Langevin,	Royal,
Cimon,	Lantier,	Ryan (Marquette),
Colby,	Longley,	Ryan (Montreal),
Connell,	Macdonald (King's),	Scott,
Costigan,	Macdonald (Sir John),	Shaw,
Coughlin,	McDonald (Pictou),	Sproule,
Coupal,	McDonald (Vict., N.S.),	Strange,
Coursol,	Macmillan,	Tassé,
Daly,	McCallum,	Tellier,
Dawson,	McCarthy,	Tilley,
Desjardins,	McConville,	Valin,
Domville,	McCuaig,	Vallée,
Doull,	McInnes,	Vanasse,
Elliott,	McKay,	Wade,
Farrow,	McQuade,	Wallace (Norfolk),
Ferguson,	McRory,	Wallace (York),
Fitzsimmons,	Manson,	White (Cardwell),
Fortin,	Massue,	White (Renfrew),
Fulton,	Méthot,	Williams.—108.

CONCURRENCE.

The first resolution was then read, and carried on the following division:—

YEAS:

Messieurs

Allison,	Fulton,	Méthot,
Arkell,	Gault,	Mongenais,
Baker,	Gigault,	Montplaisir,
Bannerman,	Girouard (Kent),	Mousseau,
Beaty,	Grandbois,	Muttart,
Benoit,	Hackett,	Ogden,
Bergeron,	Hay,	Orton,
Bergin,	Hesson,	Patterson (Essex),
Bill,	Hilliard,	Pinsonneault,
Bolduc,	Hooper,	Platt,
Boultbee,	Houde,	Plumb,
Bourbeau,	Hurteau,	Pope (Compton),
Bowell,	Jones,	Pope (Queen's),
Brecken,	Kilvert,	Poupore,
Brooks,	Kirkpatrick,	Richey,
Bunster,	Kranz,	Robertson (Hamilton),
Bunting,	Landry,	Rouleau,
Cameron (Victoria),	Lane,	Rou hier,
Caron,	Langevin,	Royal,
Cimon,	Lantier,	Ryan (Marquette),
Colby,	Longley,	Ryan (Montreal),
Connell,	Macdonald (King's),	Scott,
Costigan,	Macdonald (Sir John),	Shaw,
Coughlin,	McDonald (Pictou),	Sproule,
Coupal,	McDonald (Vict., N.S.),	Strange,
Coursol,	Macmillan,	Tassé,
Daly,	McCallum,	Tellier,
Dawson,	McCarthy,	Tilley,
Desjardins,	McConville,	Valin,
Domville,	McCuaig,	Vallée,
Doull,	McInnes,	Vanasse,
Elliott,	McKay,	Wade,
Farrow,	McQuade,	Wallace (York),
Ferguson,	McRory,	White (Cardwell),
Fitzsimmons,	Manson,	White (Renfrew),
Fortin,	Massue,	Williams.—108.

NAYS:

Messieurs

Anglin,	Fleming,	Olivier,
Bain,	Geoffrion,	Paterson (Brant),
Béchard,	Gillies,	Pickard,
Blake,	Glen,	Rinfret,
Borden,	Gunn,	Robertson (Shelburne),
Bourassa,	Guthrie,	Rogers,
Brown,	Holton,	Ross (Middlesex),
Burpee (Sunbury),	Huntington,	Rymal,
Cameron (Huron),	Killam,	Scriver,
Cartwright,	King,	Sutherland,
Casey,	LaRue,	Thompson,
Casgrain,	Macdonell (Lanark),	Trow,
Charlton,	MacDonnell (Inverness)	Weldon,
Cockburn (Muskoka)	McIsaac,	Wheler,
Dumont,	Mills,	Yeo.—46.
Fiset,		

The second resolution was carried on the same division.

Sir JOHN A. MACDONALD. In the absence of the Minister of Railways, I beg leave to introduce a Bill (No. 37) founded on these resolutions respecting the Canadian Pacific Railway.

Bill read the first time.

Sir JOHN A. MACDONALD moved the adjournment of the House.

Motion agreed to; and (at 8 o'clock, a.m., Friday) the House adjourned.

HOUSE OF COMMONS,

FRIDAY, 28th January, 1881.

The SPEAKER took the Chair at Three o'clock.

PRAYERS.

PROCEDURE IN CRIMINAL CASES.

Mr. McCARTHY introduced a Bill (No. 38) to amend the laws respecting Criminal Procedure. The Bill, he said; is merely to introduce here the provisions I find in the English Acts, giving the Judge at *nisi prius*, where a record has been sent down for trial, in a matter which has come before the court, by writ of *certiorari*, the power to sentence persons sent down for trial, which cannot be done as the law now stands, although for many years it has been the law in England. At present all the Judge can do is to record the verdict, and then the record has to go back to the Court, and the parties have to be brought before the Court to pronounce sentence, which is manifestly unfair.

Bill read the first time.

INSOLVENCY LAWS.

Mr. McCUAIG introduced a Bill (No. 39) to amend the Insolvent Act of 1875, and amending Acts.

Mr. BLAKE. Explain.

Mr. McCUAIG said the intention of the Bill was to give an insolvent his discharge in cases where there was no fraud, without requiring a dividend to be paid on the estate as provided in the Act of 1875, and Acts amending the same.

Mr. BLAKE. The Insolvency Act was repealed because it gave too great laxity for the discharge of traders without paying their debts. It is now proposed to revise the clause which was so objectionable that it involved the repeal of the whole Act.

Bill read the first time.

ORDER OF GOVERNMENT BUSINESS.

Sir LEONARD TILLEY moved that all the stages of any Bill to be introduced founded on the resolutions now before the House, on the subject of certain subsidies of land and money in aid of the construction of the Canadian Pacific Railway, shall have precedence, every day, after Routine Proceedings, until the House otherwise orders.

Mr. BLAKE said as he understood the terms of the motion, it did not in any way interfere with the general rules of the House as to the stages of bills, but it simply gives this measure precedence.

Sir JOHN A. MACDONALD replied in the negative. The Government would move the second reading when they had an opportunity, and then if they got through on any given day, the motion to go into Committee would be made.

Motion agreed to on division.

MOTIONS FOR RETURNS.

The following motions for Returns were severally agreed to:—

Quantity of lands actually surveyed: 1st. In Manitoba; 2nd. In the North-West Territory; 3rd. The cost of such survey to the 30th of June last, 4th. The further cost of such survey to the 1st November last; 5th. The number of surveyors employed in such surveys during the last season of operation; 6th. The average number of lots surveyed by such

surveyors during the last three years for each year.—(Mr. Casgrain.)

Showing the quantity of coal imported into the Dominion since 30th June last, and the duty collected thereon, distinguishing between anthracite and bituminous. —(Mr. Paterson, Brant.)

Persons convicted in the Circuit and County Courts of the Province of New Brunswick during the past three years, with the sentences imposed, and also of prisoners in the Penitentiary during those years, under the commitment of the Police Magistrates of the City of St. John and Town of Portland.—(Mr. Weldon.)

Statement showing the date of the appointment of Thomas Brossoit, surnamed Bourguignon, as paymaster and collector on the Beauharnois Canal, as well as the amount of all his contingent expenses, in connection with the Departments of Inland Revenue and Public Works, from the time of his appointment to the day when he saw fit to resign—(Mr. Bergeron.)

Report of Engineer who, in 1880, conducted the exploratory survey of the River St. Francis, in the County of Yamaska.—(Mr. Vanasse.)

All licenses granted for fishing grounds on Lake Huron and Superior, within the past two years, with the names of the guarantees and description of the grounds leased in each case.—(Mr. Dawson.)

Copies of papers and correspondence relating to the coinage of an adequate supply of silver coin for business purposes and public use in Canada.—(Mr. Charlton.)

Papers and correspondence connected with the letting of the last contract for carrying the North Shore Mails, between Little Current and Sault Ste. Marie.—(Mr. Blake.)

Report of the Canadian Commissioners appointed in connection with the Paris Exposition.—(Mr. Currier.)

Showing the number of yards of oil finished window shade cloth imported into Canada during the last twelve months, and the total value of the same.—(Mr. Arkell.)

Correspondence, maps and other documents in relation to licenses granted for fishing grounds, within the past four years, at and in the vicinity of Killarney, in the District of Algoma, together with a statement showing what licenses have been renewed from year to year and how long held by the same parties, with the names of the lessees.—(Mr. Dawson.)

Correspondence between the Customs Department and the Collector of the Port of Montreal, relating to his connection with the Co-operative Association, together with all orders and regulations of the department relating to Customs officers in such cases, and the authority for such regulations.—(Mr. Coursol.)

Copies of all papers and correspondence between the Government and the proprietors of the Haggas patent water elevator for locomotives, which was furnished to the Government on the first section of the Canadian Pacific Railway, west of Thunder Bay, last year.—(Mr. Charlton.)

REPORTS OF COMMITTEES ON PRIVATE BILLS.

Mr. KIRKPATRICK, in the absence of Mr. DREW, moved, that Tuesday, the 15th February next, be fixed as the day up to which reports of Committees on Private Bills may be received, and that in making such Order this House recommends a strict adherence in future to the practice of requiring the recommendation of one or more Committees on Private Bills before agreeing to such a motion.

Motion agreed to; and (at 4:10 o'clock, p.m.,) the House adjourned.

Sir JOHN A. MACDONALD.

HOUSE OF COMMONS.

MONDAY, 31st January, 1881.

The SPEAKER took the Chair at Three o'Clock.

PRAYERS.

PRIVATE BILLS.

The following Bills were severally read the second time:—

Bill (No. 14) to incorporate the Westbourne and North-Western Railway Company.—(Mr. Cameron, Victoria.)

Bill (No. 15) to incorporate the Metropolitan Fire Insurance Company of Canada.—(Mr. Beaty.)

Bill (No. 17) to incorporate the Saskatchewan and North-Western Railway Company.—(Mr. Boultbee.)

Bill (No. 18) to amend the Act incorporating the Souris and Rocky Mountain Railway Company.—(Mr. Boultbee.)

Bill (No. 21) respecting the Grand Trunk Railway Company of Canada.—(Mr. Kirkpatrick.)

Bill (No. 22) to incorporate the "St. Lawrence Wrecking and Salvage Company of Canada."—(Mr. Robertson, Hamilton.)

Bill (No. 23) to incorporate the Ontario and Quebec Railway Company.—(Mr. Cameron, Victoria.)

Bill (No. 24) respecting the Berlin and Galt branch of the Grand Trunk Railway Company of Canada.—(Mr. Kirkpatrick.)

Bill (No. 25) respecting the Ontario and Pacific Junction Railway Company.—(Mr. Williams.)

Bill (No. 26) to incorporate the Ontario Investment Association.—(Mr. Carling.)

Bill (No. 27) to amend the Act Forty-third Victoria, Chapter sixty-one, intituled: "An Act to incorporate the Assiniboine Bridge Company."—(Mr. Scott.)

Bill (No. 28) to incorporate the South Saskatchewan and Hudson Bay Railway Company.—(Mr. Boultbee.)

Bill (No. 35) to incorporate "The Silver Plume Mining Company."—(Mr. Ouimet.)

Bill (No. 36) further to amend the Act incorporating the Canada Guarantee Company and to change the name of the said Company to "The International Guarantee Association."—(Mr. Gault.)

DEPOSITS BY FOREIGN LIFE INSURANCE COMPANIES.

Mr. GAULT enquired, Is it the intention of the Government to introduce a bill this Session, whereby they shall have the power to retain and distribute the deposits made by foreign life insurance companies, in case of their failure, to the Canadian policy holders?

Sir LEONARD TILLEY. The propriety of amending the Act in that respect is now under the consideration of the Government.

LIGHTHOUSE AT PORT CREDIT.

Mr. ELLIOTT enquired, Is it the intention of the Government to place a sum in the Estimates for the purpose of building a lighthouse at Port Credit?

Mr. POPE (Queen's). The matter is one which was not brought to the notice of the Government until the present question was put on the paper. If, after investigation, a light is found to be necessary at that point, the Government will have no objection to placing a small light there.

FLOATING LIGHT ON THE ST. LAWRENCE.

Mr. GRANDBOIS enquired, Whether it is the intention of the Government to place a floating light on the St. Lawrence, between Rivière du Loup and the Brandy Pots?

Mr. POPE (Queen's). It is not the intention of the Government.

CANADIAN PACIFIC RAILWAY.

Sir CHARLES TUPPER moved the second reading of Bill (No. 37) respecting the Canadian Pacific Railway.

Mr. ANGLIN. I have to submit respectfully that this Bill should not be allowed to proceed any further, because it has not been framed in compliance with the well understood rule and law of Parliament. The law of Parliament distinctly provides that:

"If any motion be moved in the House for any public aid or charge upon the people, the consideration and debate thereof may not be presently entered upon, but shall be adjourned till such further day as the House should think fit to appoint; and then it should be referred to a Committee of the whole House before any resolution or vote of the House do pass thereupon."

That rule, Sir, is almost exactly in the same words of a rule adopted some time ago by the Imperial Parliament. The English rule was adopted on the 20th of March, 1866, and is as follows:—

"If any motion be made in the House for any aid, grant, or charge upon the public revenue, whether payable out of the Consolidated Fund or out of the monies to be provided by Parliament, or for any charge upon the people, the consideration and debate thereof shall not be presently entered upon, but shall be adjourned till such further day as the House shall think fit to appoint, and then it shall be referred to a Committee of the whole House, before any resolution or vote do pass therein."

On one occasion in the House of Commons some doubt arose as to the propriety of allowing a bill before the House to pass because it was not based on resolutions, and the matter was referred to a Select Committee of the House. They made a report in which it is stated that no precedent precisely similar was discovered, but,

"That the general spirit of the standing orders and resolutions of the House required that every proposition to impose a burden or charge on any class of people, should receive its first discussion in a Committee of the whole House."

The imposition of burdens as the appropriation of money or moneys' worth being held to be entirely inadequate without this provision, it would of course apply to any proposition to appropriate for any purpose any of the money or property of the people. Now, in the Bill before the House it is proposed to go very much further than in the resolutions upon which it professes to be founded. The resolutions are quite specific in their character. They provide:

"1. That it is expedient to grant and appropriate $25,000,000 according to the terms of the contract relating to the Canadian Pacific Railway, transmitted to this House by His Excellency the Governor General, by his Message dated December 10th last.

"2. That it is expedient to grant and appropriate 25,000,000 acres of land in the North-West Territory, according to the terms of the said contract, so transmitted as aforesaid."

It will be seen that they are distinctly limited to the granting or appropriating of $25,000,000 in cash and 25,000,000 acres of land. There is not a word in those resolutions which would imply even in the most vague and general way that any other appropriation was to be asked for or proposed in any Bill to be submitted to Parliament. The Bill, however, goes further than that. It provides that the Company to be incorporated shall, for the purpose of this railway, obtain the right of way over the Government lands in the North-West, as well as all Government lands necessary for the purpose of erecting workshops, stations, storehouses, warehouses, and lands and water frontages necessary for the wharves required to carry on their extensive trade. More than that, there is a distinct provision in the Bill that, under certain circumstances and at a certain time, a section of the railway which we have constructed at an enormous cost and those sections which we are to complete, are to be handed over to the Company, and after a time to become their absolute property. The estimated cost, as is known, of these sections is no less than $28,000,000, so that it is proposed to hand that amount over to the Syndicate and their successors. In respect to those two items particularly, the Bill goes entirely beyond and outside the resolutions, and it is plainly necessary, if we are to comply with the well-understood laws of Parliament, that other resolutions should be proposed in Committee of the Whole embracing those particular points. There are some other points of importance in this matter. Last year the hon. the Finance Minister himself introduced a measure into this House for converting a subsidy granted by a previous Act of Parliament to the Canada Central Railway, so as to substitute for the payment of $12,000 per mile in cash, the issue of bonds, the interest on which, payable by the Government, should be terminable at a certain time, and this hon. gentleman introduced that measure by resolution. I think that the hon. gentleman in doing so acted in conformity with the spirit of the law of Parliament; but this year he should be equally careful with regard to a measure by which it is also proposed to substitute bonds bearing interest for a cash payment. It may be argued that the burdens of the people are not to be in any degree increased by this substitution, and possibly, Sir, that is true. But, Sir, the hon. Minister of Finance and the Government for whom he acted last year, set us the example, the good example which I now invite them to follow. I do not know whether hon. gentlemen on the other side, who perhaps have not given consideration to this matter up to this time, would be prepared to say that we should not consider land or railways constructed at the people's expense to be equivalent to a money grant; but they can scarcely, however, pretend to hold that position, because they themselves have at all times and under all circumstances, so far as I am aware, whenever it was proposed that lands should be appropriated for the purpose of aiding in the construction of public works or other such purposes, chosen to proceed by resolution. So long ago as 1872, when it was first proposed to build this railway across the continent, the plan was that the company should be subsidized, receiving $30,000,000 in money and 50,000,000 acres of land. In the resolutions introduced by hon. gentlemen opposite, they provided for the appropriation of the land and money. Let me say now, however, that they failed in 1872 to make any provisions in their resolutions for the roadway, but the roadway was subsequently granted to the company by Act of Parliament and by the charter framed under that Act of Parliament, though it was omitted in the original resolutions. I do not admit, however, that that omission can be held to be a justification of a similar omission in this Act when your attention has been drawn to the fact. Let me say, further, that I find in the Act of 1874 was based entirely upon resolutions very carefully drawn up, that the lands, money and roadway were included in the resolutions, and very much else. Although at that time, under that Act and under the very provisions of the resolutions themselves, the policy of the Government was declared to be that the work should be conducted by contractors under the control of the Minister of Public Works; that the contractors were not themselves to have, as they are now to have, the right of selecting the route and of carrying out the whole work very much as they saw fit. In that case I find this provision:

"Provided that the Governor in Council may grant to the contractors the roadway through Government lands, as also any such lands as are required for stations, workshops, and generally all such lands as may be necessarily required for the purpose of constructing or working the said railway."

I think that resolution conforms to the law of Parliament, which should be our guide in all matters. The question as to whether money and money alone should be regarded as an aid, came up some years ago when Col. Knox proposed an address to the Crown praying Her Majesty to grant a

certain quantity of gun metal for the purpose of being used in the casting of a statue of Lord Gough. Then Mr. Gladstone said:

"Now, he felt sure that the hon. gentleman would not wish the Government to break down a rule which had been one of the most difficult achievements of financial reform during the last half century—the rule that none of the public property should be disposed of in kind."

He admitted furthermore that gun metal must be held to be public money, and he suggested that the motion should be changed. At that time he thought that by adding certain words to the address he would bring it within the rules of the House. A few days after, as appears from the Journals, it was found necessary, in order to maintain this rule in its directness, that that order should be discharged, and it was discharged, and then the House was moved into a Committee of the Whole. The following appears in the Journals of the 25th of July:

"Resolved, That this House will, this day, resolve itself into a Committee to consider of an humble Address to be presented to Her Majesty, praying that she will generously please to direct that sufficient gun metal shall be issued for the construction of the statue about to be erected in Dublin to commemorate the services of the late Field Marshal, Viscount Gough, and assuring Her Majesty that this House will make good the cost of the same."

The House resolved itself into Committee. That address was passed and the gun metal obtained. On that occasion Mr. Gladstone said with regard to money:

"While gun metal was money, to overlook that fact would be a breach of duty on the part of Government."

Now, Mr. Speaker, it might have been possible, perhaps, for the Government to have moved resolutions of a vague and general character, within the scope of which it might be contended that the details of this Bill could be held to come. They have not chosen to take that course, but to present to us very specific resolutions, and I think, on reflection, you will be satisfied that, under the circumstances, it is necessary that they be allowed to withdraw this Bill and to introduce other resolutions, get the decision of the House in Committee on those resolutions, and then bring in a bill which will be fairly and properly based upon the resolutions passed into a Committee of the whole House. So late as 1871, the English Government introduced a Bill relating to the income tax. It was introduced in the usual way by resolution, and was regarded as a mere formal measure. When the motion for the second reading was made, the bill was not in the hands of members, and Col. Stuart objected to its passing. Mr. Gladstone asked that he would not raise a mere formal objection of that kind. It turned out, however, that when the bill was brought in it embraced provisions which were not included in the resolutions submitted to the House, as it embraced a resolution relating to the house tax. Objection was taken after the House had come out of Committee and the third reading was ordered, it was moved that the Bill be recommitted. The objection made to it was very distinct. It was said by the Chancellor of the Exchequer:

"In the second place, a doubt had been expressed, which he thought there might be some foundation for, whether it was right to introduce those clauses about the inhabited house duty into the Bill without a previous resolution in Committee."

Further objections were taken to the bill which he did not admit; one, because they chose to tack on to that bill a resolution regarding tea duty. The Government maintained, however, that they had a right to do that because the Committee of the Whole had passed resolutions respecting the re-imposition of the tea duty. They contended that the Committee of the House would have a right to attach this clause but not to introduce into the bill the clause with regard to the house duty, because no resolution to that effect had been submitted to the Committee of the whole House, and on that score the Government consented to withdraw the bill. Mr. Hunt, who was previously a Chancellor of the Exchequer, took strong ground on this point the result of which was that the Government withdrew the bill and re-introduced it in another form. Now, in the present case, I think it is very plain that this Bill embraces a great many provisions for the disposal of valuable public properties which do not come at all within the scope of the resolutions upon which we have been asked to pronounce. I do not take this objection in order to delay the passing of the Bill; if that were my object I should prefer to postpone the objection to a later stage. I make this objection because I desire to see the law of Parliament strictly observed, and I do not think hon. gentlemen will lose much time by acting upon it, if they believe the objections to be well founded. I would ask the leader of the House, who, next to yourself, Sir, is especially responsible for the manner in which the public business is conducted, to give this matter full and fair consideration, and determine whether it would not be better, if only for the sake of maintaining an adherence to the laws and rules of Parliament, to give due weight to the objection which I make only because I believe that the public interests require that this rule be strictly enforced.

Sir JOHN A. MACDONALD. Of course, I cannot for a moment suppose the hon. gentleman has made this motion at all for the sake of delay. That is quite evident to every hon. member of this House, on both sides, as the hon. gentleman says. He thinks the Government, perhaps, have not given special attention to this point which he now raises. Well, whether we have done so or not, it is quite clear hon. gentlemen opposite have not done so, because they have gone on with the discussion for a month under the supposition that the whole matter was before the House, both in Committee and afterwards in concurrence; and after, by rather marked majorities, the House and the Committee before that have declared unmistakeably what their opinion of the measure is, the hon. gentleman, from his sense of duty—a newly awakened sense of duty—now takes this point. If the hon. gentleman did not want any delay perhaps he might have taken the point before.

Mr. ANGLIN. I could not; I had no chance.

Sir JOHN A. MACDONALD. He might on the first reading of the Bill.

Mr. BLAKE. We did not know what the Bill was.

Sir JOHN A. MACDONALD. The hon. gentleman says he did not know what the Bill was.

Mr. BLAKE. We had no idea of it.

Sir JOHN A. MACDONALD. I consider that the whole proceeding is quite regular, and I think I must get the support of my hon. friend the member for Bothwell (Mr. Mills) and all those who were in the same Government with him, for I do not think he introduced, by a resolution, his Act giving away the land and the money——

Mr. MILLS. Yes; by resolution.

Sir JOHN A. MACDONALD. I do not think so.

Mr. MILLS. Yes; I remember very well.

Sir JOHN A. MACDONALD. Well, we shall see. It appears to me that the whole proceedings are as regular as they can be. In the first place the contract was affirmed in the Governor's Speech; the earnest attention of the House was called to it, but no recommendation was made. But the Message transmitting the contract, and the schedules attached thereto, called the attention of the House to them, and recommended them to the favorable attention of the House—asked Parliament, in fact, to grant all that was contained in the contract. Now, the essential point of the contract was the granting of $25,000,000 and 25,000,000 acres of land. But the resolutions go further. They say:

"That it is expedient to grant and appropriate $25,000,000, according to the terms of the contract relating to the Canadian Pacific Railway,

transmitted to this House by His Excellency the Governor General, by his Message, dated December 10th."

Now, Sir, what did that mean? It did not mean that we were to make a present of 25,000,000 acres of land and $25,000,000, but it called the attention of the House to the contract which had been recommended to the favorable consideration of Parliament, and called upon them to grant the pecuniary aid to be given according to the terms of the contract. That money could not be paid, those lands could not be given, unless the contract had been ratified and the recommendation of His Excellency carried out; and hon. gentlemen opposite accepted that from the beginning as the meaning of the resolutions. They did not confine the House to the discussion of a grant of 25,000,000 acres of land and $25,000,000. They discussed the schedule and the contract clause after clause, and the House has not only affirmatively approved of both the contract and schedule—every clause, every word, every sentence of them—but voted down the negatives which were moved in amendment by hon. gentlemen opposite. What was the sense of their moving those amendments if they did not themselves understand that the whole contract—the schedule, every article, every word, every clause—was before the House? What is the reason we go into Committee of the Whole at all? Because there is no reason in the world why one measure being introduced by bill and another by resolution, except the great and guiding reason which draws this distinction—that matters of taxation involving so many considerations, involving separate items of consideration, concerning, for instance, multifarious items respecting trade, shall be first introduced by resolution, that the principle shall be established by resolution, and that every hon. member in Committee will have the opportunity of speaking as often as he likes, unrestrained by the rules of discussion applied when the Speaker is in the Chair. I say it has always been held that, no matter under what form the question is brought up in the House, the Committee of the Whole is possessed of the whole subject, deals with the whole subject, discusses the whole subject, and comes to a conclusion on the whole subject, and it matters not whether there is an omission of a single item, whether the Bill founded on these resolutions contains a million clauses or only one, if the subject matter has been fully discussed in Committee, then the object, the reason of the rule, is substantially carried out. Now, I would ask this House, I would ask you, Sir, I would ask every man of common sense, if every clause of the contract was not under the purview of the whole House, and whether hon. gentlemen opposite did not call upon us to discuss clause by clause every one of the matters which the hon. gentleman says should be discussed *de novo*. If this be not obstruction—of course it is not obstruction, but plain, honest people outside will say that it looks like obstruction — I cannot distinguish between the hon. gentleman's desire to preserve the rule of the House from obstruction. I do not think the country will draw the distinction, and I do not think any honest straight-forward man will draw the distinction. Why, it is a mere matter of supererogation that the Government come here at all and put the clause relating to the right of way into the Bill. If the hon. gentleman looks at the Dominion Lands Act of 1879, he will see that the Governor in Council has full power, without coming to Parliament, to grant the land. In answer finally to the argument of my hon. friend, I would say simply this, that the whole contract was submitted *ex necessitate* by resolutions. The resolution calls attention to the $25,000,000 of money and 25,000,000 acres of land, as it calls attention to the whole contract. By looking at the contract, you must see that neither the 25,000,000 acres nor $25,000,000 can be granted unless the contract is affirmed. The first clause of the Bill is simply that the contract be affirmed. Has not the contract, the ratification or non-ratification of the contract, been discussed? Has not the Committee of the Whole House voted that the contract be confirmed; and that being the case, the first clause of the Bill, that it be confirmed, need only have been introduced and the rest left out. If the contract is confirmed the propriety of the Bill is sustained. I do not see the object of my hon. friend in raising this point.

Mr. MILLS. It is very clear both from the speech of the hon. leader of the Government and that of my learned friend that the objections are well taken. The fact that the contract was submitted by His Excellency for the favorable consideration of the House is beside the question. The law of Parliament requires that the appropriations from public revenues for any such purpose, shall originate in Committee of the Whole House, and be there discussed. The right hon. gentleman himself held this to be the case, for I find that when the hon. Minister of Railways submitted to this House his resolutions, the hon. First Minister accompanied these resolutions with a despatch from His Excellency in the following words:—"Whereupon the Right Hon. Sir John A. Macdonald informed the House that His Excellency the Governor, having been made aware of the subject-matter of these resolutions, recommends them to the House." Why did he recommend them to the House if they were already recommended to it by implication in the recommendation of the contract? The right hon. gentleman says we discussed the contract when these resolutions were under consideration. That is beside the question. Our discussions may have been much broader than the resolutions warranted. That was a point which was not raised during any of the discussions—whether it could have been well taken or not is not now the question. It is obvious, if these two resolutions embraced everything that was contained in the contract, the hon. gentleman would have been warranted in introducing them into the Bill. But there are in this Bill provisions which are not in the resolutions, and provisions therefore which the hon. gentleman cannot introduce into the Bill. Here is one provision in the Bill in which the Government proposes to construct 90 miles of railway, which are to cost the country upwards of $3,000,000. No provision is made for that, except the provision in this Bill. I ask whether it is not as necessary to include that provision in the appropriation of $3,000,000, to build the railway to be handed over to this corporation, as the $25,000,000 to be given to the corporation as a bonus. Where is the difference? The proposition is that it shall become the property of the Company, and the appropriation be made without its originating in Committee of the Whole. Let me call your attention to another Rule of the House, Rule 86, which provides:

"By the 54th section of the British North America Act, 1867, it is provided that the House shall not adopt or pass any vote, resolution, address or bill for the appropriation of any part of the public revenue, or of any tax or impost to any purpose that has not been first recommended by a Message of the Governor General."

There has been no Message from the Governor General recommending $3,000,000 for the building of the Port Moody section, or that 700 miles of railway to cost upwards of $28,000,000 be handed over to this corporation. There has been a special recommendation from the Governor General saying that these two resolutions were brought under his notice and recommending them to the House. The others have not been brought under his notice and have not been recommended to the House; and there is the same necessity for their recommendation by the Governor General as for the recommendation of the resolution with regard to the $25,000,000 and the 25,000,000 acres of land. If the right hon. gentleman be right in his contention, why should we have gone into Committee on those resolutions with reference to the land and money subsidy any more than with reference to the 700 miles of railway and the appropriations for the construction of the railway in

British Columbia, which are equally contained in the contract? The hon. gentleman also proposed to remit certain Customs duties to this Company. He does not propose to change the law by reducing the Customs duties in their favor, but he proposes that the duties be remitted them. There is no difference in this proposition and one to refund them money out of the public revenues, yet he knows he could not refund such money without obtaining the sanction of the House, which sanction must originate in Committee of the Whole, on a resolution to that effect. This principle is recognized in England, in the case of a proposition to reduce charges upon advertising from 1s. 6d. to 6d., where it was held to be necessary to introduce it in the form of a resolution of the Whole House, as affecting the question of the general trade of the country. That principle applies in this case, so that from whatever point of view you consider this Bill, the hon. gentleman has not complied with the Rules of this House, has not obtained the sanction of the Crown. Read the two resolutions.

Sir JOHN A. MACDONALD. Look at the Message.

Mr. MILLS. If the Message was sufficient, why did the hon. gentleman bring down a Message recommending the subject matter of these resolutions.

Sir JOHN A. MACDONALD. But the hon. gentleman said there was no recommendation from the Crown.

Mr. MILLS. I say there is not. Here are the two resolutions:—First, that it is expedient to grant and appropriate $25,000,000; second, that it is expedient to grant and appropriate 25,000,000 acres. "Whereupon Sir John A. Macdonald informed the House that His Excellency the Governor General, having been made aware of the subject-matter of these resolutions, recommended them to the House." Does that embrace anything else?

Sir JOHN A. MACDONALD. The hon. gentleman must remember that when I said that, I did not consider it at all requisite; and I stated so at the time.

Mr. MILLS. I say by the Rules of Parliament it was necessary. We were not considering these provisions in Committee, but the resolutions which the hon. gentleman had submitted, and which, by the laws of Parliament, ought to be submitted to the House in Committee. These were all the two resolutions embraced; and the hon. gentleman might as well omit the two resolutions and say they should not be considered at all as to say we should not consider the proposition to hand over to this corporation this $30,000,000 worth of property. There is upwards of $12,000,000 of this not spent. Portions of this line have not yet been built, portions have not yet been contracted for, and the money has not yet been voted by Parliament. The hon. gentleman proposes, without going into Committee and without a resolution, to ask the sanction of Parliament to a large appropriation of money, to construct ninety miles of railway on the Pacific coast. If the hon. gentleman can do this it is a mockery to submit to this House resolutions at all. Those resolutions mark the boundary of the authority of the hon. gentleman to introduce a bill making appropriations. He has asked and obtained the sanction of this House to what? By these resolutions to appropriate $25,000,000 and 25,000,000 acres of land. He has obtained the sanction of this House and of the Committee for nothing else, and the Bill of the hon. gentleman must be confined within the four corners of these resolutions. If he requires anything more he must then proceed anew, and ask this House to pass a resolution to make the necessary appropriation.

Mr. CAMERON (Victoria). It seems to me that the hon. member for Gloucester has not succeeded in establishing his case by trifling technicalities and perversion of the common sense of the English language, supported, even though he is, by the eloquence and fine drawn arguments of the hon. member for Bothwell. The resolutions which the hon. member for Bothwell says are not sufficient, are in these words:

"1. Resolved, That it is expedient to grant and appropriate $25,000,000 according to the terms of the contract relating to the Canadian Pacific Railway, transmitted to this House by His Excellency the Governor General, by his Message dated December 10th last.

"2. Resolved, That it is expedient to grant and appropriate 25 000,000 acres of land in the North-West Territory, according to the terms of the said contract, so transmitted as aforesaid."

Every word in this Act of Parliament now introduced is embraced in the contract, because it is all embraced in the schedule which is expressly declared to be part and parcel of the contract and embraced in it. If, then, every word that is in this Bill is in the schedule which is in the Bill, has not every proposition contained in the Bill been submitted by His Excellency for the consideration of this House?

Mr. MILLS. No.

Mr. CAMERON. Is not the schedule, which is referred to in the Act of Parliament, part of the Act itself? Is not the schedule, which is part of the Act now introduced and embraced in the Message which was sent by His Excelleney to this House with a recommendation that it be accepted, part of the contract, and has not that contract and everything in it and in the schedule been recommended to this House for its consideration? And if so, has not the law of Parliament been complied with, unless we can say that this schedule is not part of the contract and the contract has not been sent to this House by His Excellency? Then it is quite impossible to say that we are not in order, according to the Rules of Parliament, in now considering this matter. Every single one of the points which the hon. member for Gloucester took—as to the right of way and construction of the Port Moody Branch—every single item he referred to is embraced in this contract and schedule annexed, which is made part of it. How, then, can it be said that we are asked by this Bill to consider anything which His Excellency has not submitted to us, or a disposition of the public money or property which His Excellency has not advised us to dispose of as we see fit, if the contract is before us. Unless my hon. friend can say that the schedule which is formally declared to be part of the contract is not part of it, then we are in order to proceed with the motion now before the Chair.

Mr. SPEAKER. The point raised by the hon. member for Gloucester is to the effect that the Bill goes beyond the resolutions adopted in Committee of the Whole and on which the Bill is founded. He quotes the 54th section of the British North America Act, which is as follows:—

"The House shall not adopt or pass any vote, resolution, address or bill for the appropriation of any part of the public revenue, or any tax, or impost, to any purpose that has not been first recommended by a Message of the Governor in Council, etc."

No objection can be properly raised on this ground, for the House is aware that the whole contract came down with a Message in due form. Now, in reference to another point, Rule 88 of the House says:

"If any motion be made in the House for any public aid or charge upon the people, the consideration and debate thereof may not be presently entered upon, but shall be adjourned till such further day as the House shall think fit to appoint; and then it shall be referred to a Committee of the Whole before any resolution or vote of the House be passed thereon."

In this case the question is, whether we must consider the two resolutions and the contract as a whole. In my opinion there can be no doubt on this point, for the resolutions in question expressly declare that the money and land therein set forth are to he appropriated, according to the terms of the contract, transmitted by His Excellency by his Message. The resolutions and contract clearly go together, and I think it was so fully understood by the House, because the whole subject was discussed at great length for several

weeks by hon. gentlemen on both sides, and the hon. membr for Gloucester himself moved an amendment beyond the resolutions. If the two resolutions had alone been before the House, it would not have been in the power of any member to move an amendment to any article of the contract. but he would have been confined to the resolutions in question. The Rule which prevents any public aid or money being voted, or any impost being put on the people, unless it originates in Committee of the Whole, is a wise one. It is intended to prevent surprise and give fullest scope to the freedom of debete on matters of such importance to the people. But in the present case I am of opinion that such conditions have been fully observed, and that both the spirit and letter of clause 54 of the Union Act—and Rule 88 of the House have been carried out.

Mr. MILLS. I hope, Mr. Speaker, that your decision on this point will be recorded on the Journals.

Motion (Sir Charles Tupper) for second reading of the Bill agreed to on the following division :

YEAS :

Messieurs

Allison,	Fortin,	Montplaisir,
Arkell,	Fulton,	Mousseau,
Bannerman,	Gault,	Muttart,
Barnard,	Gigsult,	O'Connor,
Beaty,	Girouard (Kent),	Ogden,
Beauchesne,	Grandbois,	Orton,
Benoit,	Hackett,	Ouimet,
Bergeron,	Hesson,	Patterson (Essex),
Bill,	Hooper,	Pinsonneault,
Bolduc,	Jackson,	Platt,
Boultbee,	Kilvert,	Plumb,
Bowell,	Kirkpatrick,	Pope (Compton),
Brooks,	Kranz,	Pope (Queen's),
Bunster,	Landry,	Poupore,
Cameron (Victoria),	Lane,	Richey,
Carling,	Langevin,	Robertson (Hamilton),
Caron,	Longley,	Rochester,
Cimon,	Macdonald (King's),	Rouleau,
Colby,	Macdonald (Sir John),	Ryan (Marquette),
Connell,	McDonald (Cape Breton)	Ryan (Montreal),
Costigan,	McDonald (Pictou),	Scott,
Coughlin,	McDonald (Vict., N.S.),	Shaw,
Coupal,	Macmillan,	Sproule,
Coursol,	McCallum,	Stephenson,
Currier,	McConville,	Tellier,
Cuthbert,	McCuaig,	Tilley,
Daly,	McDougall,	Tupper,
Daoust,	McInnes,	Vallée,
Dawson,	McKay,	Wade,
Desaulniers,	McLeod,	Wallace (York),
Doull,	McQuade,	White (Cardwell),
Drew,	Manson,	White (Hastings),
Dugas,	Merner,	White (Renfrew),
Elliott,	Méthot,	Williams,
Farrow,	Mongenais,	Wright.—106.
Fitzsimmons,		

NAYS :

Messieurs

Anglin,	Gillies,	Pickard,
Bain,	Gillmor,	Rinfret,
Béchard,	Guthrie,	Robertson (Shelburne),
Blake,	Haddow,	Rogers,
Borden,	Killam,	Ross (Middlesex),
Bourassa,	King,	Rymal,
Burpee (Sunbury),	LaRue,	Scriver,
Cameron (Huron),	Laurier,	Skinner,
Casgrain,	Macdonell (Lanark),	Smith,
Charlton,	MacDonnell (Inverness)	Sutherland,
Cockburn (Muskoka),	McIsaac,	Thompson,
Dumont,	Malouin,	Trow,
Fiset,	Mills,	Weldon,
Fleming,	Olivier,	Wheler,
Flynn,	Paterson (Brant),	Yeo.—46.
Geoffrion,		

Bill read the second time.

Sir CHARLES TUPPER moved that the Speaker do leave the Chair and the House resolve itself into Committee on the said Bill.

Mr. ANGLIN. It would be, no doubt, entirely useless to ask the Government to depart from their settled policy with respect to this measure, as it would be entirely useless to ask the majority of the House to change the course they have hitherto followed; nevertheless, as we may hereafter be held to have assented to the course taken unless we utter a word or two in protest, let me say that the course taken by hon. gentlemen opposite is, so far as I know, entirely without precedent, except that which they themselves set in 1872. Even in 1872 two rival companies were seeking to obtain the contract, and they were required to appear before Parliament and obtain Acts of incorporation as private companies, obtaining their bills in the ordinary parliamentary course. Power was, however, taken for the Governor in Council—which the hon. gentleman who had charge of the Bill, properly designated as a great institution—to incorporate another company should it be found necessary or desirable. Except in that instance, I think it will be found difficult to discover a case in which private companies have been brought into existence in the mode and manner proposed by hon. gentlemen opposite. They make this entirely a public Bill. There are very many instances in which the Government of Great Britain introduced what were in one sense private bills as public or Government measures, and those were not proceeded with in the ordinary way by petition. But nearly all important bills so introduced were treated afterwards as private bills, and were referred to the Committees charged with the duty of taking care that the ordinary precautions were taken that no private rights were unduly interfered with, and that all ordinary safe guards of private rights and privileges were duly inserted in the measure. In this case, Government asks Parliament to confer on them powers—indeed the proper phrase would be that the Government takes to itself absolute power—to confer on any set of gentlemen they choose to bargain with, all rights, powers and privileges that may be thought necessary to enable them to carry out the contract. I protest against that mode of procedure in this matter.

Motion agreed to and House resolved itself into Committee.

(In the Committee.)

On clause 2,

Mr. BLAKE said the contract itself provided that an Act should be passed incorporating the Company in such and such a form. The Bill proposed a deviation from that course, and that a charter should be issued by the Governor General in Council instead of an Act of Parliament as proposed in the contract. Why had the change been made?

Sir JOHN A. MACDONALD said the hon. gentleman could well understand that a private bill for an Act of incorporation would be introduced by petition, and that it would have delayed the matter very much. As it was thought of little consequence by what machinery the result should be attained, it was thought desirable, as this was really a Government measure, that it should be introduced in the manner in which it had been introduced, and that a charter should be given them under the Great Seal, which would have the same force and effect as an Act of incorporation, and thereby we avoided all the objections which might have been taken, and very naturally taken, by an ex-Speaker of the House.

Mr. BLAKE said he did not expect from the First Minister such a candid confession of the reasons of the Government action. It placed in bold relief the importance of the objection taken by the hon. member for Gloucester (Mr. Anglin) a little while ago, because it was clear that Parliament, no more than any hon. gentleman, could not do indirectly what it could not do directly. It had been stated that, so far as private rights were concerned, certain action would be taken with a view to their being protected, but there had been, confessedly, on the part of the Government a change of plan from that which they themselves proclaimed a few weeks ago.

Sir JOHN A. MACDONALD said he had explained at the opening of the discussion that the Government con-

sidered the question of very great importance; that it was important, if the proposition was to become law, it should become law without unnecessary delay, and they, therefore, desired to avoid delay arising from technical objections. The hon. member for West Durham (Mr. Blake) was aware that there was a precedent, in 1873, with respect to the charter given to the Allan Company, and the hon gentleman was *particeps criminis* in the Bill of 1874.

Mr. BLAKE. No. I was no more *particeps criminis* than the hon. gentleman; we both occupied the position of Independent members, and neither of us dissented.

Sir JOHN A. MACDONALD said the Bill was forced through the House at three o'clock in the morning, notwithstanding the indignant protest of the hon. Minister of Railways; but we were such a miserable wreck of an Opposition that we did not like to show our nakedness by calling for a division.

Mr. ANGLIN said the hon. First Minister had overlooked an important fact in connection with the measure of 1874, viz.: that the work was to be conducted under the superintendence of the Minister of Public Works, and to that extent the Government were directly responsible for any infringement of individual rights. That was not the case under the present measure. The hon. First Minister was also mistaken in assuming that it would be necessary to incorporate a Bill for this Act of incorporation by petition. If the Government regarded it is a measure of great public importance, it could be introduced as a public measure; but upon its being so introduced it became subject to the Rules of the House and should be referred to the Committee ordinarily charged with such bills.

Sir ALBERT J. SMITH said the corporation would have double power, and it was a question under which power they would proceed to execute the work—under the power given in the Act or under the charter. The Act of 1872, when the contract was given to the Allan Company, distinctly provided that when powers were given to the Company under the charter all other powers ceased. This Company should not have powers concurrent under both an Act and a charter.

Sir JOHN A. MACDONALD said the Company would not have double powers. The charter would stand in the place of the Act, and the charter would, of course, be a copy of what was authorised by Parliament.

Clause agreed to.

On clause 3,

Mr. BLAKE said he thought some explanation was due to the House of the meaning of the provision with respect to the substitution of the interest computation for the money subsidy. Part of clause 3 reads as follows:—

"And in lieu of the payment of the said money subsidy direct to the Company, the Government may convert the same, and any interest accrued thereon, into a fund for the payment to the extent of such fund, of interest on the bonds of the Company, and may pay such interest accordingly; the whole in manner and form as provided for in the said contract."

The $25,000,000 in cash was payable to the Company from time to time, as they completed twenty mile sections, which were divided according to provisions with which the House was just now familiar. It did not appear to him therefore that there was any possibility of the interest accruing on the payments, unless they were to suppose that the Government intended to make default in the payment of the money which was due from time to time to the Company. They would get, for instance, $10,000 per mile on the prairie section—on the completion of twenty miles they would get the $200,000 which would be coming to the Company. There was no provision in the contract, nor in the Act, for the Government paying any interest on the $25,000,000 or any part of it, and, as they said, if they substituted for the $25,000,000 cash coupons, they would pay $25,000,000 and any interest accrued thereon. What they meant to say, he apprehended, was the interest which it would be proper to add to the $25,000,000 for the future forbearance which would be given by the new arrangement.

Sir JOHN A. MACDONALD said if the hon. gentleman preferred the word "accruing" it could be substituted for "accrued." He might say, however, that this point had been considered grammatically in a discussion which he had had, and the word complained of had been held, as he thought properly, to be correct. The Government was not, however, *super grammatica.* And though he believed he could discuss the question philologically with the hon. gentleman at another time, he had no objection to substitute the word "accruing."

Mr. BLAKE said they would thereby get rid of the substantial question. The first time he had risen to discuss the contract he had raised a question which he thought was a serious difficulty, and to which no attention had been as yet directed by hon. gentlemen opposite. He had pointed out that while it might be perfectly easy to ascertain what the present value of a payment of $25,000,000 which was to be postponed and turned into an annuity for twenty years, if we get the rate of interest that was to be calculated, there seems to be a difficulty in ascertaining what the sum was to be the basis of this latter grant. This arrangement is to be made at an early period—he thonght before 1882—and it was quite clear, therefore, that they were to exercise this privilege, if at all, long before the Company would have made any great progress with the work, or at any rate with the two ends. Suppose they asked at once, as they might—suppose they asked on the first of July for the substitution of a deferred payment for the present payment. The first thing the Government would have to consider would be what was the rate of interest, and he thought the House should have some announcement on that subject.

Sir LEONARD TILLEY. Four per cent. is the rate.

Mr. BLAKE. It was not stated specifically in the Bill, but, of course, a statement from the hon. Finance Minister was satisfactory. But then there were two questions which yet remained unsolved. The first was that they had not got the right to take $25,000,000 on the first of July. Their right was to arise from time to time as they completed twenty mile sections, and therefore they could not calculate the interest at four per cent. as if the whole was due on the first of July. The ascertainment of when it became due must depend on the rapidity with which the work is to be prosecuted. By the contract the Company has ten years in which to prosecute the prairie section, and, on a very rough calculation over the whole work, it might be said they were entitled to one-tenth every year. But that calculation would not answer because, as they said, it was their intention to build the prairie section in three years, and therefore there would be a considerable acceleration of the cash payments for that section. But how did the Government propose to proceed to adjust with the Company the capital sum upon which the calculation of interest was to be based? How were they to arrive at a period at which the amount should be treated as due, because the lapse of time, according to the contract, must be taken account of in dealing with the interest. Another difficulty was that it was possible there might be a default. Not only was there uncertainty as to when any particular payment of this $25,000,000 should be due, but uncertainty as to whether any of it would ever be due, as it depended on the completion of certain works. He found in the Act or contract no provision for securing the Government against that contingency. It was quite true that provision was made that the whole of the proceeds of the funds should be in the hands of the Government, but it was also true that the Government expressly bound themselves to pay

four per cent interest on all moneys deposited with them. There was therefore no provision that the Government should make a rebate of interest in respect of moneys which should turn out not to become due to the Company, by reason of the works not being executed as rapidly as was expected in the calculation on which was determined what the amount was. This was a very serious question, because it was obvious that the amount to be made payable by the Government, if they made it a deferred payment, would be nominally a sum very much larger than $25,000,000—it would be a sum, perhaps, amounting to $45,000,000, or at any rate a very large sum, dependent on the period for which the bonds would run. It was important for them to know what means the Government proposed to adopt in making these calculations, so as to be sure that they stipulated that no more money should be paid than should be due to the Company plus the interest due to them at the time.

Mr. PLUMB. The Government will have the money.

Mr. BLAKE said it was true the Government would have the principal money, but the Government also pledged themselves to pay four per cent. on the principal money, and he found no reciprocal provision that the Government should deduct out of the principal money, any sums which should become due by reason of the default of the Company, nor any provision giving a basis of a calculation by which to ascertain the present value of the $25,000,000, under the conditions he had mentioned. He admitted it would be easy to ascertain what its value would be as an annuity at four per cent., but how would its present value be ascertained?

Sir LEONARD TILLEY said he could not imagine any difficulty in the matter, because, in the first place, the proceeds of these bonds were to be paid over to the Government as security, and the bonds of the $25,000,0 0 placed in banks. The Government did not desire to pay the interest on four per cent. beyond $25,000,000, and therefore the Company deposited the balance in the bank under the control of the Government at such interest as they could secure. It was not contemplated to issue more than $25,000,000, but suppose they did, $25,000,000 was to be paid into the hands of the Government, out of which so much every twenty miles was to be paid at four per cent. interest on the money thus deposited.

Mr. BLAKE said the hon. Minister of Finance had not understood him. The Government had agreed to pay this Company $25,000,000 in cash, at most specified terms, but by instalments at uncertain times and dependent upon the conditions which the Company might not comply with. The Government now proposed to take authority to anticipate those uncertain times of payment and the performance of those conditions which might never be performed, and to give, instead of $25,000,000, a sum equivalent to the liability thus created with interest at four per cent. for the future after it became due in the shape of coupons for bonds. In order to ascertain how much a company was to pay, we must first know the rate of interest, and also we must have some rule as to what the $25,000,000 was equal to; the Government said, in fact, that they intended to treat that sum as presently payable. The Company might then come on the first of July next and say: "Now, we want to avail ourselves of this clause of the contract, and we propose to take coupons for bonds running over a period of twenty years, or whatever number of years we may decide upon." The Government would then assume to owe the Company the whole $25,000,000, and to ascertain what the forbearance in twenty years would be worth on that sum they would take the gross of those two sums, and if the Company demanded coupons for the whole amount the Government would be giving a great advantage on the $25,000,000. They would give a much larger sum, because they were assuming in favor of the Company that $25,000,000 were already due, some part of which would not be due for ten years.

Sir LEONARD TILLEY said he would illustrate the case by taking the parallel case of the Canada Central Railway where $12,000 a mile were given for 120 miles. By the Act of Parliament introduced by the hon. gentlemen opposite it was wholly optional with the Company to take a subsidy in lieu of that $12,000 a mile. Under the agreement entered into by the late Minister of Finance, allowing the company five per cent. instead of four, the money was placed at their disposal. The company issued bonds for $2,500,000, and deposited in addition $1,500,000, and the Government paid $12,000 per mile to that company as the work progressed. In the present case it would, of course, be competent for the Government to allow the issue of a portion of this or of the whole. In the case to which he had just referred the Government had issued the whole in advance, but the work extended over a number of years. In case of the substantial failure of that contract we had the money in our own hands to pay this five per cent.

Mr. BLAKE said the hon. gentleman still failed to understand. He (Mr. Blake) had pointed out that, as this was a ten years contract, the sum which was to be payable on the completion of each twenty miles would be payable in tenths. Assuming that as a possible result, at the last year there would be $2,500,000 to be paid, and until the last year that sum would not require to be paid. Now assuming money to be worth four per cent., the postponement of the payment of that $2,500,000 for the ten years would be equal to 40 per cent. or $1,000,000. Now, if the Government paid the Company that $2,500,000 at the beginning instead of at the end of their contract, they virtually give the Company a bonus of $1,000,000 more.

Sir LEONARD TILLEY. We have the money in our hands.

Mr. BLAKE. But you do not keep it, you give it away.

Sir LEONARD TILLEY. We only give it as the Company construct twenty mile sections.

Mr. BLAKE. But you pay interest at four per cent. on it in the meantime.

Sir LEONARD TILLEY. Of course, because we have the money.

Mr. BLAKE asked if the hon. gentleman supposed it was the same thing to pay $25,000,000 in ten annual instalments, and to pay it all to-day? It was quite a different thing, and in round figures would be equal to five years interest on the $25,000,0 0, or about twenty per cent., that is, about $5,000,000. That was the difference at four per cent., between taking the money at once and getting it in ten annual instalments. The Government were, in fact, agreeing to give a great deal more than $25,000,000; they were giving as great an additional advantage as if they paid the whole subsidy in cash at once, instead of paying it in from one to ten years. True, the Government became the depository of the money, but they were bound to pay interest on it. It was the Company's money handed over to them only as they earned it, but in the meantime they received interest on it, and were the gainers by an advance payment.

Sir LEONARD TILLEY. I cannot really comprehend what the hon. gentleman is driving at. If the Company floated $25,000,000 of their bonds at present, when money was cheap, and they placed the money in the hands of the Government, who allowed them four per cent. on it, it appeared plain to him that the Company gained nothing, and the Government lost nothing; for the Company had to pay interest for the money, and they obtained interest from the Government for it. This, it struck him, was a parallel case to that of the Canada Central Railway Company, which had only to settle by actuarial calculation what was the

equivalent at five per cent. of $12,000 a mile, and issue bonds in the same proportion.

Mr. BLAKE. Of course there is no difficulty in settling the value of $25,000,000 by actuarial calculation.

Sir CHARLES TUPPER. In that case it is payable as it is earned, and in this case it is payable as it is earned.

Mr. BLAKE said that the hon. gentleman might have erred in the case of the Canada Central, but, as the road was a short one, the error would be a small error; but that was no reason why there should be a large error in this case. Suppose that, instead of getting the value of $25,000,000 in coupons, the Company asked for it in cash, they might say: "We are entitled to that $25,000,000, and you must pay it over to us; but we will pay it back to you, and you must pay us four per cent. on it, because it is our money." The hon. gentleman would then be paying four per cent. to the Company on the whole amount, in the interval, until they earned it. Instead of that, he gave them the opportunity of paying four per cent. interest on the bonds they floated, and they practically obtained the advantage of getting a present payment instead of a deferred payment of their subsidy.

Sir LEONARD TILLEY. They do not get the money at all under this arrangement.

Mr. BLAKE said they got their interest on it, however. They issued their bonds, and the Government agreed to pay them interest for a certain period.

Mr. MILLS said that if the Company did nothing until the tenth year, they would draw four per cent. interest on the $25,000,000 without having done anything for it. Suppose, instead of that, they did one-tenth every year; if the Government security was given at once, and the interest was paid on the whole sum, did not the hon. gentleman see that the Company would be receiving a large amount of interest on money they were not entitled to receive. If the Company did all the work in the first year, the position taken by the hon. gentlemen opposite would be all right; but the Company might defer doing the work till the last year, in which case the hon. gentlemen would be paying four per cent on $25,000,000 for nine years without the Company doing anything at all.

Sir CHARLES TUPPER said the misconception of hon. gentlemen opposite arose from their not having read the clause. The contract provided for the payment of a certain sum of money in a certain way—that was, as it was earned; and it only differed from the precedent established by hon. gentlemen opposite in respect of time and amount. He (Sir Charles Tupper) did not admit that there was any error on the part of the late Finance Minister. On the contrary, he believed that hon. gentleman adopted a perfectly correct mode of dealing with a precisely similar case. By the contract the late Government made for the extension of the Canada Central Railway, they promised to pay a certain sum of money, not at any particular time, but as it should be earned during a certain period of time. This contract makes exactly the same provision. It provided that a certain sum of money should be paid only as it was earned. Then it provided, exactly as the Canada Central contract provided, that a different mode might be adopted—that instead of money being paid in cash as the work proceeded, a guarantee of interest on bonds for a specific time should be substituted for the cash payment. The amount of that interest was arrived at by an actuarial calculation of what it was worth, the difference being that, as money was dearer then than now, the rate was five per cent. while it was four per cent. under the present arrangement. The Government held the money in this case as in the other.

Sir LEONARD TILLEY.

Mr. BLAKE. The hon. Minister says this is the same thing that was done before by the late Government. He is mistaken. The late Government gave to the Canada Central Railway the option of accepting a guarantee of interest; and I assume that they stated the rate at which the calculation should be made, namely, five per cent. since the hon. gentleman says so; but that was not dealt with until the reign of the present Government. The time had not arrived in which it became necessary to ascertain what the basis of the calculation should be until the present Government came in, and it is they who have fixed the basis of calculation, not the five per cent. but who determined, if they did determine—and the hon. gentleman says they did—that the whole sum due to the Canada Central Railway, from time to time as the work went on, should be treated as if it was all due cash at the present day. It seems to me perfectly plain that your arrangement is practically the same in its results to this Company as if you anticipated the payment of $25,000,000 in cash. If you take the $25,000,000 which are due from time to time, as they carry on the work, and say you shall give it to them on the 1st July next, you must admit you give a very serious and important advantage to the Company; an advantage, assuming them to be earning their money regularly year by year, from one to ten years, of from $5,000,000 to $5,500,000, calculating interest at four per cent. You say: "We will not give you the subsidy in advance, but we will agree to give you our bonds for the subsidy in advance."

Sir JOHN A. MACDONALD. No.

Mr. BLAKE. Because those coupons are nothing less than bonds, as far as the Government is concerned, for the payment of a certain sum out of the first coupons of the capital bonds of the Company. I am not objecting now to the principle of substituting a deferred payment for a payment deferred, it is true, but deferred to a lesser day. I am discussing simply the principle on which you put the Company on the same and no better footing under the new calculation than you would under the old one; and, I say, in order to put them in the same position when you are agreeing to pay at a longer interval than that at which you are now paying the $25,000,000, you must first ascertain what are the intervals at which you must pay the $25 000,000. You are under no obligation to pay out at all until the money is earned, and from now until the time the money is due is a period during which the money should not bear interest. There are two elements of uncertainty in this question: One is, you do not know how fast the money will be earned; the other is, you do not know whether it will be earned or not. What you propose to do is to take the $25,000,000 as if it was now payable, when it is only payable according as the work progresses. You propose to determine what the worth of the delay is at four per cent., and pay that sum to the Company.

Sir LEONARD TILLEY. No.

Mr. BLAKE. The hon. Finance Minister said he was about to enter into a calculation of what the delay would be on the $25,000,000; that he was about to calculate what would fall due the first year, what the second, and so on. He comes to the very point at which I started, namely, that you must not assume the $25,000,000 as now payable, but must acknowledge that it is a sum payable at future periods. How are you going to determine those periods? You would require, not an actuary, but a probability man like Vennor. No actuary can guess when this money will be earned, or predict it will be earned at all. If you agree with me, you have got to meet that problem. How are you going to solve it? What you said was that you had not to meet it at all, that you treated the $25,000,000 as the basis of a calculation, and, having to pay it the 1st July, proceeded to ascertain what is its value from then to twenty

years. The hon. Minister said this was of no consequence, that the Government got the money and not the Company. But the Company do get it, because they simply lend you the money and you pay four per cent. interest on it.

Sir LEONARD TILLEY. I cannot see the objection the hon. gentleman has raised to the calculation made in the cases to which I have referred. The question is what are we to be called on to pay over a certain number of years, part in principal and part in interest?

Mr. BLAKE. You assume the $25,000,000 as due.

Sir LEONARD TILLEY said that made no difference, because the actuary decided what that $25,000,000 was equivalent to, payable over twenty or thirty years. I gave the hon. gentleman the strongest case that could be made. The Government agreed to pay bonds equivalent to $25,000,000 interest and principal, during thirty years. Supposing they were issued for thirty years. Say they realized $40,000,000, $25,000,000 of which were placed in the hands of the Government and $15,000,000 in a bank, at the control of the Government, the Government paying four per cent. on the amount deposited with them—the Government had the use of the money, and the hon. gentleman should congratulate the country on the fact that we could get it at four per cent., when not long ago we had to pay five per cent.; and the money could be used in redeeming five per cent. securities which would give us a gain of one per cent.

Mr. MACDONNELL (Inverness). Do the Company get the benefit of the interest at once on these $25,000,000?

Sir LEONARD TILLEY said the bondholders got the interest if the Government agreed to pay them. Instead of being four per cent., it was four per cent. and a certain portion of the principal. The Company did not get the benefit of the interest. They handed it over to the Government, which agreed to pay the interest on those bonds at four per cent.

Mr. HAGGART said the position seemed to him to be a perfectly clear one. The Company would get the payments spread over a certain number of years. The difficulty was to find out the amount actually to be earned during each year, but, dividing the amount by the number of years and making an actuarial computation of what those lands would bring, you loose the same amount of interest as the Government would give them on the deposit.

Mr. BLAKE. If you do it; but the Finance Minister says he is not going to do it.

Mr. HAGGART said, in order to obtain the $25,000,000 they must have lost an amount equal to the interest at four per cent.

Mr. ANGLIN said there would be no difficulty if we knew exactly at what period the several instalments of this money were to be paid.

Mr. HAGGART. That is the difficulty.

Mr. ANGLIN considered that it was an insuperable difficulty. The Minister of Finance seemed to assume that the bonds would be put on the market on short terms, but how could the value of these bonds be estimated, actuarially or otherwise, without knowing when the Dominion was to become liable to the contractors for any particular amount? That was impossible. What seemed to him to be an easy mode was this—if the contractors chose to be paid by that mode: that the bonds should be calculated from the date at which they were issued, that the Government should take the money realized by the bonds and pay them no interest on it, but make the payments proportionately as the contractors earned the money, and so pay them from time to time, unless it were to be supposed that the Government should make default. In any case, of course, if they should make default then they ought to pay the contractors the interest on the money so held from them, but the money lodged with the Government and with the banks—not merely the $25,000,000, but the whole proceeds of those bonds—was not the money of the contractors at all until they earned it, but the money of the Government. If the calculation be made upon the value of the bonds as if the money were to be all earned and due to the contractors on the day when the bonds were then issued, then the Government should hold, not the $25,000,000, but the whole proceeds of those bonds, making what use of the money they thought proper in the public interest, and paying to the contractors as they earned the money exactly the amount they earned without interest, because it was not theirs until they earned it.

Mr. PLUMB said that a good many of these difficulties which had been urged with such ingenuity would disappear on a closer inspection of the Bill. The contractors could substitute the issue of land grant bonds for a mortgage upon their road and lands, and could deposit the proceeds of those bonds with the Government at four per cent. interest. The Government guarantees the interest on the coupons, so far as they have the money in their hands and no further. When the contractors have earned the money upon their contract, the Government have the means in their own hands to pay them as fast as they earn it. The complication which had been made on the other side was the confusion between paying interest to the contractors and paying interest upon the money deposited with them that they paid upon the bonds to whoever paid them. They did not pay double interest.

Mr. ANGLIN. Oh yes, they do.

Mr. PLUMB. That was where the hon. gentleman was at sea. He would discover by reading the contract again that Government only guarantee the payment of interest on the bonds represented by the money deposited with them. The section was perfectly distinct, if it was read in connection with the other clauses, and there was no necessity for actuarial or complicated calculations. He had studied the matter carefully, because it had presented itself to a supporter of the Government in the same way that the hon. member for Gloucester had understood it; and he admitted that at first flush there was some difficulty in understanding the clause from the way it was drawn, but it was clear when read in connection with the other sections. The Government receive from the contractors the proceeds of the bonds. Whether the money is raised to-day or next year, or the year after, the matter is precisely the same; it does not make a bit of difference, except that the Government have got to pay four per cent. interest on the bonds. If there was an objection to that it could be discussed, and there was no other. He thought that the Government had made a capital arrangement in providing this, because it reduced the subsidy to the contractors.

Sir ALBERT J. SMITH asked the Finance Minister whether, if the bonds were converted into $25,000,000 and deposited with the Government, the Company would be entitled to any interest upon it, whether they would receive it, and if so, how much?

Sir LEONARD TILLEY said the Government would pay four per cent. interest on any money deposited with them. The Company negotiate these bonds and place the proceeds in the hands of the Government for the protection of the bondholders to a certain extent, because it is in advance of their having earned it. The Government paid for such money—the contractors' money—four per cent. The Government agreed to pay, instead of $25,000,000, a larger sum, extending over a certain number of years.

Sir ALBERT J. SMITH asked if the Government were to pay the Company four per cent. on the deposit?

Sir LEONARD TILLEY. Four per cent. on the money deposited with us.

Sir ALBERT J. SMITH. To the Company?

Sir LEONARD TILLEY. It is held as part and parcel of the money out of which we are to pay this interest.

Mr. ANGLIN said if the clause was as the hon. member for Niagara understood it to be, it would not be so objectionable—perhaps not objectionable at all—but the provision was as follows:—

"*d.* Until the first day of January, 1882, the Company shall have the option, instead of issuing land grant bonds as hereinafter provided, of substituting the payment by the Government of the interest (or part of interest) on bonds of the Company mortgaging the railway and the lands to be granted by the Government, running over such term of years as may be approved by the Governor in Council, in lieu of the cash subsidy agreed to be granted to the Company or any part thereof; such payments of interest to be equivalent according to actuarial calculation to the corresponding cash payment, the Government allowing 4 per cent. interest on moneys deposited with them; and the coupons representing the interest on such bonds shall be guaranteed by the Government to the extent of such equivalent."

Hence the Government were to undertake to pay interest or part of the interest on those bonds, not to the contractors that they may pay it again to parties owning the bonds, but the Government becoming themselves directly responsible to the holders of bonds. The Government had provided that they were to pay four per cent. upon the money placed in their hands as the produce of those bonds.

Sir JOHN A. MACDONALD said that, of course, the interest would be paid in money, and would be paid to the holders of coupons. The Government agreed to pay interest. The coupons would represent the interest, and the Government guaranteed the interest to be paid on the coupons, which would amount to only four per cent.

It being Six o'clock the Speaker left the Chair.

AFTER RECESS.

On clause 6,

Mr. BLAKE suggested that "shall" should be substituted for "may," as it was desirable the Government should take security.

Sir CHARLES TUPPER concurred.

Clause, as amended, agreed to.

On clause 6,

Mr. BLAKE said he understood that the meaning of the last part of the provision as to what was to be the standard between Yale and Port Moody, and the practical effect of that, was to provide that the Government would construct the piece of railway between these points of the same standard as that provided by the third clause for the contractors' portion.

Sir JOHN A. MACDONALD. Certainly.

Clause agreed to.

On sub-section *b*, clause 9 of the schedule,

Mr. BLAKE said he thought the interests of the Dominion would be better consulted by its becoming the negotiator in the markets of the world of its own securities, and that a provision which allowed the Company the option of taking terminable funds of the Government instead of cash was not a wholesome one.

Sub-section agreed to.

On sub-section *c*,

Mr. BLAKE said that this sub-section provided that:

"If at any time the Company shall cause to be delivered on or near the line of the said railway, at a place satisfactiory to the Government, steel rails and fastenings to be used in the construction of the railway, but in advance of the requirements for such construction, the Government, on the requisition of the Company, shall, upon such terms and conditions as shall be determined by the Government, advance thereon three-fourths of the value thereof at the place of delivery."

He thought that some arrangement should be made by which if the period elapsing between the period of delivery and the period of requirement was a long one, a rebate should be made upon the interest which the Government would pay on three-fourths of the value.

Sir CHARLES TUPPER said a similar provision had been made by the late Government with reference to the Canada Central, and a body of gentlemen for whom the hon. member for West Durham had a great respect—the new Syndicate—required the same concession.

Mr. BLAKE said he did not object to a reasonable advance being made if the conditions were reasonable, but he objected to the Government paying interest for a period which might be one of considerable length.

Sir CHARLES TUPPER said if the hon. gentleman would read the clause again, he would find that the Government were in a position to exact the interest if they saw fit. The clause read:

"The Government, on the requisition of the Company, shall, upon such terms and conditions as shall be determined by the Government advance,"

He might add that it was perfectly understood that the Government were to have the interest if they required it, though if the period was short and the amount small it was not likely they would advance.

Mr. BLAKE said he was perfectly satisfied with the hon. gentleman's statements.

Sub-section agreed to.

On sub-section *d*,

Mr. BLAKE said this brought them back to where they were before recess. He wanted to point out that the clause of the Bill which has been passed through the Committee rightly stated the nature of the proposed transaction. He did not object in its principle to the substitution of a properly calculated allowance representing what the Company were to get in the subsidy. If the interests were calculated on a proper basis and proper precautions were taken, this was a change which would not unduly alter the position of the Government. But he wished to point out that the mode of conducting this particular operation was seriously important—that it might materially affect the real amount that the Company is to receive. It had been suggested that this would be only a guarantee of interest, but it was quite clear, although the phrase guarantee was used, this was really a payment of interest. In the first place, the intention was to substitute one sum of money paid in instalments for another sum of money which was an absolute payment. The Company were to receive $25,000,000 as the work progressed in twenty mile sections, but we were going to agree that instead of paying that sum to the Company, instead of certain unfixed proportions, to pay a larger sum for forbearance of the subsidy by annual instalments to the Company or to its bondholders. That that view was correct was shown in clause 3, which stated that in lieu of the payment of the said subsidy direct to the Company, the Government might convert the same and any interests accruing thereon into a fund for payment to the extent of such fund, with interest on the bonds of the Company; that is, instead of paying $25,000,000 direct to the Company, as it would be entitled to under the contract, the Government might make a fund composed of the $25,000,000 and the interest for forbearance of that sum, and pay that fund out in interest on the bonds of the Company. It was desirable to ascertain what was meant by "any interests accruing thereon." To ascertain that it was necessary to know when the interest commenced to accrue, at what rate, and for what time it accrued? The rate was stated to be four per cent., the time was to be such as the Company and the Government might agree upon. The first question in the three factors, making the gross amount, was the question which his hon. friend had not yet answered. He wanted to know when the interest was to begin to accrue on the $25,000,000. Was the interest to start from the day the contract was

made with the Company or from the day the Bill passed through Parliament? It certainly was not to start from the day the money became actually payable to the Company under the contract, because this arrangement could only be implemented before January, 1882. As he had already remarked, they were substituting for the subsidy payable to the Company a larger sum, composed of that subsidy and the interests on that subsidy for a certain period of forbearance which they were to pay to the bondholders of the Company instead. This was borne out by the clause under consideration, reading as follows:—

"Until the first day of January, 1882, the Company shall have the option, instead of issuing land-grant bonds as hereinafter provided, and substituting the payment, by the Government, of the interest (or part of interest) on the bonds of the Company, mortgaging the railway and the lands to be granted by the Government, running over such term of years as may be approved by the Governor in Council. in lieu of the cash subsidy hereby agreed to be granted to the Company or any part thereof; such payments of interest to be equivalent, according to actuarial calculation, to the corresponding cash payment."

Now any sum paid for interest out of the moneys deposited by the Company would not be charged against the Company in that respect, but as against this fund which, by this third clause, they were creating out of the subsidy and the interest on the subsidy. Instead of paying the subsidy at certain or uncertain times they were going to obtain a longer time and to pay it by half yearly instalments, and to pay interest at four per cent. How large the fund would be would depend upon the date from which they commenced to pay interest. It was obvious that the practical value of the fund depended upon the question when the subsidy became payable. If instead of the $25,000,000 being payable at once they arranged to make twenty half yearly payments and to calculate the interest at four per cent. for the forbearance the Company would give, it would amount to forty half yearly payments, or a little over $913,000, and they would pay in the course of twenty years a little over $3 ,.00,000. What he wanted to point out was, that in order to make a fund up to that amount they required to give this as an addition to the $25, 00.000 presently payable. But a large portion of that sum was not payable for many years, a considerable portion was not payable until the end of ten years, and it was quite clear that, in making any calculation which they would have to make before 1st January 1882, they ought not to allow interest upon the $25,000,000 as if it was due at the time they were making the calculation. They must recognize the fact that a large portion of it was payable without interest at a later date, and a large portion of it many years later.

Mr. PLUMB. Is my hon. friend arguing upon the basis that this payment that he is speaking of is made to the Company in advance of the earnings that they make by building the road?

Mr. BLAKE. According to the contract I say this $25,000,000 would be payable as earned. The earlier they determined that the $25,000,000 was due to the Company, the larger would be the fund, and the more they would advantage the Company. Without having run the figures out, he estimated that if the $25,000,000 were payable in ten half yearly instalments at four per cent. something like $20,500,000 would be the representation of the $25,000,000 so payable. It was quite clear, then, that if they took the $25,000,000 as presently payable, they added between $4,000,000 and $5,000,000 in cash to the advantage the Company were receiving. Of course, they had to add the interest, which would perhaps, increase this amount by $2,000,000. What he wanted to understand was upon what basis did the Government calculate in order to fix the amount of the aggregate fund.

Sir LEONARD TILLEY, in order to illustrate his view, would suppose that on the 1st of January, 1882, the Government, at the request of the Company, gave their assent to the issue of $37,500,000 of bonds at four per cent. Suppose they were sold at par, the proceeds of the bonds were placed in the hands of the Government, or at the disposal of the Government—$25,000,000 in the hands of the Government, and $12,500,000 at the disposal of the Government, in one of the banks of the Dominion. If the whole thing failed, the Government would be in a position of having $35,000,000 at 4 per cent. for 35 years, and the money to pay the bonds when they became due. Supposing that the Company went on in good faith under the terms of the contract, the liability of the Government would accrue on the 1st of January, 1882, when the bonds were issued, because they would receive the proceeds and undertake to pay the money at the same time. Under the conditions of the first sub section, the Company would be entitled then to receive $2,500,000, together with fifty per cent of that, or $1,250,000 in addition, or $3,750,000. That money would be in the hands of the Government to pay the interest on the bonds, and might be paid to the Company, or to the men who paid the interest on the coupons. Therefore there was no loss to the Government. It might go into the hands of the Company, or it might not. If it did, we only ran the risk of paying the coupons, but, as in the case of the Canada Central, that was a matter of arrangement. With reference to the sinking fund, the Government agreed to take that sinking fund and hold it subject to arrangement afterwards.

Mr. BLAKE said the explanation was very lengthy, but the Finance Minister had not answered the very simple question which he (Mr. Blake) had put to him. He would like an answer to that one question. The Government had to undertake the task of deciding this point some time, and it should be decided before the Bill was passed. The Government had no option, but had to yield to the absolute right of the Company to enter into the transaction they were now discussing. The question was: When the Government was asked to create a fund by taking the $2 ,000,000 cash, and the interest on that $25,000,000 for the length of time that the bonds had to run, from what date was the Government going to calculate the interest would commence to fall due?

Sir LEONARD TILLEY. From the date of the bonds. It makes no difference whether it is to-morrow or six months hence, because the proceeds of those bonds must come into the hands of the Government.

Mr. BLAKE said it was clear they now had a basis of calculation, and that basis was not what the hon. gentlemen on the Treasury benches to the right of the Finance Minister and the Finance Minister in expectancy thought it was, but the calculation was to be from the date of the issue of the bonds, namely, some time after 1st January, 1880. They were therefore to assume, for the purpose of creating this fund, that the $25,000,000 was presently payable. The hon. Finance Minister said: "I take the $25,000.000 and I ascertain what the interest will be at four per cent. on the $25,000,000, turning it into half-yearly instalments for the years these bonds are to run, and I find it amounts to a much larger sum, and instead of giving you $25,000,000 in cash, I give you my bonds for this larger sum," and the Finance Minister rightly said: "If the money was then due, and if the rate of interest was not too onerous, the country would not lose by the transaction, for he had obtained time for payment at a fair rate of interest." The difficulty lay in his assuming that the $25,000,000 was then due on the 1st of July next. He had calculated interest from that time and was giving, therefore, an aggregate of coupons of $36,000,000 or $37,000,000, when, in point of fact, by the operation he was paying interest on the $25,000,000 for that interval of years that would elapse before it was really earned by the Company. The hon. gentleman could not deny that the fund he proposed to create by this process would be larger than if he took into account the fact that there was no

interest payable on that $25,000,000 for a great number of years; and being so much larger, it had to be recouped to the country some way or other, or the bonus would be in fact larger by the difference. How was it to be recouped to the country? Not under any provision of this Bill, because this Bill simply provides that the proceeds of these lands, when sold, in part in the hands of the Government, and in part in bank under control of the Government. For the part in bank the Government got nothing, though he admitted the control was a considerable security against misappropriation of the money. The money which was put into its own hands was simply borrowed by the Government from the Company at forty cents interest for the period until it was put into the construction of the road. What was the position of the Company? It had been able to raise, say, $45,000,000, as it might, if it used the whole of these $45,000,000 in twenty year bonds at four per cent., and if paid no interest on the $45,000,000 for the period of the currency of these bonds, because the interest was provided by the public in lieu of the $25,000,000 subsidy. Since, the hon. gentleman had attached coupons representing $25,000,000, plus interest on those bonds.

Mr. PLUMB. Hear, hear.

Mr. BLAKE said he referred the hon. member for Niagara to the clause which read as follows:—

"In lieu of the payment of the said money subsidy direct to the Company, the Government may convert the same and any interest accrued thereon into a fund for the payment to the extent of such fund, of interest on the bonds of the Company, and may pay such interest accordingly."

So that the $25,000,000 and interest were to be turned into a Government fund, which Government fund was to be devoted, in lieu of the subsidy, to the payment of interest on the Company's bonds. The Company were, therefore, at no charge for interest on those bonds. The subsidy which was received from the Government paid that interest. So that the interest is paid by the Government for what it borrows in effect from the Company and holds as security. The best interest they can arrange for is paid by the other corporations that have it, and the Government pays the other interest in lieu of subsidy on the bonds. Assuming for the purpose of calculation that the $25,000,000 is presently payable, the Government are in effect making a present to the Company of the interest that would accrue between the time it is presently payable and the time it would really be payable to the Company.

Sir LEONARD TILLEY said, suppose bonds were issued for $35,000,000, and that the proceeds were placed in the hands of the Government, they would simply be paying four per cent. on those bonds until they were due, and the principal would be there to pay it. There would be no loss to the country in that case. We would simply be obtaining money at four per cent. for a period of years. That is on the main transaction. What interest would the Government pay out besides? Just simply the interest on whatever subsidy would be coming to the Company, year after year. If it were two millions and a half the first year, the Government would pay $100,000 out of the Treasury; if two and a half millions more the following year, the interest would be $200,000 taken out of the Treasury. We pay interest in proportion as we pay the subsidies the Company are entitled to.

Sir RICHARD J. CARTWRIGHT said he understood the hon. Finance Minister to say that he proposed to pay out the $37,500,000, or whatever sum he realized.

Sir LEONARD TILLEY. It depends on the number of years, but say that amount.

Sir RICHARD J. CARTWRIGHT. Supposing the Company do one-tenth of the work they will be paid $3,750,000. So far so good; but in addition to that there will be, according to this clause, one million of dollars to be paid as four per cent. interest on the $25,000,000. To whom is the hon. gentleman going to assign that? According to his (Sir Richard J. Cartwright's) understanding of this clause that would be the property of the Company.

Sir LEONARD TILLEY. No.

Sir RICHARD J. CARTWRIGHT said if that was the property of the Company they would gain an enormous advantage. That might not be the meaning of the Government, but Parliament had to consider the construction of the clause, and it would not be at all unlikely that the Company would put the same construction upon it that he did, if it passed in its present shape. We would be prettily circumstanced indeed, if at some future time the Company obtained a legal decision that the clause admitted of this construction. What precautions were to be taken to prevent this $1,000,000 or $900,000 getting into the hands of the Company?

Sir JOHN A. MACDONALD thought that the House and country would trust the Government with this sacred charge; that they would not allow the country to pay eight per cent.; they would only pay four per cent.

Sir RICHARD J. CARTWRIGHT. The hon. gentleman may not be able to help himself.

Sir JOHN A. MACDONALD. We will trust the hon. gentlemen opposite.

Sir RICHARD J. CARTWRIGHT. We may not be able to help you. A misconstruction here may come to have an excessively serious effect.

Mr. McCUAIG said he understood we were to pay four per cent. on $25,000,000 until the completion of this road, and this was to be paid as the work progressed. Would this clause place us in any different position from that?

Sir LEONARD TILLEY. No.

Mr. McCUAIG. The issue of these bonds is to enable the Company to borrow at four per cent. in the market now, in consequence of the money being very cheap.

Sir LEONARD TILLEY. That is it.

Mr. McCUAIG. Then there should be no doubt about the construction of this clause.

Sir LEONARD TILLEY. There is none.

Mr. McCUAIG asked if four per cent. coupons would be attached to those bonds.

Sir LEONARD TILLEY. Yes.

Mr. McCUAIG thought the Government would be liable for the interest. He understood the proceeds of those bonds would be deposited with the Government to the extent of $25,000,000, on which amount the Government would have to pay four per cent. interest. Was he to understand that when the four per cent. was paid on the deposit it was to be placed to the debit of the Government?

Sir LEONARD TILLEY. No; we pay it to the coupons.

Mr. McCUAIG did not understand it that way. If this Company issue bonds upon which there are coupons for which the Government is liable, and the proceeds of the bonds are deposited with the Government, and if we pay the Company four per cent. on the deposit, we pay eight per cent.

Sir LEONARD TILLEY. That four per cent. is paid by the Government to the coupons. We use the money deposited with us to pay the coupons on the bonds, and relieve the Government of the responsibility of paying them.

Mr. McCUAIG said that if the Government redeemed those coupons it would be a charge on the consolidated revenue of the country, and if the proceeds of those bonds were deposited under the Government, and they had to pay

to the Company four per cent. on that deposit, it would be equivalent to eight per cent.

Sir LEONARD TILLEY said the four per cent. on the deposit would be paid to the party who was bound to take up those coupons, as in the case of the Canada Central. If, for instance, those coupons were payable at the office of any bank in London, as in the case of the Canada Central, the Government would redeem the interest on those $25,000,000 in its hands, and that ought to redeem those coupons which were the Government's liability.

Mr. McCUAIG said the Company could, at their own convenience, dispose of those bonds in the highest market, and whenever it suited them to deposit with the Government, whether they required the money or not, and from that time it would commence to bear interest. It might occur that Government had no use for the money. Under those circumstances there would certainly be a loss of interest, unless the parties with whom it was deposited were willing to pay four per cent.

Sir LEONARD TILLEY said the hon. member was raising another question, whether it was desirable that the Government should accept the money and pay four per cent. when possibly they might have no use for the money. During the next fiscal year the Government would have to borrow perhaps $15,000,000, and if they went upon the English market they could not obtain it just as they required it. The same objection would lie with respect to any loan as to the $15,000,000. But he was satisfied the Government could use in the interest of the Dominion the $25,000,000 either in meeting liabilities or in redeeming five per cent. securities between this time and 1885, without the loss of any more money than the Government were on the English market three months hence and floated a loan.

Mr. McCUAIG said he was quite satisfied with the answer given by the Finance Minister to the first question. Several other hon. members have been uncertain on that point, and it was desirable it should be made clear. It was gratifying to hear that there was no probability of a large sum of money being at the credit of the Government in the bank.

Mr. ANGLIN said the Finance Minister persisted in arguing as if the money would be the money of the Syndicate, whereas it would really be that of the people of this country. The hon. gentleman had proceeded with his calculations as if the whole of the $25,000,000 were to be due to the Company when the bonds were issued. None of that money would in any sense belong to the Company until some portion of the road had been constructed, and then they would become entitled to a fair proportion. If, in the arrangement between the Government and Company, it had been settled that the bonds should be sold whenever it appeared that they could be disposed of most advantageously, and that they should be sold all at once, rather them piecemeal, no objection would be made; but he could not understand why the Government pledged itself to pay any interest on the money so obtained. To whom would the Government pay the interest? The last proposition was a second thought. The Government, it was stated, would pay 4 per cent. on $37,500,000, equal to 6 per cent. on $25,000,000, and thus would in the time named extinguish the Government liability to pay the $25,000,000 subsidy. If the 4 per cent. mentioned in the clause under consideration were really to be applied in part payment of the amount the Government undertake to pay the bondholders, that part of the clause was wholly unnecessary. The obvious meaning is that four per cent. is to be paid to the contractors—that the Government are first to pay whatever rate might be necessary after a certain number of years to cover both interest and principal, and besides that, if this clause was to go into effect as it stood, they would have to pay four per cent. As the work proceeded the contractors would be entitled to certain shares of the money and they would be paid accordingly. The matter might be got at in another way. If they were to assume that the share to be due to the contractors year after year was one-tenth, and the work was to progress uniformly, then of course one-tenth of $25,000,000, or a sum equivalent to that amount, would be paid one year after another. In that case we would have no interest account, and we would go on paying a sum on sinking fund year after year. But under this arrangement we would have to pay interest and sinking fund for the extinction of the claim, and yet it was argued by the hon. gentleman opposite as if this money would be the money of the contractors, before they had earned any of it, and as if the Government were really incurring an obligation to the contractors, because they had the holding and the using of the money in the public interests. It was at any rate evident that there was a good deal of doubt as to what the clause really meant, and it should be so reconstructed as to make its meaning perfectly clear, and to secure the exemption of the country from a liability which Parliament did not intend to impose upon it.

Mr. PLUMB said he was not surprised that the late Finance Minister did not venture to take the view of this sub-section which had been taken by other hon. gentlemen who were not so familiar with financial operations as he (Sir Richard J. Cartwright) was. He was not much surprised at the views expressed by the hon. gentleman who had just taken his seat. He was not much surprised at the views taken by the leader of the Opposition, though he fancied if this proposition he had supported were made to him as the solicitor for, or as a large shareholder in, a loan society, he would soon perceive that it was untenable. What was the actual common sense view of this section? It was that if the Company choose to avail themselves of the option under this clause before say 1882, they might issue a certain amount of bonds upon the whole franchises of the Company, including the land grant and the money grant of $25,000,000—or, perhaps, more, for the amount was not material to the principal—they could substitute—the word was an awkward one, but it conveyed the meaning—that amount of the payment of subsidy and interest paid by the Government for those bonds up to the amount which they secured to the Government by the deposit of money. If they received $25,000,000 deposited, and the Government could pay four per cent. on that deposit, as they would pay interest on any other loan, the subsidies due to the Company afterwards were not to be paid out of the money for that period. The whole argument by hon. gentlemen opposite was that there was some connection between the money which the Company had borrowed and put in the hands of the Government, and the subsidy, whereas they had no connection whatever, and no possibility of the Company getting double interest, as might be inferred from the remarks of hon. gentlemen opposite. The only question involved was whether the Government was in a position to undertake to pay on a deposit, not defined but coming in at any particular moment, a rate of four per cent. If the Government could say that their arrangements were such that they could do so without inconvenience, they made the transaction entirely distinct from any payment to the contractors on account of their work, and this was expressly stipulated in the clause. In that case the Government were perfectly justified in taking the money as they proposed to take it. The late Finance Minister knew very well that in November, 1876, when he made his loan of $3,000,000 sterling, he did not want his money for more than a year, and he left the money in England at a low rate of interest, as money was just then realizing in London more than one and a half per cent. It was convenient for him to borrow the money at that time, but he must know that he could not expect to

get his money in a day's searching, and that therefore there must be a considerable amount of interest. They were told that there must be some abstruse actuarial calculation made to ascertain what time this sum became due to the contractors under the contract. This had nothing whatever to do with this calculation, and he must say, and he said it with great respect, that the hon. gentleman had mixed himself up upon this point. This whole argument had grown out of the fact that the hon. gentleman had, in some extraordinary way, mixed up two entirely separate questions. The whole transaction was this: It might be convenient for this Syndicate to raise a certain sum of money otherwise than was provided in this Bill. The Government undertook to guarantee coupons on the bonds of the sum so raised, and it was provided that after these bonds were negotiated the proceeds would go into their hands and the money be deposited with the Government. The Government would have to pay the coupons as they came round, and as they had the money in their hands they could afford to pay four per cent. interest on it. It was simply a deposit of money with the Government, exactly as if a loan association received that money and the Government undertook the trust of paying coupons upon it, and if they had money enough in their hands in the end they would apply it to the payment of the bonds. When the Syndicate did their work they would receive their money for it. Did anybody suppose the fund was one which the Company themselves were to be debited with when they received the money on their contract? He rather thought not.

Mr. HAGGART said he had a great difficulty in understanding this clause, and his final opinion of it differed from that of other hon. gentlemen. In the first place, it seemed to him that the Government, instead of giving $25,000,000 to the Company as they earned it, proposed to give it in the form of interest coupons, or to pay interest coupons on bonds to be issued by the Company. The most difficult point to determine was at what period this money was to be paid. If the work was done equally each year it would not be very easy to say how much the Company should receive each year. But they might do a small quantity of work one year and a large quantity of work another year. He would presume that the Company would do the work equally over the ten years; if so, it was a simple calculation to find out what amount the Government ought to guarantee to the Company. It would be very easy to find out what $25,000,000 would be divided by ten, and what four per cent. on the balance would realize on the sale at the present moment. In his opinion that was the extent to which Government guaranteed the coupons.

Sir RICHARD J. CARTWRIGHT. Ought to guarantee.

Mr. HAGGART said that seemed to be the present intention of the Government. It did not matter whether the time was to-morrow or the 1st of July, 1882. The calculation was just as easily made now as then, provided they knew the time at which the Company would earn the amount. The Government did not guarantee the bonds, but for the safety of the bondholders the Company deposited the amount received for the bonds, the latter acting as keepers of the amount as security that the contractors would go on and do the work. They paid over the amount of bonds to the bondholders as the work progressed. There was no doubt that of the amount deposited with the Government the four per cent. must be paid to the contractors, because the contractors lost that amount in the sale of their bonds in the first instance to the public. Then the bonds to be issued must be in excess of $50,000,000. The Company received $25,000,000 in cash and would probably receive $25,000,000 more for their land, and unless they receive a great amount by this operation it would be folly for them to issue bonds for a less amount than $50,000,000.

Mr. PLUMB.

Mr. BLAKE. It would only run to $45,500,000. That is to say, if you take $25,000,000 and add the interest on it at four per cent. for twenty years.

Mr. HAGGART said it depended entirely on the length of time the bonds might run, whether it were for ten, twenty or fifty years. The Company would take good care that the amount they were to receive would equal at least $1 per acre for the land and the $25,000,000 of cash subsidy. Taking that view it seemed to him this was a very fair arrangement for the Government to make. The Government would enable the Company to raise $25,000,000 on the credit both of the Company and of the Government and on the land grant. It simply enabled the Company to raise $25,000,000 and loan it to the Government.

Sir LEONARD TILLEY differed entirely with the hon. gentleman as to the construction of this paragraph. As the late Finance Minister is now present he would repeat the illustration he had already given based on the Canada Central Railway. That road of 120 miles had a subsidy of $12,000 per mile which was to be paid as the work was constructed. It was not necessary, when this Government agreed to carry out the arrangements made by their predecessors, to consider how many miles of that road were to be constructed each year. They had to pay the Company $12,000 a mile; but as they wished to float their bonds in order to raise more money, the Government agreed to pay them $2,500,000 per annum, and they paid $1,500,000 into the Treasury of Canada for the purpose of paying the interest the Government agreed to pay to the expiration of the bonds. That made the Government perfectly safe. The transaction simply amounted to taking money from them at a certain rate, and paying it back in principal and interest in twenty years. The same rule was applied here. The Company desired the guarantee of the Government in order to float their bonds now while the market was favorable; but the Government said to them: "We are bound to pay the interest on the coupons, and you may not perform the work." The answer, as they expected, was: "We will put the whole proceeds of these bonds in your hands, and you will be perfectly safe, because you will be able to use the money at four per cent." It was practically a loan of money, and the Company, out of the sales of lands, provided a sinking fund for the payment of the bonds themselves. The only advantage the Company obtained was to be placed in the position of floating their bonds at a favorable time.

Sir ALBERT J. SMITH. Does the Government not become responsible for the $37,500,000 at once?

Sir LEONARD TILLEY. No; we become responsible for the interest and the charges equivalent to $25,00 ,000.

Sir ALBERT J. SMITH. The Government are paying four per cent. for the money in the banks, but the Government do not get four per cent. for the money.

Sir LEONARD TILLEY. There is no loss. We decline to take more than $25,000,000. They get four per cent. for the money they put into the banks. But I may say we shall be prepared to take the whole $25,000,000, and use it advantageously if there is any question with reference to the interest.

Sir RICHARD J. CARTWRIGHT said the Finance Minister would hardly tell the House that $25,000,000 payable in instalments over a period of ten years, was as valuable as $25,000,000 due to-day.

Sir LEONARD TILLEY. I am not arguing that at all. It does not apply to this case.

Sir RICHARD J. CARTWRIGHT said our obligation was not to pay the Company $25,000,000 on or before the 1st of January, 1882, but $25,000,000 in instalments, the last of which will mature in January, 1891. Our cash obligation to the Company would be fairly computed to-day at some-

thing like $18,000,000 or $19,000,000, and not at $25,000,000. What he contended was that the clause was so drawn that the Company could gain an advantage by it, and he asked the Government to amend it so as to carry out their intention, which was not to give the Company $25,000,000 to-day, but to give them the equivalent of $25,000,000 running over ten years.

Sir LEONARD TILLEY asked the hon. gentleman to place his finger on a line of this contract which stated that the Government were to give the Company $25,000,000 in 1882.

Sir RICHARD J. CARTWRIGHT said the clause was so drawn as to leave the door open to great ambiguity, and to enable the Company to obtain an advantage over the Government by making the payment equivalent to $25,000,000 on or before the 1st of January, 1882. They were both agreed, and the addition of a few words to indicate their meaning would save all this discussion. It appeared they were all of the same opinion. They did not want to give to the Company $25,000,000. Therefore, this clause should be amended so that there would be no possibility of the Company attaining what was equivalent to $25,000,000.

Sir CHARLES TUPPER said he was extremely glad the hon. gentleman had correctly stated that the cash subsidy, instead of being $25,000,000, was only between $19,000,000 and $20,000,000.

Sir RICHARD J. CARTWRIGHT. If paid in ten equal instalments.

Sir CHARLES TUPPER said they were agreed, therefore, upon the premises. How is that money to be paid? In sub-section *b* of clause 9 of the schedule, it was detailed that it was to be paid on the one section at one rate, another at another rate, and that there was ten years during which it would be paid in proportion as the work went on. Sub-section *d* said:

"Until the first day of January, 1882, the Company shall have the option, instead of issuing land grant bonds as hereinafter provided, of substituting the payment by the Government of the interest or part of the interest) on bonds of the Company mortgaging the railway and the land to be granted by the Government, running over such term of years as may be approved by the Governor in Council, in lieu of the cash subsidy hereby agreed to be granted to the Company, or any part thereof; such payment of interest to be equivalent according to actuarial calculation to the corresponding cash payment."

This same sub-section describes how payments are to be made as the work progressed, and the next sub-section declared that if the Company wished to have these payments changed into terminable bonds the amount should be based, in lieu of a cash subsidy, upon the amount they would be entitled to receive of cash subsidy according to an actuarial calculation. The House had, in the first place, the statement that the amount to be paid under this contract was between $19,000,000 and $20,000,000, and in the next place, if the Company chose to exercise its option, the payment was to be equivalent to a cash subsidy, as provided under this contract by an actuarial calculation.

Sir RICHARD J. CARTWRIGHT. Then you ought to strike out the words—"To be allowed four per cent. interest on the money deposited."

Mr. ANGLIN said the hon. the Minister of Railways took up another point entirely different to that under debate. The question to be disposed of was the payment of the interest and the money to be obtained by the sale of those bonds. The Government should take this clause into further consideration, and alter it so as to remove all doubt. The hon. member for Niagara even doubted its bearing, and could not succeed in satisfying himself. The clause certainly required revision.

Mr. PLUMB said the hon. gentleman ought to suggest some amendment which would be satisfactory. None of the hon. gentlemen opposite had yet suggested any amendment to the clause. This clause meant that these contractors can, if they choose, waive the right to issue a certain class of lands; that they can mortgage their whole road and land grant; that they can anticipate their work; that they can raise the money when the money market is easy of access and the rate of interest is low, instead of taking the risk of raising money hereafter. They can regulate their bonds and deposit the money with the Government, and the Government can undertake to pay the interest on those bonds just so far as it has the money in hand. When the Company have done their work in twenty mile sections, the Government can then settle with the Syndicate; they can apply whatever money the Syndicate has earned to their own account, and then, if they have money on hand, they can release it from the Company. They will always hold money enough to secure them for the guarantee of their bonds. They are not paying anything to the Company but four per cent. interest on the money they have deposited, a less rate than the late Finance Minister who negotiated a four per cent. loan at 87½ and thereby paid at least five per cent.

Sir RICHARD J. CARTWRIGHT. I did not.

Mr. PLUMB said the hon. gentleman had never dared to dispute the statement except in that form. The clause as it stood did not require any legal interpretation; there was no ambiguity in it, but a cloud of argument had been thrown about it, no doubt, for the purpose of embarrassing the Government and delaying the passage of the Bill.

Mr. MILLS said the Government were putting forward a different proposition and defence from that which they had stated to the House before six o'clock. The Finance Minister had then contended that it made no difference whether the loan was negotiated for the whole $25,000,000 or not; they were going to apply it to their purpose, and it was of no consequence what the sum might be. The Minister of Railways said that that was an indefensible position, and the Finance Minister changed round to the same view as his colleague. If the whole amount should be made available for the construction of the railway at once, its present worth would be considerably less—somewhere in the neighborhood of $20,000,000. The hon. gentleman, admitting that proposition, admitted that he had done what he originally proposed to do, and what this Act, as it stands, would entitle him to do; he would be paying to this Company a very much larger bonus than the House proposed they should receive, or that the Government had led the House to suppose they should receive. The House should, therefore, set about framing a clause which would give effect to their own and the Government's intentions.

Mr. WHITE (Renfrew) said it seemed to him that the words "such payment of interest to the equivalent, according to actuarial calculation to the corresponding cash payment" must indicate the intention of the construction to be put on this clause. The cash would be earned by the Company over a certain number of years, and, in making calculation of the amount of interest that the Government will guarantee, they must have in view in making that actuarial calculation the fact that the payment is not to be made at once but extend over a certain number of years.

Mr. BLAKE. The Finance Minister says "no."

Mr. WHITE said he did not understand it so. The actuarial calculation in fixing the amount that the Government is to become responsible for to the bondholders will have in view the time at which the money was to be paid.

Sir LEONARD TILLEY. From the date of the bonds.

Mr. WHITE said if the fact be that the Government took the amount as being due to the Company on the 1st of

January, 1882, it was manifest that the Company must receive a considerable advantage. The money, of course, is paid to the Government, and upon that money the Government have to pay four per cent. interest. That four per cent. has no regard to the interest that has been guaranteed by the Government to the bondholders, and in making the actuarial calculation mentioned in this sub-section, read in connection with the other clause, that calculation must be made having regard to the fact that the Company are not entitled to $25,000,000, as at the time of the issue of the bonds, but as at the time when they would be entitled to receive payments as the work progressed. Under an Order in Council in 1878, relating to the Canada Central Railway subsidy, there was a similar provision for the manner in which the payments were to be made. Those payments of $12,000 per mile were not all earned by the Canada Central at the time the guarantee was given by the Government in lieu of the subsidy to be received by the Company, and in making that guarantee of interest it would be necessary to have regard to the payments as they were to be made; and just so it would be necessary to have regard to the dates at which the payments were to be made to the Company under the terms of this contract. If the amount was taken as being due to the Company on or before the first of January, 1882, he must agree with the view which had been taken by the hon. member for Centre Huron (Sir Richard J. Cartwright), that the Company would receive a much greater advantage under an arrangement of that kind than if the proper actuarial calculation were made.

Sir LEONARD TILLEY said the hon. gentleman was in error as to the very Order in Council he had mentioned, for the period at which the Company were to receive the $12,000 per mile did not enter into the calculation. It was simply a question of how much the $1,440,000 paid when the work was completed would amount to at five per cent. paid over a number of years—what amount of bonds should be issued, without the slightest reference to the period when the whole work should be completed. That Company and the present Company were to receive the money *pro rata* as the work proceeded, but that did not enter into the question of when they were to receive the money because that was stipulated in the payments afterwards. It was simply a question of lending money, because the Government got the money grant the moment they began to pay interest. If it was on the first of January, 1882, the bonds were issued, the Government became responsible, they received the money, and the moment it was realized from the bonds the interest went to pay the interest under this engagement.

Mr. WHITE (Renfrew). If, as I understand from the last remarks of the Finance Minister, the four per cent. which is provided under this clause of the agreement shall be paid to the Company goes to pay the interest on the bonds, then I have no objection to make.

Sir LEONARD TILLEY. That is the position exactly.

Mr. CASEY said the Finance Minister might say so but the clause did not, and that was what they had to look to. So far as he could understand the intention of the clause this $25,000,000 deposit from the Company was a guarantee that they would not have to pay the coupons while the Company failed to perform their share of the bargain. The hon. member for North Renfrew (Mr. White), and as he would have imagined every one possessing a knowledge of finance, understood the clause to provide that the Company should have no right to the money until they had earned it, and that the only basis for actuarial calculation would be the probabilities when the Company should earn the money. But an insuperable obstacle in the way was that there was no basis for this actuarial calculation, as it would depend altogether upon the rate of progress at which the work was pushed. Suppose the bargain was that the money should be paid any time between now and the 1st of January, 1882, whenever it should be demanded, the Government would simply be borrowing $25,000,000, and they would be forced to borrow it so many years earlier than they would otherwise have done. If it was the intention of the Finance Minister to effect a loan he ought to say so in a straightforward manner, though it must be said that a loan of $25,000,000 seemed rather absurd in view of the large surplus which the hon. gentleman claimed to have. The hon. gentleman said he could take up those former loans with these $25,000,000 deposited by the Company. That was absurd because it was not to be left in the hands of the Government for any definite term. It was not a permanent loan; we did not know when the Company would call for it. It was liable to be drawn at sight on completion of the work. In the computation of the amount the Company was going to get extra, it had generally been assumed that the subsidy would be paid out from year to year, and that, therefore, it would be fair to take it as paid out in tenths. It seemed to him that the clause provided for a worse arrangement than that for the Government, for it left as much as possible in the Government at the end of the ten years, because it said that the first money to be realized was to be realized out of the surplus, and not out of the $25,000,000 left in the hands of the Government. It was therefore possible that for the last two or three years of the ten the whole sum might remain without reduction in the hands of the Government. He saw nothing whatever in the clause to show that that four per cent on the $25,000,000 went to reduce the coupons. The words of the clause were certainly ambiguous, and it would seem intentionally so. The only hon. gentleman in this House who could explain the meaning of this clause and the intention of those who framed it was the hon. member for Argenteuil (Mr. Abbott). But this House had to do with the clause as it stood, and neither the explanation given of it by the hon. member for Argenteuil or by the Finance Minister would settle its meaning in a court of justice. No two persons apparently could understand it alike, and a court might see something in it still more disadvantageous to the country.

Sub-section *d* agreed to.

On sub-section *e*,

Mr. BLAKE asked why, if the Company availed themselves of the option granted by the preceding clause, the sum of $2,000 per mile on the first 800 of the central section was to be deducted *pro rata* from the amount payable to the Company on that section, and be appropriated to another part of the section.

Sir CHARLES TUPPER. The hon. gentleman will see at once there is a provision in the one case that the Company make their lands immediately available, and in the other case the probability is that they will not.

Mr. BLAKE said there was no provision about making the lands immediately available here. If they got their cash and land subsidy they got $10,000 a mile for the prairie section and so many acres of land. If they avail themselves of this option they were not to get the same *pro rata* for the prairie section. Why was there a reduction in that event of the prairie section and an amount added on?

Sir CHARLES TUPPER replied that if they received the amount in land and in money it was not available to the same extent as if they floated the bonds on the land and on the money. In the one case they were paid in money and in the other case in land.

Mr. BLAKE said it appeared to him to be an indication that the *pro rata* prescribed in the other part of the contract was unjustifiable. If it was reasonable that in this event $2,000 a mile should be deducted from the prairie section and put on to the other section, why, in the other event, should not a certain proportion be deducted from the prairie section and

put on to the other. According to this scheme an issue of four per cent. bonds would float at par $45,500,000, which would give the Company about $10,000 a mile for the prairie section. But the hon. gentleman proposed to give $18,000 a mile for the prairie section, and in that event $2,000 a mile should be deducted and added on to the other part. If so, why should not a similar proportion of the cash subsidy be deducted? The hon. gentleman said they would have more cash, but if so they would have more for the eastern and western sections as well as for the central section. The hon. gentleman said they would be better off only for the middle section, and worse off for the end, and in order to compensate for this inferior position he proposed to take $2,000 a mile off the middle section. It was an acknowledgment in terms that the provision for the prairie section was wholly indefensible.

Mr. POPE (Compton) said that it would take a considerable time for the Company to realize money out of the land subsidy. In place of the land these bonds could be issued and the money realized on them at once, and, of course, that money helped to build up the road.

Mr. ANGLIN said the explanation of the hon. Minister of Agriculture had placed matters in an extraordinary light. They were giving in the one case just as much as in the other. If a guarantee more than the contract provided was necessary to enable the Company to build the ends of the road, the guarantee should be over the whole line. Again, they found hon. gentlemen opposite altering their views with regard to the value of these lands, the facilities of disposing of them, and the flow of immigration. If the population were there the lands would be easily disposed of; but we were told that it would be difficult to dispose of them, and therefore we must facilitate the efforts of the gentlemen entering into this contract to raise money. It must appear to the country that the proportion of lands and money to be given to the prairie section would be out of all proportion to the cost of that work.

Mr. CASEY said the hon. Minister of Railways and the hon. Minister of Agriculture had distinctly stated that the Company would have a greater advantage by getting this issue of bonds than by getting the cash and the lands as they came due. This the hon. Minister of Railways urged as a reason for distributing the bonds along the line. On the contrary, it was a reason for reducing the total grant, as it enabled the Company to raise money most readily.

Sub-section *e* and clause 9 of the schedule agreed to.

On clause 10,

Sir ALBERT SMITH expressed his opinion that the wording of this clause would enable the Company to claim all the rails bought in 1879, and not those only which were not required but on the Lake Superior and the western sections.

Mr. DOMVILLE hoped the Government would give some reasons for admitting the goods mentioned in this clause free of duty.

Sir CHARLES TUPPER said the hon. gentleman could not have been in his place during the discussion of this question, as the explanations he asked for had been made at least a dozen times. The whole amount of these remissions of duty, with the exception of those referring to steel rails, were utterly insignificant, amounting to a little more than $100,000 in all, and he thought there would be more reason to enquire why these remissions should not be granted to a company undertaking to relieve the Government of a work of such magnitude as to excite alarm in the minds of hon. gentleman opposite that the Government of this country were going to be ruined by undertaking it with all these exemptions. At the opening of this discussion, it was stated that the interests of manufacturers in this country would be fully protected. So far as steel rails were concerned, when they cost double the amount they did now, no capitalist in this country entered into their manufacture, and it was scarcely to be expected that they would enter into their manufacture at their present price. The Government are prepared, in order to do justice to the manufacturers in the country, to introduce a measure by which they will be placed on an equal footing to compete with foreign manufacturers of these articles.

Mr. DOMVILLE said he only just arrived from Montreal, and therefore he could not have been in his seat when the hon. Minister gave his explanations. He had already voted three times on this matter, and would have voted for the Government on the division to-day had he been in time. As far as the speeches were concerned, there was quite a large volume of interest on this subject, which it would require the best part of recess to read through. All he wanted was to be assured that the manufacturers would be protected. The hon. Minister said he was going to protect the manufacturers. He was sure the Government would do all in its power to do so, but he did not see in section 10 how they were to be protected, how the drawback was going to place them as they were before.

Mr. BLAKE said the House would learn that when the hon. Minister brought down his Bill. He supposed the hon. member had not so far lost confidence in his leaders, that when they pledged themselves to accomplish a particular result he did not believe they would do so. He (Mr. Blake) did not rise to precipitate a discussion as to how the hon. Minister was about to accomplish the result, but rather to make an enquiry as to how he made out his estimates which varied from each other, at one time the amount of remission of duties being at $99,000, and another at $100,000, exclusive of steel rails.

Sir CHARLES TUPPER said he would place in the hands of the hon. gentleman a calculation covering the whole ground. That calculation would show that if the duty were put on steel rails, taking them at the rate of the 50,000,000 tons the Government purchased, or about $500,000 total, the amount would hardly exceed $100,000. He did not not include bridges, for the reason that it was contemplated the bridges should be made of iron, but the iron material used in wooden bridges would be included.

Mr. CASEY asked if was the policy of the Government to encourage the building of railways by admitting steel rails free, until they could be manufactured in Canada.

Sir CHARLES TUPPER. Yes.

Mr. CASEY said it would certainly remove one of the complaints in regard to the admission of steel rails free, namely, that this road was in this respect given an unfair advantage over other roads. He would also ask why rails alone were to be handed over at cost price with interest, while other material were to be handed over at a valuation.

Sir CHARLES TUPPER said that any other articles in the possession of the Government were probably plant, articles already in use. The clause was perfectly simple and plain; and as for the rails, he had already given an estimate showing that the value of the exemption was something like $74,000. The Government did not propose to speculate on the rails that they were furnishing, and to require parties to pay more than they had cost the country in case they had used them themselves to carry on the construction of the road.

Mr. BLAKE said he would give the plain English of the matter. The reason of the difference was this: the rails were worth more than they had cost, and therefore they were given to the Syndicate at cost, and others were worth less than they had cost, and therefore were to be given at a valuation.

Mr. MILLS said the Minister of Railways had taken the ground that there would be no interference with the

National Policy, because steel rails were now so cheap that they could not be manufactured at a profit in this country. He (Mr. Mills) had been under the impression that the Government were able to fix the price and secure a better market not only for the industries now in existence, but for the industries that might be called into existence by the new tariff. If he understood the hon. gentlemen the present condition of things was very unfortunate. The country was getting steel rails too cheaply, and thus many persons were prevented from getting employment. If the theory of the present Government was correct, it would only be necessary to increase the duty to establish the industry in this country. If fifty per cent. was not enough, increase it to seventy-five, if seventy-five was not enough increase it to 100, and go on increasing it until steel rails could be produced in this country. If the hon. gentleman was right in the view he had expressed just now, then he had been all wrong in supporting the tariff. He had also stated that the Government would take care that those who produced articles in this country, which could be used in the construction of the railway, should have a remission of duties but that was not sufficient. It would be bringing about a principle equivalent to free-trade, unless in remitting duties, the Government were prepared to pay the manufacturers a handsome bonus. Unless the Government were prepared to give a premium to manufacturers they were not prepared to uphold the National Policy in any particular with regard to articles which enter into the construction of this railway.

Mr. BOULTBEE said the House had learned, as the debate went on, that the Opposition entertained a deadly hostility to the Canadian Pacific Railway, but they had also learned from the hon. member for Bothwell they had an equal animosity against all railways, because the policy which he had just announced would prevent the construction of railways in this country. To manufacture steel rails time and an enormous capital was necessary, and the net result of the hon. gentleman's argument was that he would stop the building of railways in Canada.

Mr. GAULT said the merchants of Montreal were satisfied with the assurances given by the Government, and were making preparations to enter into large contracts with the Syndicate. He hoped, also, that George Stephens, who was a member of the Syndicate, and one of the largest proprietors of the Londonderry iron mine, might see it to his interest to manufacture rails there.

Mr. BLAKE asked whether any estimate had been made of the quantity of land, such as is prescribed to be received by the Company, is to be found within the twenty-four mile belt between Winnipeg and Jasper.

Sir JOHN A. MACDONALD said it must be a rough estimate, but the Deputy Minister of the Interior, Colonel Dennis, and the Surveyor General, Mr. Lindsay Russell, informed him that on the whole there would not be more than 11,000,000 acres.

Mr. BLAKE said he understood the whole quantity of available land was 11,500,000 acres; he was referring rather to the quantity of land which the Company would be bound to accept.

Sir JOHN A. MACDONALD thought there was really no difference between the provision in the Hugh Allan contract and this. It meant that land that is not absolutely sterile and unfit for settlement must be taken, although even lands of inferior quality from their proximity to the railway would be more valuable than much more fertile lands at greater distances, and would be greedily sought for by the Company.

Mr. BLAKE said he wished to know if any estimate had been made of the available lands.

Sir JOHN A. MACDONALD said there had not, and for this reason, that the actual line is not yet settled, and it may vary a good many miles one way or the other. He did not think a single acre of land from the western boundary of Manitoba to Jasper House would be rejected by the Company on account of its being valueless.

Mr. BLAKE. That is very satisfactory indeed.

Mr. ANGLIN said it was very extraordinary. There was a very remarkable fact in reference to the lands. 11,000,000 acres would furnish 10,000 acres per mile for 900 miles, making a total of 9,000,000, and furnish about 2,000,000 acres more for the three-tenths of the road of the eastern section which the Company were required to build within the first three years. So that within three years the Company could have acquired and obtained possession of the two twenty-four mile belts in the prairie section.

Mr. CASEY said it was not so extraordinary in view of the statement of the First Minister that the road had not yet been located, and as the Company had an equal, if not a preponderating, voice with the Government in its location, they could locate the road so as to greatly increase the quantity of land in the twenty-four mile belt.

Mr. BLAKE said the Committee would receive with very great satisfaction the statement of the First Minister who was also Minister of the Interior, and who claimed greater knowledge of the subject than any other Minister or member, that the quality of the land through which the railway would pass from the western boundary of Manitoba to Jasper House was such—and probably it would apply to the alternate sections—as to be fit for settlement.

Sir JOHN A. MACDONALD. I did not say that.

Mr. BLAKE said the hon. gentleman said they would be accepted by the Company as fairly fit for settlement. In any other case they would not be accepted because the Company had been careful to provide that unless the lands were fairly fit for settlement they were not obliged to receive them. He desired to know whether in cases where the Company obtained a section which was partly covered by water th y would be entitled to the whole of the section, but the acreage of the water would not be included in it, and the Company might take it out in dry land elsewhere.

Sir JOHN A. MACDONALD. No. The hon. gentleman would not read it in that way if he occupied my position. It stands thus: if the Company should reject any railway section on the ground that it is covered with water, they will have it made up. No doubt the Government agree to give 25,000,000 acres of land; they do not agree to give 25,000,000 acres of water. They will certainly receive 25,000,000 acres of land fit for settlement. We will not give them land not fit for sale.

Mr. MILLS said that by the Bill the section was to be granted, but the whole area was not to be measured.

Sir JOHN A. MACDONALD I can only tell the hon. gentleman that the Company will get land fit for settlement, and perhaps we may make a present to the hon. member of the land covered by water.

Mr. BLAKE asked whether, inasmuch as the Company would have power to select elsewhere than in alternate blocks, the Company might, with the consent of the Government, select areas which were not to be taken in alternate blocks?

Sir JOHN A. MACDONALD said that if there should prove to be a deficiency the Government would consent to the Company obtaining lands elsewhere; but such consent would be regulated by the Orders in Council made from time to time as to the disposal of lands. They would have to take such lands as the Government agreed to give them in other portions of the country, and until the present system was altered by the Government, with the consent of Parliament, the present system would continue whereby

alternate sections would be kept for homesteading and free land grants.

Mr. MILLS said the section did not apply to lands which were to be conveyed; the word used was "granted," so that the Company would have the power to retain not only the good lands, which might be substituted for the waste lands or the lands covered by water, but these waste lands or water stretches as well,

Sir JOHN A. MACDONALD said that the grant was made on the principle of *caveat emptor*. There were two parties to a bargain; and the patents would be issued to the Company, or mayhap to their assignees, and in either case, when the patent had issued that patent was a conveyance of a part of the 25,000,000 acres. If a patent was applied for and a patent issued there was an end of the matter and a reduction of the 25,000,000 acres.

Mr. BLAKE remarked that the clause said that in calculating the amount of the deduction they were not to include the quantity of lakes, water stretches, and so on.

Mr. MILLS said the principle of *caveat emptor* could not apply as the word "granted" was used; the section applied to lands of which a grant had taken place.

Mr. CASEY said that, as the leader of the Government had said, there were two parties to a bargain, and they must take into account not only the interpretation which the Government might put upon the clause, but the interpretation which would be put upon it by the other party or by the courts. The question was one of importance, as these marsh lands and lands covered by water might be the most valuable lands in the territory.

Sir JOHN A. MACDONALD. Then they will take them.

Mr. CASEY said that they would not, however, be charged to them, and there was no provision by which such waste lands should be resumed by the Government. Why should not the settler or even the speculator have the same rights which were allowed the Syndicate in this particular? It appeared that after taking certain lands in alternate blocks, they might take, with the consent of the Government, any tract of land.

Sir JOHN A. MACDONALD. Suppose the Government should not consent.

Mr. CASEY. The question is whether it leaves it in the power of the Government to consent or not.

Sir JOHN A. MACDONALD. That certainly is the intention.

Mr. BOULTBEE said that the trouble with the hon. member for Bothwell (Mr. Mills), and the hon. member for West Elgin (Mr. Casey), was that they had a theoretical and not a practical knowledge of law. Any lawyer knew very well that the Company could not get other lands in place of the waste lands without releasing their claim to the waste lands. As to the point taken by the leader of the Opposition that if there was a running stream through one of these sections or a valuable mill privilege the Company would get the land discounted and the mill privilege as well, he did not think that the hon. gentleman would give a professional opinion to that effect.

Mr. MILLS suggested the substitution of the word "allotted" for "granted" in the clause.

Sir JOHN A. MACDONALD said he could not agree to that.

Clause agreed to.

On clause 12,

Mr. CHARLTON suggested that this clause should be amended so as to read: "The Government shall extinguish Indian titles affecting the lands herein appropriated and to be hereafter granted in aid of the railway, as rapidly as may be consistent with public policy and the welfare of the Indians." As the clause now reads the Government was absolutely obliged to extinguish the Indian titles; but circumstances might arise which would render it impolitic on the part of the Government to attempt to do so. The Government might wish to reserve lands in localities where the Company might call upon the Government to extinguish the Indian titles, and an attempt to do so might involve great cost and even war. A similar provision to the one he proposed had been adopted by the American Government in granting the charter to the Northern Pacific Railway.

Sir JOHN A. MACDONALD said the clauses was simply this: we must have the title to the land before we give it to the Company. We cannot give title to any lands that belong to the Indians, and therefore we cannot ask the Company to accept any land on either side of the railway unless we have the title to it.

Mr. CASEY said this clause alone seems to convey that before you hand over the land you must acquire the title to it, and another clause says that the Company may select lands anywhere they please, that is to say "land lying between parallels 49 and 57 degrees north latitude, or elsewhere, at the option of the Company." According to the 11th clause the Company have the right to select lands within or without the fertile belt as they choose, and as soon as they choose to select lands the Government are bound to give them, and at the same time to extinguish the Indian titles; that is, the Company may say on what lands the Government must extinguish the Indian titles.

Mr. MILLS said the lands vested in the Government were to be included in the lands in which the Indian titles had not been extinguished. The Government did not recognize in the Indians any other than a possessory title in the soil. Although there was no doubt this 12th section was intended to refer to the Peace River District where the Indian titles had not yet been extinguished, the words were sufficiently comprehensible to include the title to the Indian reservations within the 24 mile belt on each side, and Indian reservations where the titles had been generally extinguished over the country. The hon. gentleman knew that at this moment there were in his office unsettled questions between the Hudson Bay Company and the Government with regard to the Indian titles, and it was not desirable to give rise to similar questions between the Government and the Syndicate. The Syndicate could have no objection to the clause being amended so as to make it clear that it was not intended to embrace Indian reservations which might fall within the 24 mile belt on each side of the railway or of the branch lines.

Sir JOHN A. MACDONALD said the titles must be extinguished before any land could be conveyed. There was no doubt about that. The land, after the title was so extinguished, was to be granted in aid of the railway. Now, if the hon. gentleman, as a lawyer, would take the whole of the contract and the whole of the schedule, he would see that the whole spirit of the contract was simply this: That wherever the lands, by possessory right or otherwise, belonged to other parties, the Company could not and would not claim the land. This was simply the ordinary provision, as in the charter of 1872. The Company were going across the plains where in some portions the title had not been extinguished by treaty, and there the Government agreed to extinguish the Indian title before they asked the Company to take the land.

Mr. CASEY said he could understand that, unless it were possible that some lands might be granted to this Company hereafter, on which the Indian title would be extinguished, there would be no use of inserting this clause; and it added greatly to the vagueness of this obligation that we did not know where these might be chosen. We could form no

estimate of what the extinguishment of these Indian titles would cost us. It might cost us an Indian war.

Clause agreed to.

On clause 13,

Mr. BLAKE asked what would be the maximum deviation of the line.

Sir CHARLES TUPPER. The hon. gentleman is not serious.

Mr. BLAKE. I am; I think it is important we should know.

Sir CHARLES TUPPER said they would not exceed the license which the hon. gentleman took in the Act of 1874. That Act fixed the commencement of the Canadian Pacific Railway "at or near" the south-east of Lake Nipissing, and the hon. gentleman's Government located it 40 miles from that point, adding at least $1,500,000 to the expenditure. He would promise that they would not exceed that deviation.

Mr. BLAKE said he did not know anything about that location. What it was material to know was the intention of the present Government, and not the acts and derelicts of a previous Government. The hon. gentleman stated that there would not be a deviation of more than 40 miles; from what point? From the terminal points, or the intervening points?

Sir JOHN A. MACDONALD said the Company would send their surveyors out and choose a line. They would submit it to the Government, and if it was a proper line, one in the interest of the country and the North-West, they would accept it; otherwise they would reject it.

Mr. BLAKE. But the hon. gentleman cannot give the maximum.

Sir JOHN A. MACDONALD. No; because we have had no proposition from a company that does not exist as to where they are going to locate their line.

Mr. ANGLIN said the line of the railway as at present fixed had, after much care and cost, been agreed upon by both the late and the present Government, with the exception of the deviation by the latter to the south of Lake Manitoba. But they were now giving the Company the right to deviate as much as they liked, subject to the approval of the Governor in Council. The Minister of Railways said the Company would know better than the late Government or the present Government, or the engineers of both Governments where the line should run. Therefore, he thought some limit should be placed on the deviation. But he presumed the only court of appeal was not hon. gentlemen opposite, but the Syndicate themselves.

Sir CHARLES TUPPER said there was an ultimate court of appeal, and that was this House. If the Government failed to protect the public interest they would be amenable to this House ——

Mr. BLAKE. But the mischief will be done.

Sir CHARLES TUPPER. And that being the case would cause them to guard the public interest in every possible way. This Bill gave the Government the power to refuse to concur in any location which they did not believe in the interests of the country, and that power would be exercised to their best judgment when the time came.

Sir RICHARD J. CARTWRIGHT said the hon. Minister of Railways had given out contracts for the construction of 200 miles west of Winnipeg, and he had decided that their location, at any rate, was in the interest of the country. He now asked the hon. gentleman whether he was prepared to state whether he would deviate to any considerable extent, say to the extent of five or six miles from the line which he himself already located and for which he gave out contracts.

Sir CHARLES TUPPER replied he was sorry he could not bind the Government to that extent. During the past season a very great deviation was made in the termination of the line by the examination during the past season, bringing the line further south than was intended a year ago when the contract was let, and when it was said that it might be subject to some considerable variations. It was only, comparatively, recently determined to bring the line to the south of Lake Manitoba. During the past season the location of the line had been improved very much, and a greater deviation than the latitude the hon. gentleman indicated had been used by the Government. It would not do to bind the Government to a fixed line that might preclude them from the exercise of their judgment in still further improving the location.

Mr. MILLS said under this arrangement the Government and the Company may determine the location of this line all the way to the Rocky Mountains before the House meets again; and that control which he says the House has, in the last resort over the location of the railway, is one which would be of no avail. The explorations of Professor Macoun and others have shown that the character of the country of the south-west is much better than what was hitherto supposed to be. This Company may find that by going in a south-westerly direction and then skirting the base of the Rocky Mountains, they may find a larger quantity of land fit for settlement than they would by taking the direct line. That would cut off the possibility of constructing a road such as that of the Souris River Railway that has been projected. We know it would not be in the public interest if that change took place, because we have before us a Bill to construct a line in that direction by a company with comparatively little aid from the public, and if the road were deviated through this section it might destroy the possibility of our having the two roads. The House was entitled to know if any serious deviation in the proposed line was contemplated.

Clause agreed to.

Mr. BLAKE said, looking at the 15th clause in conjunction with sub-section *a* of clause 18 of schedule A, it was obvious the Bill intended to apply in the east of Lake Nipissing. The Company had the absolute right to build branch lines west of Lake Nipissing, but east of the lake required the authority of the Governor in Council. If that were not the case sub-section *a* of the 18th clause, would have no operation at all.

Sir JOHN A. MACDONALD. Perhaps it has no operation.

Mr. BLAKE. I assume the hon. gentleman had a hand in drawing it, not a principal hand, but a hand.

Mr. CHARLTON said there seemed to be no provision as to the quantity of land the Company may demand under this provision. What width of road would be permitted? —what amount of land for stations, &c. ?

Sir CHARLES TUPPER said the width of the road-bed of the Canadian Pacific Railway was 100 feet, and the Government would apply the same rule to the Company as they would to themselves. So far as the land required for stations was concerned, that was a matter susceptible of being readily understood by the parties concerned.

Sir ALBERT J. SMITH said it was evident that power was given to construct branch lines east of Lake Nipissing, because, under the 15th section, the Company have power to acquire other lines eastward and they become a portion of the main line. Unless it was intended that the line should be extended eastward to Montreal or Quebec, this clause would be unnecessary. If they should acquire the North

Shore line they would have the power to construct branch lines from it without reference to this Parliament at all.

Sir JOHN A. MACDONALD said the 14th clause gave power to construct branch lines from the main line which was defined in the contract, the schedule and the Bill before the House, from Lake Nipissing westward. The provision that they may afterwards extend their line does not affect what the contract, the schedule and this Bill define shall be the main line of the railway.

Mr. CASEY said they would, even in that case, have power to build branch lines in Ontario.

Sir JOHN A. MACDONALD. West of Callendar Station.

Mr CASEY said, he thought it unfair that this powerful corporation, with all the peculiar and extraordinary powers conferred upon it, should have the right, without consulting Parliament, to introduce destructive rivalry with railways in Ontario and prevent the construction of other lines.

Clause agreed to.

On clause 15,

Mr. BLAKE wished to know if the words "north, within fifteen miles of latitude 49°" meant that no line should be built to within fifteen miles of latitude 49°.

Sir JOHN A. MACDONALD. That is so.

Clause agreed to.

On clause 19,

Mr. BLAKE wished to know if, in the event of the Company issuing land grant bonds, the only security the Government would hold would be the $5,000,000 of land grant bonds?

Sir JOHN A. MACDONALD. The land or the bonds.

Clause agreed to.

On clause 4,

Sir RICHARD J. CARTWRIGHT asked what was the meaning of the very extraordinary and remarkable power which it was proposed to give by the words "all the franchises and powers necessary or useful to the Company to enable them to carry out, perform, enforce, use, and avail themselves of, every condition, stipulation, obligation, duty, right, remedy, privilege, and advantage agreed upon, contained or described in the said contract, are hereby conferred upon the Company." That certainly was the most sweeping and extraordinary form of words which he had ever seen used in the course of a good many years experience. He would like to know what the words "are due to the Company" meant.

Sir CHARLES TUPPER said that the phrase explained itself—"useful to the Company to enable them to carry out" and so forth.

Sir JOHN A. MACDONALD. It would not be of much good to give them anything which would be of no use.

Mr. BLAKE said that there was no doubt that the form of words here employed was an extraordinary one, and he did not think the leader of the Government would justify it, as he had justified a former clause, by saying it was usual. The form was the very widest that could possibly be used. There might be many things which might be useful to the Company in carrying out their objects, but which might not be in the public interests.

Clause agreed to.

On clause 9,

Mr. CASEY. I would like to ask the hon. Minister of Railways if he has any information as to the correctness or otherwise of a statement currently reported in the newspapers, as having been made by Mr. Hill and other members of the Syndicate, that it was intended to make St. Paul the headquarters of the Company, and that all the operations of the Company, except such as are *pro forma*, are to be carried on in that city.

Sir CHARLES TUPPER. I have no reason to believe that there is the slightest foundation for the statement. I know that Mr. Hill has stated that a number of statements with regard to the Syndicate which are credited to the St. Paul newspapers, are unqualifiedly false. I have no doubt that the statement alluded to by the hon. gentleman is entirely false, and that it emanated from the same source as the others to which Mr. Hill referred.

Mr. CASEY. On what ground does the hon. gentleman make his denial?

Sir CHARLES TUPPER. The hon. gentleman wishes to know upon what ground. Upon the ground that from the very inception of this contract the most gross and unfounded falsehoods have been stated with regard to it; and also upon the ground of common sense, because as the hon. gentleman probably knows the Company have purchased an expensive establishment in Montreal.

Mr. CASEY said no doubt the papers have been furnished with a great many lies, but I do not think the papers of St. Paul could have any object in lying about a matter of this kind, for they are naturally friendly to the Syndicate and not likely to do anything adverse to their interests; yet they have furnished this information as a piece of news to the people of St. Paul. As to what common sense would require, it seems to me that it would be in the interests of the Company to keep their headquarters at the headquarters of their present business. An office in Montreal may be purchased and it may be sold; and it is just as likely that offices might be purchased for a purpose as that stories might be put into the newspapers for a purpose. I know that nominally they must have a place of business in Montreal, but they may have a place outside of Canada where their real business would be done. I think there is no reason to doubt that it would be to their interest to have their real place of business in St. Paul, and I think the Minister of Railways knows this as well as I do.

Sir CHARLES TUPPER. The hon. gentleman closed his remarks with a gross and unqualified insult towards myself. He heard me state that I had no reason to believe that there was the slightest truth in the rumor which he mentioned, and he has ventured to give me the lie direct. I call upon the hon. gentleman to retract, and if he does not I shall ask Mr. Speaker to take the chair.

Mr. CASEY. I do not think the hon. gentleman understood my language in the sense which I intended. I understood him to say that the chief place of business of the Company would necessarily be in Montreal, because——

Sir CHARLES TUPPER. I did not say that. I said the reason I had for believing so was that they had purchased a large place in Montreal.

Mr. CASEY. Yes; and the hon. gentleman said that it was common sense to believe that their place of business would be there—that he had no reason to believe that the headquarters of the Company would be in St. Paul. It was not in regard to that statement that I made my assertion. My assertion was that the real place of business was in St. Paul.

Sir JOHN A. MACDONALD. And you said you believed the hon. Minister knew it, as well as you did.

Mr. CASEY. I did not understand the hon. Minister to deny that assertion in his former statement. I said I thought the hon. Minister knew as well as I did that the great place of business would be in St. Paul.

An hon. MEMBER. Retract.

Mr. CASEY. I do not think there is anything to retract because I did not give the lie to anything he said.

Sir JOHN A. MACDONALD. If the hon. gentleman takes it back——

Mr. CASEY. I do not take it back because I have explained its meaning.

Sir JOHN A. MACDONALD. You should not have said it if you did not think it.

Mr. CASEY. I did say so and I did think so. The hon. gentleman misunderstood my words.

Clause agreed to.

On clause 15,

Mr. MILLS said this clause allowed the Company to construct their branch lines in any possible direction. It seemed to him they scarcely had the power to enable the Company to do that under the British North America Act. For instance, if it was proposed later to construct a railway in Ontario as a branch of this line, the House would have to make a declaration that the road, if it lay wholly within the Province, was of Dominion importance before they could deal with the question at all. The hon. gentleman by this Bill proposed to give power to construct roads which this House had no authority to charter. According to the British North America Act, this House, before chartering a particular road within the limits of a Province, should ascertain that it was of Dominion importance, and how could we declare that one of these branches was of a Dominion character or even a subordinate character, and until we knew that, we could not make this declaration.

Sir JOHN A. MACDONALD said it was rather a hypercriticism on the part of his hon. friend. Of course, if we could at once declare, by putting in a sentence stating that all branches feeding the Canadian Pacific Railway would be for the advantage of the Dominion, he thought that clause might well be put in the Bill and then we could give such power to the Company as it might desire. He did not think the point raised by the hon. gentleman was worth the reason.

Clause agreed to.

On clause 16,

Mr. BLAKE asked whether any arrangement had been made or projected with reference to the Government lines of telegraph in the North-West and British Columbia, in so far as they were connected with the railway.

Sir CHARLES TUPPER said the Company had not acquired any portion of the Canadian Pacific Railway telegraph. An examination of the line to British Columbia was now being made, and when the Government received the report they would settle upon a policy in relation to the telegraph.

Mr. BUNSTER asked why it was that Port Moody had been made the terminus in British Columbia in place of Esquimalt as originally intended.

Sir CHARLES TUPPER said the Government in extending the road to Port Moody were doing as much as the finances would allow. But they had to go to Port Moody before going to Esquimalt. They were moving in the right direction.

Mr. BUNSTER said the original plan was to locate the terminus at Esquimalt, and he believed the hon. Minister of Railways would yet have to bring the terminus there. All it required was a few more bonds.

Mr. BLAKE observed that the Company were entitled, and he thought they ought also to be obliged, to convey messages for the public along the line of telegraph. He thought it would be a serious matter if the Company had a telegraph line which they were not bound to keep open to the public, and if the public would have to be supplied by other and independent lines.

Sir CHARLES TUPPER said there was no doubt that every company who were compelled to construct a line of telegraph for their own convenience, would only be too glad to give the public the use of that line. He thought nothing compulsory was required in order to obtain that advantage for the public, as it was manifestly to the company's advantage to grant it. They would soon encounter competition if they refused to send messages for the public.

Mr. BLAKE failed to see how there could be competition in sending messages for the public if they would not send them. As the Syndicate and the Government were both agreed that it was to the mutual advantage to both the public and the Company that the telegraph line should be kept open as suggested, he should have preferred to see the little word "may" struck out and the little word "shall" inserted, so that the Company "shall undertake the transmission of messages for the public." But his hon. friend seemed to think it was quite unnecessary to order the Syndicate to do anything, that all that was necessary was to order the Government.

Mr. PLUMB observed that for so long a line as this Company were to operate, it was absolutely necessary that they should have the control of the telegraph line, and it would be manifestly unfair to compel them to take private messages, and subject themselves to damages for any mishaps which might occur in the sending of these messages. He thought it might be left to the Company to take private messages when they could do so. It was well known that the railway companies, having telegraph offices throughout this country, gave their own messages the preference.

Mr. BLAKE said it was not his intention that the business of the public should have priority over the business of the railway, which was most important, but the provision might be made subject to the priority of the Company. He supposed an assurance would be given that it was not considered an infringement of the rights given to this Company, if at any future time a charter should be given to another company, or to the Government perhaps, to use the right of way of the railway for the purpose of erecting telegraph lines along it. It was obvious that in that stretch of country it was of great consequence that telegraph lines should be near the railway, and this Company should not have any exclusive right of the use of the road-bed for the erection of poles.

Sir JOHN A. MACDONALD said that of course no exclusive right was given by the clause. It was a mere empowering clause. As they were giving the Company certain powers to build a railway, he did not think they should compel them to establish a telegraph system, as they would do by substituting "shall" for "may." They had asked for the additional power to send messages for the general public, but there could be no exclusive power given, and there was no exclusive power asked for. It would be very unfair to strike out "may" and insert "shall."

Mr. BLAKE said he did not desire that the word "shall" should apply to the construction and maintenance of a telegraph line, but, having constructed, maintained and worked it, that they "shall" open it to the public.

Sir JOHN A. MACDONALD. I think we may well leave that to competition.

Mr. CASEY said it was evidently intended to give the company the charter of a telegraph as well as a railway Company. Besides having the monopoly in the North-West they would have the right to acquire lines in the Provinces of Ontario, Quebec, the Lower Provinces and the neighboring parts of the United States.

Clause agreed to.

On clause 21,

Sir RICHARD J. CARTWRIGHT drew the attention of the Minister of Railways to the fact that he had promised to introduce a new clause into the Consolidated Railway Act which would alter the significance that would otherwise attach to this clause, also that the House should have a declaration or a Bill laid before it, showing what amendment was proposed to be made to the general Act.

Sir CHARLES TUPPER said he had already given notice of a Bill which would embrace a clause that hon. gentlemen opposite would find would meet the case as stated. The Bill would be open to such amendments as might be deemed necessary. It would not be unalterable like the laws of the Medes and Persians.

Mr. BLAKE said the hon. gentleman need not go so far back as the Medes and Persians for a comparison. He might have said equally well it would not be like the Syndicate contract.

Clause agreed to.

On clause 25,

Mr. WHITE (Renfrew) said this clause provided for the acquisition by the Company of the Canada Central Railway from Callendar station eastward. Under the Order in Council of 18th April, 1878, it was provided that certain other roads should have running powers over the Canada Central from a certain point to Lake Nipissing. Would those powers be continued, provided the Canadian Pacific Railway acquired the Canada Central road? We desire to enquire whether the Canada Central Company had entered into the agreement provided for by the Order in Council of April 18th, 1877, and if so, whether the obligations of that agreement upon the Canada Central would be continued, provided the Canada Central became part of the Canadian Pacific Railway?

Sir CHARLES TUPPER said the obligations which devolved upon the Canada Central would, if the railways were amalgamated, be required to be carried out.

Mr. BLAKE. Including this one?

Sir CHARLES TUPPER. Yes.

Mr. BLAKE asked if the hon. Minister of Railways knew, as a matter of fact, that the agreement referred to by the hon. member for Renfrew (Mr. White) had been executed?

Sir CHARLES TUPPER. I do not remember.

Mr. BLAKE said if that had not been done, the agreement should be executed before the Act received the Royal assent.

Clause agreed to.

On clause 26,

Mr. BLAKE said the clause was of the widest possible character, and would include ocean as well as inward transportation.

Sir CHARLES TUPPER said it was the same clause as in other charters of other Pacific Railway Companies.

Clause agreed to.

On the preamble,

Mr. BLAKE said there was a very important omission in the Bill which he thought could be remedied consistent with its provisions, viz.: that specific and detailed accounts of the operations connected with the various departments of the Pacific Railway should be submitted to Parliament. No doubt Parliament possessed the power, with respect to this corporation, as to any competition at this time or at any time, to demand various accounts and statements. Experience on the other side of the line had shown that this was exceedingly important with reference to the question of calculating what was the capital of the Company and what were the tolls. The utmost difficulty was experienced in obtaining a statement as to what was the actual cost of the Union Pacific particularly with respect to this question of tolls, and three or four Commissions were appointed to ascertain the facts. A clause should be inserted in the present Bill compelling the Pacific Railway Company to bring down, within fifteen days of the opening of each Session, a detailed account, showing what the receipts were from the Government subsidy; 2nd, profits from land sales; 3rd, from other sales; what the expenditure was on capital account, on construction, and also on administration of the land. Inasmuch as that would be an operating as well as a constructing Company, it ought to bring down an account showing the operating expenses and operating receipts, in fact, everything in the way of working expenses and receipts. There should also be a statement of the bonds issued by the Company each year; also copies of the contracts for construction entered into each year; and copies of all tariffs, of tolls, and charges, and changes in tolls made during the year. That statement was one that should be commenced at once and go on for ever.

Sir CHARLES TUPPER said it would not be necessary to delay the Bill for the purpose of making such provision as was suggested, because he had already announced that he would propose extensive amendments in the Consolidated Railway Act, when this question could be fully considered and all the points raised by the hon. gentlemen could be met. Most of the points are already provided for in the general Act and he (Sir Charles Tupper) would have no objection, if the House would have none, to make those provisions specially applicable to such an extensive corporation as the Canadian Pacific Railway.

Mr. BLAKE said that was an exceedingly satisfactory statement. He had prepared a rough draft as an amendment which he would be glad to forward to the Minister of Railways with a view to its insertion in the present Bill.

The Committee rose and reported Bill with amendments.

House resumed.

Amendments concurred in.

Sir JOHN A. MACDONALD moved that the Bill be read the third time at the next sitting of the House.

Motion agreed to; and (at 12:40 o'clock, a.m.,) the House adjourned.

HOUSE OF COMMONS.

TUESDAY, 1st February, 1881.

The SPEAKER took the Chair at Three o'clock.

PRAYERS.

BILLS INTRODUCED.

The following Bills were severally introduced and read the first time:—

Bill (No. 40) to incorporate the Bay of Quinte Railway and Navigation Company.—(Mr. White, Hastings.)

Bill (No. 41) to incorporate the Hull Mines Railway Company.—(Mr. Cameron, Huron.)

Bill (No. 42) to amend the Act incorporating the International Railway Company.—(Mr. Brooks.)

PETITIONS FOR PRIVATE BILLS.

Mr. DREW moved that the time for receiving petitions for Private Bills be extended to Thursday, 10th February.

Motion agreed to.

QUESTION OF PRIVILEGE.

Mr. DOMVILLE. Before the Orders of the Day are called, I wish to bring a matter before the House which concerns myself. Parties interested in vilifying me through the country are so unjust it ill becomes me to take any notice of this attack, but at the same time I cannot allow it to be sent broadcast through the country that I have neglected my duties as a member of this House. I will read an article in the St. John *Telegraph*. That paper, which has a special reporter here, has attacked me every year; this is not the first time I have had to bring that paper before the House for circulating not only what is perfectly untrue, but which it can only have been done with the intention to damage me in the country and place me in a false position. The article also refers to you, Mr. Speaker, and if your memory serves you, you will see that the part you took on that occasion is also entirely inaccurately stated. The paper says:

"Mr. KING, on taking the floor to move an amendment, was rudely interrupted by several members, who drowned his voice by noises which they made despite the calls of "order" by the Speaker, and the protests of the leader of the Opposition. In this business a New Brunswick M.P., Mr. Domville, was most prominent. He shirked the vote on twenty-three amendments."

I never lost a vote in this House on the amendments. That is, however, equally as correct as a great many other statements made in the interest of the other side of the House. The article continues:

"But entering the House in evening costume, and in an excited manner, while Mr. King was speaking, Mr. Domville shouted out: 'He is reading his speech.'"

I did enter the House in evening costume. I had the honor of dining with His Excellency the Governor General that evening; and as we are accustomed in our part of the world to wear dress clothes, and as ever since I have gone into society I have worn a dress coat, I hope I may be pardoned for having entered the House in that costume. The article proceeds:

"Mr. KING. I am not reading my speech, but only my notes, and I can understand the hon. gentleman's horror of notes. (Cheers, interruptions and laughter.)

"Mr. DOMVILLE. I say that the hon. gentleman is reading his speech.

"Mr. KING (holding up a page or two of paper.) Mr. Speaker and hon. members can see whether or not.

"Mr. King proceeded. He was reading an extract from Sandford Fleming's report in proof or support of his position. There was a cry from Ministerial Benches that Mr. King was making the extract part of his speech, and was therefore reading it.

"Mr. Blake invoked the interference of the Speaker at such unwarrantable conduct, it being perfectly legitimate to read such extracts as Dr. Tupper had read long extracts from Mr. Mackenzie's speeches.

"Before the Speaker could get in a word Messrs. Domville and Plumb again raise the cry, 'The hon. member is reading his speech.'

"The Speaker now, at last, gave both members a cutting rebuke."

I do not remember receiving any cutting rebuke from you, Mr. Speaker, on that occasion. The article goes on to say:

"'I can judge of that matter for myself, whereupon the two honorable and distinguished members subsided; Mr. Domville, however, uttered the dreadful threat he would make Mr. King's constituents acquainted with the manner in which he (King) had delayed the House at such an hour."

All I object to in that article is the statement sent through the country by the reporter of the St. John *Telegraph* in this House, that I shirked the vote. Either he was absent, or he did not know or attend to his duty, and I wish to have that statement contradicted in the country. In the next place, any insinuation of my being in a disorderly condition is an unwarranted attack on the privileges of this House; and as it is not the first time it has been done, I shall have to insist that the reporter of that paper must behave himself while admitted to the privileges of the House. The reporters have a great many privileges. They have the use of the reading-room and restaurant; they have a room in this building where they can be made comfortable. Every attention is paid to their comfort, and they must behave themselves. Unless something is done in regard to this matter, I shall have to move, every time the reporter of that paper is in the gallery, that there are strangers in the House. I would not do it if this were the first occasion, but it has happened so often, and we must be protected, at all events, from those who are in the building on sufferance.

CANADIAN PACIFIC RAILWAY.

Sir CHARLES TUPPER moved the third reading of Bill (No. 37) respecting the Canadian Pacific Railway.

Mr. BLAKE. I shall trouble the House but a few moments, since the discussion which has taken place on the several stages of this subject has exhausted all those topics on which it would be proper to address the House. In that view, our debate yesterday was confined almost exclusively to the discussion of those points which had been but imperfectly elucidated, and to obtain the further information as to the import of the clauses of the measure as it was impossible to extract until the Bill came before us in Committee of the Whole. There is no object in challenging once more a decision of the House upon the various propositions contained in this Bill. The record of the views of hon. members deliberately stated, exists and will remain, and a repetition of it would be useless. I simply desire, to-day, to say that the reason why the discussion upon the measure itself has been so conducted, is because we thought it better, on both sides of the House, that the discussion should be concluded as far as possible at the earlier stages; and in placing in your hands an amendment which I desire formally to record, I do so, not with a reference to any of the points which have already been pronounced upon, but with reference to one which was brought up yesterday. I do not intend to renew at any length the debate upon that subject. It seems to me to be a very important one. I myself have no doubt at all upon the soundness of the conclusion which I ventured to state. I entertain no doubt at all that the money subsidy is, according to its true meaning as prescribed in the contract, of less value than that which hon. gentlemen propose that it should represent, in case the arrangement for its being turned into a fund for the payment of interest coupons is adopted. The calculation on the basis of a present money payment of $25,000,000 being commuted for an annuity payable half yearly for twenty years, at four per cent. interest, would produce $913.393 every half year, or a total, as the representative of the $25,000,000, of a little over $36,500.000. But if the sum of $25,0 0,000, instead of being presently payable, were payable in ten yearly instalments, which is the hypothetical calculation, and is the nearest we can adopt, that would be worth a present sum, calculating interest at four per cent., of $20,277,250, making a difference in the present value of $4,722,.50; and the annuity which the lesser sum, or the present value of the $25,000,000, would produce, would be, instead of $913,000 half yearly, but $741,250 half yearly. There is, therfore, a difference of about $4.750,000, according as you take the nearest calculation we can assume as to the present value of the $25,000,000, or as you ignore the circumstance that that $25,000,000 is not presently payable. Now the Bill in this case is more objectionable than the contract. The language of the contract, although not correct in my view, is more easily susceptible of a sound interpretation than the language of the Bill. The Bill states that the Government may at the option of the Company convert the $25,000,000 and the interest accruing thereon into a fund which is to be turned into four per cent. coupons. I do not intend to divide the House upon this amendment, but I wish to record my view as to the proper structure of that clause of the Bill, and I therefore move:

That the Bill be not now read a third time, but that it be re-committed to a Committee of the Whole, with instructions that they have power to

amend Clause 3 of the Bill by inserting after the words "may convert the same and any interest accruing thereon into a fund"—the words following:—"equal according to actuarial calculation to the value of 'the said money subsidy, having regard to the times at which the same 'would be payable to the Company under sub-section *b* of section 9 of the said contract."

Amendment negatived on division.

Mr. BUNSTER. I do not intend to take up the time of the House upon the injustice that is being done to that part of the Dominion I have the honor to represent, namely, the Vancouver constituency. I have to draw the attention, particularly the hon. the Prime Minister, to the great injustice that is being done to his constituents in not having included the Vancouver section of the road in the contract with the Syndicate. I am certain that that hon. gentleman must to-day feel aggrieved that he did not do so, after the success he has met with in passing the Bill through the House. I, for one, cannot for a moment imagine how it is that he has left that section of the road out, when it would be from the very commencement a paying institution. To-day there is more commerce for that road than many hon. members of this House have any conception of. We are, to-day, exporting from the Nanaimo coal mines alone 1,000 tons of coal daily, and which would probably pass over the road. That in itself would make the road a paying concern. Ever since British Columbia joined this Confederation it has been neglected. There has been no attention paid to her. The terms have not been in any sense carried out. The treaty obligations with British Columbia have been ignored both by the late, and, I am sorry to say, by the present Government. The present Government have made two sad mistakes. They at first located the terminus at Esquimalt, and I have been informed, whether credibly or not, that they have changed the terminus from Esquimalt to Port Moody. If they have done so, they have certainly done a great injustice to Esquimalt, and not only so, but to the Province of British Columbia and the Dominion at large. All business men know the importance of having a good port as the terminus of the railway, and Esquimalt is the best port in British Columbia, except Nanaimo. In 1873 Mr. Marcus Smith located the terminus of the Esquimalt Road by sticking down a post; but nothing has been done from that day to this, except the landing of steel rails previous to the last election, which were afterwards removed to the Fraser River, where they have remained ever since. If these rails had been used they would have paid for themselves by this time in the traffic of the road. I will rest my case on its merits, and I will trust to the intelligence of the House to instruct the Government to go on immediately with the construction of the road on Vancouver's Island. I therefore move:

That the Bill be not now read a third time but that it be resolved, that this House, while agreeing with the general terms of the proposed contract with a Syndicate for the construction of the Canadian Pacific Railway, is nevertheless of the opinion that provision should have been made for the building of that section of the Canadian Pacific Railway known as the Nanaimo and Esquimalt portion thereof, on Vancouver Island, as stipulated for in the terms agreed upon between the Dominion Government and Lord Carnarvon, Colonial Secretary, as follows:—

"1. That the railway from Esquimalt to Nanaimo shall be commenced as soon as possible and completed with all practical despatch.

"4. That $2,000,000 a year, and not $1 500,000, shall be the minimum expenditure on railway works within the Province from the date at which the surveys are sufficiently completed to enable that amount to be expended on construction. In naming this amount, I understand that it being alike the interest and the wish of the Dominion Government to urge on with all speed the completion of the works now to be undertaken, the anual expenditure will be as much in excess of the minimum of $2,000,000, as in any year may be found practicable."

Mr. SPEAKER ordered the members to be called in.

Mr. RYAN (Montreal). I rise to a point of order. The motion has not been seconded.

Mr. RYMAL. Too late; the members are called in.

Mr. SPEAKER. I named Mr. Pinsonneault as the seconder.

Some hon. MEMBERS. He is not in the House.

Mr. SPEAKER. It is too late now. The members are called in.

The members having taken their places, Mr. Speaker was about to read the motion, when

Mr. RYAN (Montreal) rose.

Some hon. MEMBERS. Order, order.

Mr. SPEAKER. The hon. member must keep his seat. What is the matter?

Mr. RYAN (Montreal). There is no seconder to the motion.

Mr. SPEAKER. It is seconded by Mr. Pinsonneault, whom I saw in the House just now.

Amendment negatived on the following division:—

YEAS:

Messieurs

Bunster.—1.

NAYS:

Messieurs

Allison,	Gault,	Mousseau,
Anglin,	Geoffrion,	Muttart,
Arkell,	Gigault,	O'Connor,
Bain,	Gillies,	Ogden,
Baker,	Gillmor,	Olivier,
Bannerman,	Girouard (Jac. Cartier),	Orton.
Barnard,	Girouard (Kent),	Ouimet,
Beaty,	Grandbois,	Paterson (Brant),
Beauchesne,	Gunn,	Patterson (Essex),
Bechard,	Guthrie,	Perrault,
Bergeron,	Hackett,	Pickard,
Bergin,	Haddow,	Platt,
Bill,	Hesson,	Plumb,
Blake,	Holton,	Pope (Compton),
Bolduc,	Hooper,	Pope (Queen's)
Borden	Houde,	Poupore,
Boultbee,	Huntington,	Richey,
Bourassa,	Hurteau,	Rinfret,
Bourbeau,	Jackson,	Robertson (Hamilton),
Bowell,	Jones,	Robertson (Shelburne),
Brecken.	Kaulbach,	Rochester,
Brooks,	Killam,	Rogers,
Burpee (St. John),	Kilvert,	Ross (Dundas),
Burpee (Sunbury)	King,	Ross (Middlesex),
Cameron (Huron),	Kirkpatrick,	Rouleau,
Carling,	Kranz,	Routhier,
Caron.	Landry,	Royal,
Cartwright,	Lane,	Ryan (Marquette),
Casey,	Langevin,	Ryan (Montreal),
Casgrain,	Lantier,	Rymal,
Charlton,	Laflue,	Scott,
Cimon,	Laurier,	Scriver
Cockburn (Muskoka),	Longley,	Shaw,
Colby,	Macdonald (King's),	Skinner,
Connell,	Macdonald (Sir John),	Smith.
Costigan,	Mc Donald (Cape Breton)	Sproule.
Coughlin,	McDonald (Pictou),	Stephenson,
Coupal,	Macdonell (Lanark),	Strange,
Coursol,	Macmillan,	Tassé,
Currier,	McCallum,	Tellier,
Cuthbert,	McCarthy,	Thompson,
Daly,	McConville,	Tilley,
Daust,	McCuaig,	Trow,
Dawson.	McDougall,	Tupper,
Desaulniers	McGreevy,	Vain,
Desjardins.	McInnes,	Vallée,
Domville,	McKay,	Vanasse,
Doull,	McLeod,	Wade,
Drew,	McQuade,	Wallace (Norfolk),
Dugas,	McRory,	Wallace (York),
Dumont,	Malouin,	Weldon,
Elliott,	Manson,	Wheler.
Farrow,	Massue,	White (Cardwell),
Ferguson,	Merner,	White (Hastings),
Fiset,	Methot,	White (Renfrew),
Fitzsimmons,	Mills,	Williams.
Fleming,	Mongenais,	Wright,
Fortin,	Montplaisir,	Yeo.—175.
Fulton,		

Mr. MILLS. I rise for the purpose of moving:

That the Bill be not now read a third time, but that it be re-committed to a Committee of the Whole with instructtons that they have power to add the following clause :—"No amendment of this Act or of the Charter hereby authorized, which may be hereafter made, shall be deemed an infringement of the privileges granted by this Act or of the said Charter."

It is very important that this House should retain control over its future action. We know that no legislation can bind the future action of this Parliament or of a future parliament; but that we may act consistently with the principles of parliamentary practice, it is very desirable that this House should not, by proposing to grant a charter affecting public works for a long series of years, appear to take that course. In the ten years during which this contract is to run, very important changes may take place in the financial condition of the country, and the Parliament which succeeds this one ought to be as free to judge what is best in the public interest, as hon. gentlemen who occupy the Treasury Benches, or we who are legislating for the country at the present time. There are provisions in this charter which will not be initiated or acted upon until after the period for which this Parliament is elected expires, and a new Parliament takes its place, and it is therefore desirable that that Parliament should be free to judge of what is best in the public interest; and that it should not be in the power of this corporation, when Parliament proposes to vote some action or adopt some measure, which may, in some degree, alter the provisions of this charter, to claim damages in consequence. On these grounds I move the amendment I have placed in your hands.

Amendment negatived on division

Mr. CHARLTON. Before this Bill goes through its final stage, I desire to say a few words by way of final protest against it. I have often been quoted in reference to the views I held on the measure introduced by my hon. friend the member for Bothwell (Mr. Mills) in 1878. In looking over the reports of the speeches on that subject, I fell upon a clause in a speech of my hon. friend from Niagara (Mr. Plumb). I do not often take the trouble to look over that hon. gentleman's speeches; to go through the whole of them would be rather a lengthy task for so short a life as mine; but I did accidentally light on this extract from his speech on that occasion:

"They were told by the hon. member for North Norfolk (Mr. Charlton) that the American system of land grants for the building of railways had been generally adopted in the West. There could be no doubt about this, or the question that the population followed the construction of railways in the Western States; but it was well known that nearly all the best lands of the West had been, by means of railway charters, absorbed and monopolized by rings of railway contractors and speculators. He believed that this Bill would establish the same condition of things in the North-West Territories and in Manitoba. He objected, upon principle, to the building of railways by contractors. He considered that roads placed in the hands of contractors to be built were imperfectly built. They were not well constructed, and they were not such roads as we wanted in this country. He could also say that, by this scheme, in view of the present price of iron and labor, the bonus that would be paid by the Government would nearly build this road, and give them free of cost to the contractors who were fortunate enough to go there to build them."

These were the views of my hon. friend in 1878. They scarcely need comment. One clause of my speech on that occasion has been quoted with great unction by speakers on the opposite side. It is as follows:—

"Some of the railways, had perhaps been subsidized more than was necessary, perhaps more land had been given than was advisable; but capitalists would not embark their money unless they had a prospect of a fair return, and it was folly to haggle with them about an unimportant difference when important interests were at stake."

In that speech I distinctly took the ground that railways in the United States had been subsidized to a greater extent than was necessary. My speech on that occasion has been repeatedly quoted during the course of this debate. I wish now to make a comparison between the extent of aid granted to railways in the United States—aid that was in excess of the wants of those roads—and the extent of the aid that it is proposed to grant to the Canadian Pacific Railway. I have taken some pains to ascertain the land grants to every railway corporation that has received land grants up to the present day. I find that with the exception of what are known as the Pacific railways and the railways on the Pacific slope, these land grants have been very moderate indeed. I find that forty-six companies, embracing a mileage of 13,634 miles, received 51,681,329 acres, and these companies embrace all, save the Union Pacific, Central Pacific, Northern Pacific, Atlantic Pacific, Oregon Branch, Oregon and California Southern Pacific, and Oregon Central. These grants of 51,000,000 acres were made in alternate sections, and subject to the companies running the chance of the lands having been previously sold by the Government; and it is estimated that, on this account, they will not realize over 37,000,000 acres. But estimating that the companies receive the full amount, what is the average grant per mile? It amounts to 3,790 acres per mile. I find that the land grant of the Illinois Central amounted to 3,680 acres per mile; the Burlington and Missouri road, 1,370; the Rock Island Pacific, 1,200—in these two cases that is the amount actually received by the roads—the Cedar Rapids and Minnesota, 4,740; the Jackson, Lansing and Saginaw, 3,680; the Chicago and North-Western, 2,331; the Wisconsin Central, 1,661; the St. Paul and Pacific, now known as the St. Paul, Minneapolis and Manitoba, belonging to this very Company, whose interests are being promoted by this Bill, 6,342; the Winona and St. Peter, 4,330. These are a fair specimen of the average rate of aid given in land grants to the various corporations whose interests were promoted in this way, and their average, as I have said, is 3,790 acres per mile. The highest land grant given by the United States is that given to the Northern Pacific road, which amounted to about 47,000,000 acres, and this embraces all variety of land, without selection, including part of the American desert. Good authorities estimate that the Company will not realize from the grant of 47,000,000 acres, over 15,000,000 to 20,000,000 acres of arable land. If that is the case, the aid granted to the Northern Pacific, the most heavily subsidized of the American roads, is less in actual value than that granted the Canadian Pacific road; and, with the exception of the Northern Pacific, none of the American roads have been aided by land grants of over 12,800 acres per mile. We find that the Canadian Pacific Railway, in addition to receiving a land grant, greater in value per mile than any American road has ever received, receives $12,500 cash per mile for that portion of the road which the contractors are to build, and the works to be constructed by the Government, which, with the surveys amount to $31,000,000, being equivalent to $15,500 per mile on the portion the Syndicate are to build; or the aid that the Canadian Pacific Railway receives over the most favored and most heavily subsidized American line amounts to over $28,000 cash per mile on the portion they are to build. In addition to its land and cash subsidy, this Company receives freedom from taxation and from duty on material, and monopoly of transportation in the North-West for twenty years. The terms of this contract are so monstrous that it is almost surprising hon. gentlemen opposite should insist on forcing it through the House. Although the debate on the whole has been conducted in a spirit of fairness, they have passed this measure in a domineering spirit, as was evinced last night, when not a single suggestion would be accepted, and clauses that were manifestly absurd the Government insisted on retaining unaltered. The course of the Opposition in this debate may perhaps be challenged. The most serious charge brought against the Opposition was that they had made a midnight conspiracy to save this country many millions of dollars. What would be the amount of saving effected had the offer made by a responsible company—a

Company more responsible than the Syndicate—that has put up $500,000 more money than the amount contemplated to be put up by the Syndicate, been accepted? It is certain that we should have saved $3,000,000 cash and 3,000,000 acres, worth at the lowest calculation $6,000,000. It is certain that this Company would have had to pay taxes on whatever length of road they constructed, and their taxes on the main line and branches could not have amounted ultimately to less than $250,000 per annum, which at four per cent. would represent, capitalized, $7,250,000. The Company would also have to pay taxes on the lands granted to them. We can only conjecture what this would amount to. The Chicago and Rock Island road last year paid fourteen cents per acre tax upon its lands. If we estimate that this Company would pay only one cent per acre for twenty years, it would amount to $5,000,000. The duties on cars, locomotives, rails, iron, bridge material, wire, and various other articles the Company will use, would at the lowest estimate have amounted to $1,500,000 more, making a total of $22,750,000, which this Government have recklessly thrown away. They have insisted in carrying through a contract which is, at least, twenty-two and three-quarter millions of dollars worse for the country than an offer which has been made by a responsible company—a company more responsible than the one which is being chartered, and upon terms which, though so less favorable to the Company, would still have afforded them a large profit. The Government refused to insert in the charter a provision to the effect that the Company should not count the money aid given by the Government as part of the capital upon which they could make ten per cent. dividends before the Government should have power to regulate the tolls. I presume, on reflection, that this will be viewed as a matter of no consequence, because it is quite easy for a Company to manage such matters by subsidiary organizations, such as car shops, by the purchasing of supplies at two or three times their regular price, by watered stock, by building branch lines, and in various other ways—I say by these methods it will be perfectly easy for the Company to swell the amount of their capital to any figure they choose. So that even if a provision of the kind we demand were inserted it would possibly be perfectly nugatory. We have been told by hon. gentlemen opposite that the new Syndicate is a sham, that it is a political dodge; but the country will not believe that, because, if the Government believed it, it was their duty to have tested and proved their belief. If the new Company was formed, as hon. gentlemen say, for political purposes, and did not mean to carry out their offer, it would have been an easy thing for the Government to demonstrate that fact, and they would then have placed themselves in a strong position, while their refusal to do so was tantamount to an acknowledgement that they did not believe the assertion that they made. They have told us that they were bound to go on with the contract. Why, Sir, an agent making a bargain for his principal does not bind that principal by his acts. The acts of the agent are referred to the principal for ratification just as these hon. gentlemen should have referred to us the result of their negotiations, and it would not follow, in either case, that if the principal disapproved of the agent's acts the agent must be discharged. The Government would not necessarily have lost their seats if they had given up the contract made with the first Syndicate, if it was demonstrated that it was not in the interests of the country. But despite all the palpable objections that have been raised to this contract; despite the fact that with their eyes wide open we find them making a contract $20,000,000 to $25,000,000 worse for the country than one they might have made, in a few hours more the blindness of party bondage will have made this monstrous contract the law of the land. Various arguments have been advanced to justify the building of the unproductive portion of the road. We have been told that it is necessary to endow this Syndicate with a large grant, because a portion of this road will not now, and probably never will, pay running expenses. Now, Sir, I would like to ask what good there is in investing money in an enterprise which will not pay; and what good is there in building a line north of Lake Superior which will not pay its expenses, especially when we can have a better line for nothing? Why the Government have committed themselves to so mad a scheme, whether it is from infatuation or something else, it is not for us to say. Those of us who have the interests of Canada at heart, have been seeking to build up a nation here, and to demonstrate, side by side with the United States, the superiority of these institutions we have inherited from Great Britain. The experience is an interesting one—one which those who wish well to the human race desire to see worked out under the most favorable circumstances. But I say that by the action of the Government of the day, in making a great monopoly supreme in more than half of the Dominion, and in handing the people over to its tender mercies, bound and helpless, they have gone very far towards insuring the failure of that experiment. No party could play more directly into the hands of the disloyalists and the annexationists than have the party who now occupy the Treasury Benches by their action in this matter. They have made many mistakes and absurd blunders in their time: they threw away $30,000,000 on the Intercolonial; they made an absurd bargain with British Columbia; they gave away valuable territorial rights in the Washington Treaty; they brought disgrace and humiliation on this country by their action in the Pacific scandal; they, last Session, introduced into the North-West a land policy which was most detrimental to the best interests of the country; but the worst and greatest of all their mistakes and blunders is the crowning blunder which will be perpetrated when this contract shall have been ratified. We, on this side, number very small on the division list; but I say that the fifty odd members who are sitting on the Opposition benches to-day, represent the wishes and views of a vast majority of the people of Canada; and the day will come when the haughty Ministry, with their subservient followers, who are determined to carry through this Bill without admitting one jot or iota of change, will have to stand before the bar of intelligent public opinion, and, in my humble opinion, they will be rejected by the people. Until that day there is no hope for redress—until that day we must continue to drift on as we are drifting towards the goal of ruin.

Mr. PLUMB. I do not think I can permit the attack which the hon. member for North Norfolk (Mr. Charlton), has made to pass unnoticed, even though, in replying to it, I should—with, however, the greatest reluctance—trespass upon the patience of my friends and the time of the House. I did not think that at this stage of the debate, even that hon. gentleman would have ventured to repeat the statements which he has just made on the floor of this House and provoke a reply. I did not think that that hon. gentleman would have ventured to mislead the House, and to mislead the country at this last critical moment, when his leader had just now stated that the debate had virtually closed, and when we expected to take the question without again provoking discussion. But, Sir, I cannot sit still and allow that hon. gentleman's statement to pass unchallenged. I rise to say that he has made a statement, with respect to land grants to railways in the United States, which is utterly misleading, and I would be doing injustice to his intelligence if I did not venture to state that I think he knows it is misleading.

Some hon. MEMBERS. Order, order.

Mr. PLUMB. I am quite in order; and I think that, after the exhibition we saw last night, hon. gentlemen opposite

ought to be very careful before they challenge utterances from this side which are strictly within parliamentary rule. The hon gentleman read a statement of the grants to railways in the United States. He omitted purposely the Northern Pacific, he omitted purposely the Union Pacific, he omitted purposely several others of the larger railways in the statement of the average acreage per mile of those grants, and he took the Illinois Central as a fair type of railways subsidized by lands. He knows that the land grant to that road was made by the State of Illinois. The State held a certain quantity of public land; certain private parties went into the enterprise of building the railway as a speculation, and they went to the Legislature, and by means of lobbying they persuaded the Legislature to give them a land grant. This grant was simply a bonus; the road could have been built without it; and, besides, it was not the fashion in those days to subsidize a railway line, especially like that one which ran through the heart of the State and the best part of it. The hon. gentleman knows very well that, in order to obtain that land from the State of Illinois, large concessions were made by the men who got the grant. That, Sir, is a specimen of the kind of argument which the hon. gentleman has employed to mislead the House, and through the House to mislead the country. The hon. gentleman knows that he has selected the smallest grants given to railways, he knows that these grants were doled out by the State Legislatures, and he knows that many of them were not given by the States at all. He knows, also, that they were bought and lobbied through. He understands well what kind of machinery was going on to grasp at the lands of Michigan and the other States that remained. I am perfectly willing to stand by the statement I made, that a contractor's road is a poor road. I had reference, and the hon. gentleman knows it, to roads that are built in the United States without purpose, except the purpose of floating bonds and making unfair profits out of the bondholders, upon whose hands these roads usually fall. Such railways gridironed the whole of the United States, and they brought enormous losses upon those who invested their money in them. If the hon. gentleman will look at the statistics he will find that within the last two years, more than 23,000 miles of railway in the United States, out of the 87,000 miles that were in existence in 1879, have gone into bankruptcy, and that the losses amount to hundreds of millions. Yet hon gentlemen on the other side would persuade us that there is a gigantic system of railway monopoly in the United States, which is sucking the life blood out of the people. Of the men who have put money into those roads, three fourths are to-day without a dividend. The average dividend upon the whole railway system of the United States is under three per cent. Yet we are told, to-day, that the contract which we are about to ratify is a shameful one, because we have subsidized a party of gentlemen by a lesser sum than the average cost of western roads in the United States, and they are undertaking a scheme which it will tax their utmost energies to bring to a successful completion. I am sorry to see hon. gentlemen on the other side take the stand they do. They know as well as we do that the offer of the second Syndicate could not be accepted without involving the resignation of the present Government. That is why the second Syndicate were so free to underbid the Syndicate which the Government had accepted. They knew perfectly well that the present Ministry could not accept their offer, that they were in honor bound by the contract they had entered into. The hon. leader of the Opposition, and some of the gentlemen also who signed that paper, know parliamentary rules too well to suppose that the Government could stand for one instant after they had withdrawn from the contract they solemnly entered into, or after they had been defeated in the House upon the measure by a majority. Every man of Parliamentary knowledge understood that, and the leader of the Opposition misled—I do not say intentionally misled—the people and the public when he hinted that the withdrawal of the first contract, or the essential modification of its terms, would not involve the necessity of the resignation of the Government. We—the Parliament of Canada—were perfectly free to accept or reject the contract. We understood perfectly well that Parliament was not bound to ratify it; but we knew that if the second Syndicate was accepted, it could only be accepted by a set of gentlemen who had pledged themselves absolutely to the abandonment of the through route, and to throw the traffic of this country into the hands of the Americans on the south side of Lake Superior. We knew perfectly well that the cunning little clauses in the proposition of the new Syndicate, and the variations so important but so artfully worded—from the terms of the agreement they had plagiarized, variations which were so significant—meant exactly that they intended not to build the difficult portions of the line; that they never would be held by the gentlemen opposite to build those portions; and that it was never expected, when they signed that paper, that they would have to build them; and I do not think three-fourths of that Syndicate thought they would ever be required to build a railroad at all. They never saw an official plan, or profile, or an estimate, and some signers never saw the proposal they signed by proxy, and careful men do not act in that way—and many of them are careful men—and would not risk $5,000 in any project. I challenge any gentleman on the opposite side of the House to say that this is not the fair construction of the whole proceeding. Upon what possible principle, then, can you say that the second Syndicate made a more favorable offer than the gentlemen who were willing to take the responsibility of building the whole line and of operating it afterwards? If the second Syndicate were to be relieved from operating the difficult portions of the road, they could afford to construct the remainder for less money. That was the whole secret. From beginning to end it was an attempt to spring upon this House something which was almost unworthy the tactics even of a fourth-rate pot-house politician. If the second Syndicate offer was *bonâ fide* why did not the hon. gentlemen opposite, who were so anxious to get it before the House, adhere to it. They saw the hole they were getting into, and withdrew from it? This was because they discovered at last that the whole plot was seen through. But they have committed themselves to that offer and we shall hold them to it. We shall say that it was never a *bonâ fide* offer to construct, maintain and operate the whole Pacific Railway. That is the entire argument in respect to the new Syndicate, and I am indebted to my hon. friend for having given me an opportunity to present it, by making the statement to the House which he has made in a most imprudent manner. The great Reform party has been condensed into a small minority by a process of mismanagement, by a process I do not like to describe exactly, for my description might involve unparliamentary language, but it is a process which has been going on from the day they came into power, and has disgusted the people with the very name of that party. It is the mere fragment of a party, now on the Opposition benches, which my hon. friend boldly asserts represents the public sentiment of the country. Why, hon. gentlemen, after drumming together every man they could find, every woman probably who was willing to sign, and every school child, managed to get up petitions against the first Syndicate, and they claim that such petitions represent public opinion. They have manufactured resolutions and sent them into the country, and those resolutions have been passed at partizan meetings where fair discussion was gagged, and they say that such resolution so passed represent public opinion. The hon. gentleman asserts that at the coming elections he and his friends on the Opposition benches are, in some mysterious manner, to revolutionize the country upon this special question. Well, at the very commencement of this Parliament, so eager were those gentlemen—after they had been turned ignominiously out of office—to win their way back to these

benches, to get hold of that Treasury which they had depleted, to get hold of that Treasury marked by deficits year after year through the mismanagement of the then Finance Minister, and through the reckless expenditure which was carried on during the whole five years of the Reform Administration—so eager were they to get back so ludicrously restive and unwilling to accept the situation with a show of the dignity that wins respect for misfortune, that they often hinted to us that there was a reaction in public opinion which would drive the present occupants from office long before Parliament expired. Nothing came of that prediction; it was just about as sound and well founded as the prediction which has now been made by the hon. member for North Norfolk (Mr. Charlton). Hon. gentlemen opposite are famous for winning their battles before they fight them; they are famous for the triumphs they achieve before the actions have commenced; and I can remember that up to the very day of the elections of 1878, they claimed not only that they would keep what seats they had in Ontario when they went into the contest, but that they would wrest thirteen seats from us in that noble Province. That was the last prophecy of the *Globe*, made on the morning of polling day. The prediction of the hon. member for North Norfolk (Mr. Charlton) we will have to accept in the same sense. The hon. gentleman may speak for the fragment of a party which, torn by dissensions within, is in such exigency and such strait, that it actually turns back upon itself, within this very Session, and eats its own words. But I can tell the hon. gentleman that the lack of himself and his leader, from the beginning to the end, has been of that political instinct which flows out of honest convictions, of that consistent action which enables a man who is taking a straightforward course, to feel the pulse of the public and to know whether he stands in accord with it or not; and that political instinct in the new leader of the Opposition has never been manifested in any such degree as to entitle him to be called a leader of men. I know it, and any man who has watched the career of the hon. gentleman knows it. On the other hand, I say that the great leader of the Conservative party knows that the people accepted him as one who had taken a consistent course throughout, and we know that the people take at their own true worth the hollow promises, hollow shams and hollow pretences of the hon. gentlemen who attempted to manufacture public opinion against him For one moment I will stop to show the nature of the petitions which were sent in by the Chartists to the British Parliament, and I believe a great many of the petitions produced before us against the contract are tarred with the same stick, for I understand that in one petition alone there are 137 repetitions of the same name, written by the same hand, and *ab uno disce omnes*. The author of the "History of Our Own Times" says:

"The great Chartist petition itself, which was to have made so profound an impression on the House of Commons, proved as utter a failure as the demonstration on Kensington Common."

I may say that the petitions presented here have proved, and will prove, as great a failure as the demonstrations that were got up through the country by hon. gentlemen opposite during the recess. The writer continues:

"Mr. O'Connor in presenting this portentous document boasted that it would be found to have five million seven hundred thousand signatures in round numbers. The calculation was made in very round numbers indeed. The Committee on Public Petitions were requested to make a minute examination of the document, and to report to the House of Commons. The committee called in the service of a little army of law-stationers' clerks, and went to work to analyze the signatures. They found, to begin with, that the whole number of signatures, genuine or otherwise, fell short of two millions. But that was not all. The committee found in many cases that whole sheets of the petition were signed by the one hand, and that eight per cent. of the signatures were those of women. It did not need much investigation to prove that a large proportion of the signatures were not genuine. The name of the Queen, of Prince Albert, of the Duke of Wellington, Sir Robert Peel, Lord John Russell, Colonel Sibthorp, and various other public personages, appeared again and again on the Chartist roll. Some of these eminent persons would appear to have carried their zeal for the people's charter so far as to keep signing their names untiringly all over the petition. A large number of yet stranger allies would seem to have been drawn to the cause of the charter. 'Cheeks the Marine' was a personage very familiar at that time to the readers of Capt. Marryat's sea stories; and the name of that mythical hero appeared with bewildering iteration in the petition. So did 'Davy Jones'; so did various persons describing themselves as Pugnose, Flatnose, Wooden-legs, and by other such epithets acknowledging curious personal defects. We need not describe the laughter and scorn which these revelations produced. There really was not anything very marvellous in the discovery. The petition was got up in great haste and with almost utter carelessness. Its sheets used to be sent anywhere, and left lying about anywhere on a chance of obtaining signatures. The temptation to schoolboys and practical jokers of all kinds was irresistible. Wherever there was a mischievous hand that could get hold of a pen, there was some name of a royal personage or some 'Cheeks the Marine' at once added to the muster-roll of the Chartists. As a matter of fact, almost all large popular petitions are found to have some such buffooneries mixed up with their serious business. The Committee on Petitions have on several occasions had reason to draw attention to the obviously fictitious nature of signatures appended to such documents. The petitions in favour of O'Connell's movement used to lie at the doors of chapels all the Sunday long in Ireland with pen and ink ready for all who approved to sign; and it was many a time the favorite amusement of schoolboys to scrawl down the most fantastic names and nonsensical imitations of names. But the Chartist petitions had been so loudly boasted of, and the whole Chartist movement had created such a scare, that the delight of the public generally at any discovery that threw both into ridicule was overwhelming. It was made certain that the number of genuine signatures was ridiculously below the estimate formed by the Chartist leaders; and the agitation, after terrifying respectability for a long time, suddenly showed itself as a thing only to be laughed at. The laughter was stentorian and overwhelming.

"The effect, however, of this unlucky petition on the English public mind was decisive. From that day Chartism never presented itself to the ordinary middle-class Englishman as anything but an object of ridicule."

History repeats itself, and I have every reason to believe that the same frauds and absurdities will be found to abound in the petitions which have been presented to this House. Just before the new Syndicate proposition was introduced into this House, it was whispered with knowing winks and pointings and sly hints that there were expectations of an interesting event. There was very much of such gossip as one hears among old ladies when a certain other event—a very important one in a family—is about to occur. The Betsy Prig of that occasion was the hon. member for South Ontario (Mr. Glen); the Sairey Gamp, the friend of Betsy, who was indifferent whether she sicked or whether she monthlied, I presume we might characterize as our hon. friend from North Norfolk (Mr. Charlton). These gentlemen ordered the long clothes and the safety pins; prepared what is called the *layette*; got the cradle ready; and when the little bantling was presented to the public, its features were so like its putative papa's that everybody would have sworn that it was his own darling child, and if nature, out of her mysterious laboratory, could have presented to the little weakling a pair of spectacles, the resemblance would have been almost perfect. But after dandling the dear little thing, after accepting it from the nurse, after preparing it for its christening, the unnatural parent suddenly deserted it, and attempted to put it in the basket at the foundling hospital, It is true that there were no state witnesses present at the accouchement, as in the case of royal offspring, and no salvos of artillery hailed the heir whose helplessness should, at least, have appealed to the pity of nurses, wet and dry; but alas, true to the instincts of those who always kick people when they are down, the whole party in this House, who are loudest in their pæans of welcome at its nativity, from the leader down to the smallest follower—and I will not name him, but he knows very well whom I would select—deserted the poor little feeble wretch, and disowned it, and it has since been kicked about in the gutter. It could not even be received in the alms-house, it is branded as a *nullius filius*, and the consequence is that, after a feeble and short-lived existence, no one has offered to give it the last rites of humanity, and it is kicked about in the gutter still. It ill becomes the hon. member for North Norfolk to bring out that draggled bantling and hold it up and dandle it in this House again. We thought we had got rid of it, and we were willing to let these hon. gentlemen share among them-

selves the celebrity which attaches to that sort of paternity. Sir, in contrast with the whole procedure on the Opposition side, in contrast with the obstruction which has been given to this measure from the very beginning, I am perfectly willing that we should appeal to the country to judge between this party and that. Sir, look at the space taken up in the debates, look at the liberty the hon. gentlemen on the other side have had unchallenged, and compare that with the course pursued by the dominant, overbearing and insolent majority which held power here for five years. Look at that record and see how a party of hon. gentlemen on the Government side treat their opponents and their foes. More than 40 per cent of the whole space of the *Hansard*, up to this time, has been taken up by the speeches of hon. gentlemen on the opposite side, although their proportion to the hon. members on this side is about as one to four; and they have had the opportunity of repeating, over and over again, with the most monotonous iteration, every argument that can be adduced; forthe hon. leader of the Opposition exhausted the whole subject in his first speeches he made, and nobody could follow him without repeating what he had said. One of these gentlemen came to the front, and although he was challenged, unblushingly occupied the time of the House reading his speech, having previously, without doubt, sent it for publication in the *Globe*, and then handed the manuscript to the reporters. Hon. gentlemen on the other side found fault with me when I called the attention of the Speaker to that fact. There is no more obvious rule in May's "Parliamentary Practice," than that the reading of speeches is not permitted, because it destroys the spirit of debate. I did not press the question, although, if I had done so, I could have stopped the hon. gentleman from reading his speech, and the *Globe* would have had a report on the following day of a speech that was not delivered; and I think now that speech ought not to be permitte l to remain on the records of this House, because it is not such a speech in any sense as ought to be uttered in the freedom of debate. Not only that, but I sat near the hon. gentleman, and I saw him skip page after page of his speech; you, Sir, stated that as other gentlemen had read their speeches you would not interfere while this debate was going on, although it was against the rule, and would not be permitted thereafter. But your attention, Sir, was not before called to the fact that speeches were read in the House, or your duty would have been to stop the practice. But it eventually became an abuse—one which I hope the discussion we have had will be the means of checking. I assert, Sir, that every opportunity has been afforded for the discussion of this question. Every phase of the discussion has strengthened our position with the people, has strengthened our party with the public, and the hon. gentleman need not lay the flattering unction to his soul that he and his friends are going to mislead the public as they did on a former occasion. The hon. gentleman must remember that lightning does not strike twice in the same place, and although they succeeded once, they will not succeed again, for the people's eyes are open to the hollow shams of an organized hypocrisy; and I wish to say, once for all, that these hon. gentlemen, not true to the instincts which characterized the Conservative party—when their leader lost a battle, deposed and disgraced him. How was it with the true and faithful party that, in spite of obloquys, slanders and unjust reproaches, in spite of every calumny that could be heaped upon a man, clung to the Great Chieftain who has led the Conservative party to power more than once, and who we hope God will spare to lead it more than once again. And now we have the reward of our fidelity. That hon. gentleman may remember with pride and pleasure that never in his darkest days has he failed to draw to him the faithful hearts that have supported him and carried him to this hour of triumph; and I say that when hon. gentlemen opposite, on the night of our long discussion, accused us of treating this subject with undue levity, I was perfectly justified in telling them that if they choose they had a good right to clothe themselves in sackcloth and ashes; but it was our belief that we had put on the garments of festivity and could afford to laugh and be happy, while they might toll the death-knell, for all we cared, like the Indian braves—that they might build their own funereal pyre, and sit on it as long as they liked. The right hon. gentleman, our leader, may feel that to-day he is stronger in the hearts of the people by far than if the hon. gentleman whom I see opposite (Sir R. J. Cartwright) had not poured out his vials of vitriol against him upon the public platform, than if the press which united against him had not attacked and slandered him, because those attacks raised to him friends who grappled him to their hearts with hooks of steel, and who now believed their proudest reward to be the fact that they have kept in position one of the greatest statesmen of the world, certainly by far the greatest that Canada has ever produced. We are willing to let this contract for building the Canadian Pacific Railway be the record upon which he shall be judged, to compare it with the obstructive policy of the other side, with that policy which would turn the whole trade and future of Canada into the United States. We are willing to contrast it with the policy of him who said, in that Aurora speech, for which he got so much credit, with extraordinary prescience, that he intended to seek a warmer south, and we saw the literal fulfilment of that prophecy, in the attempt, futile as it was, to turn the course of the Pacific Railway down across the Sault Ste. Marie, into the United States, and divert the stream of travel and traffic into that country. Nothing could be more fruitless than the attempts which have been made in every possible form to induce the hon. gentlemen on this side to desert their leader. The hon. gentlemen opposite got a crumb of comfort in the acknowledgment by some gentlemen on this side that the contract was not in every respect what we could wish it to be. Nobody pretends to say that it is the ideal contract that could be made in the library, and which would in every respect suit our views; but it was a bargain made with live business men, men who watched their own interest, and who intended to perform the work they agreed to carry out to the letter. Parliament having accepted that contract, will do injury to itself if it does not force those gentlemen to carry it out to the letter. The Government have the power, and they have never relinquished the power, to force its fulfilment. Not one step can be taken which could violate that contract, without the Government having the power to check it. The Government will do injury to all the traditions of the past if it does not see that the agreement is fulfilled. In this connection I am reminded that the hon. member for North Brant (Mr. Fleming) quoted from the first proofs of the "Debates," which are often incorrect, a statement of mine that the contract was all that could be wished. I did not say any such thing. I simply said that it was not all that could have been wished, if we had the bargain made all on our side; and if the hon. member for North Brant had looked at the context he would have found there could be no misapprehension of my meaning. I thank the House for the attention they have given to me; and must apologize for the hasty manner in which I have been compelled to rise to vindicate myself, and defend the question from the sophistries which have been thrown about it, by the hon. member for North Norfolk—sophistries which he knows so well how to use. And I can truly say, in conclusion, that the charge of inconsistency made against me comes with a very bad grace from that hon. gentleman.

Mr. POPE (Queen's). I do not intend to discuss this question fully, as it has already been discussed; but intend only to refer to sundry references that have been made to the Province from which I come, and to the large petition presented to this House with the view of impressing on it that the people of Prince Edward Island are opposed to the

passing of the contract. Hon. members from Prince Edward Island were taken to task the other day by the hon. member for Gloucester for having said that this was a bogus petition. I will go a little further. I will show that the hon. member for Gloucester, who presented this petition, should receive the censure of this House. Every hon. member who presents a petition should read it, in order to ascertain whether it is a respectable and proper petition to present, and, if he finds that it is based on deception and fraud, he is guilty of a violation of the rules of the House in presenting it. He should be made to withdraw it and receive the censure of the House for having presented it. The hon. member for Gloucester may arrogate to himself the leadership of his party in the Province of New Brunswick, and I will not complain. He may visit Nova Scotia and I will not complain. He did visit Halifax with the view of impressing the people there with his great importance, and convincing them of the dishonesty of the Government; but, notwithstanding his great ability and musical voice, he was unable, although there was a very large audience present at the meeting, to induce them to remain to hear him out. Before he had concluded the audience left, leaving behind the Hon. Mr. Jones, the Hon. Mr. Vail and the hon. gentleman himself, who could sympathize with each other on the good old times gone by, which they hoped by their exertions might be brought back again. I will not allow the hon. gentleman to take charge of the little Province of Prince Edward Island. You would suppose that the fact of the hon. member's own constituency presenting a petition in favor of this contract would induce him to pay a little respect to the wishes of his constituency. I will read you a paragraph containing one of the resolutions passed by the corporation in his own county a short time ago He has much better reason for saying the people of his county have faith in this contract than he has for saying that the people of Prince Edward Island are opposed to it. The resolution passed was as follows:—

"It is further resolved that we consider it the obvious duty of every honest, loyal lover of his country, to give his warm support to the Government in this matter, and frustrate the objects of factious opponents who are only trifling with the best interests of the country."

I do not know whether they hoped that the hon. member would become a loyal and honest supporter of the Administration in the interests of the country. Perhaps they did not; but I think the hon. gentleman should pay a little attention to the expressed wishes of these people; he should not spread himself quite so much or endeavor to take charge of the whole Maritime Provinces. If he continues to spread himself we shall have to call on the hon. member for Victoria, N.B. (Mr. Costigan), to keep him within bounds. The petition to which the hon. gentleman has referred is based on deception, falsehood and fraud. I suppose that, in the first place, the instructions were sent down from head quarters here to call a meeting. Mr. Louis H. Davis, who is well known in public life in the Maritime Provinces, took a leading part, and I will show the House how he endeavored to influence the people. In Prince Edward Island the people have a great dread of leasehold land tenancy, from their own past experience, and Mr. Davis' object was to frighten them into believing that the men who went from the Island to the North-West with their wives and families would not be able to get a foot of land along the railway line. I will record an extract from his speech:

"The most infamous part of this wicked bargain has yet to be told. It is said that the Syndicate land is to be taken in alternate blocks, no part of which is to be more than 24 miles from the railway. Now, this phrase "alternate blocks" has a good sound. On the face of it the division seems to be a fair one. But there is a 'but' in this business. It is provided that if any of those blocks, in the opinion of the Syndicate is unfit for settlement, they can choose other lands from those held by the Government, and it is further provided that if any of the land is swampy or barren, or occupied by water stretches or river or morass, it is not to be calculated in the concession, but the Syndicate can select portions of arable land sufficient to make it up. Now, what does this mean? It means that all the arable lands within 24 miles of the railway are to be given to the Syndicate."

Now, Sir, that is a gross falsehood intentionally uttered for the purpose of deceiving the people, and it has been sent all over the country. So far as the petition goes, I find that there is not upon it the names of any respectable merchants or bankers, or the name of any lawyer, except Mr. Davis himself, his student, Mr. Warburton, who wrote the letter which was read in the House the other day, and who, by the way, is only remarkable for his forwardness and impudence. The petition itself is grossly fraudulent upon the face of it. I find on the first sheet the name of William McIntyre, and all the names upon it are in the one handwriting; in the next all but one are in the same handwriting, and here also appears the name of William McIntyre, and so on.

Mr. ANGLIN. In how many of the sheets does that occur?

Mr. POPE (Queen's). The next sheet has the name of Thomas Campbell; the next commences with the same name, and it is the same all through. I find the name of some men signed in two places in different handwriting, and I am quite satisfied that one of them is a forgery. I find several names here that appear in two columns, in fact the whole sheet seems to be duplicated. I have received hundreds of letters in regard to this petition. One from a countryman in the back settlements asks for information. He says:

"Hon. Sir, I am requested by your supporters in this district to write these few lines and enquire what does the Opposition party mean by sending men round with a petition against selling land to a railway company in England, almost compelling people to sign it for them, but getting very few. Will you be so good as to let me know what they mean?"

I have often remarked how the leading Grits in all parts of the country act in the same way and are guided by the same principles. In private life they are everything you could wish. They are a little better than other people; they carry their prayer-books about in their pockets on Sunday and profess to be quite as good or better than other people. But when it comes to their political conduct, it seems to be necessary for them to resort to deception and fraud to gain their point, and that they should sacrifice for that purpose everything that is straightforward and honest. I will give you one instance of how that party acted in Prince Edward Island. In 1871 the Provincial Government carried a railway bill. They entered into a contract and the Opposition immediately began to hold meetings throughout the Province. They said the contract was entered into for the purpose of selling the Island into Confederation, that scheming Confederators were sent down there as contractors. They declared they would spend £100,000 to get the contract cancelled, that they would rip up the rails already laid, and that the Province should not be sacrificed. They got into power, but before one month had passed they resumed the work we had undertaken, and not only that, but they found they could not hold their position without giving to these scheming Confederators, these contractors sent down, as they said from Canada to build sixty miles more road, and they give these contractors $1,000 a mile more than we were paying. That was the course they pursued, and although they went to the country there was a strong feeling against the Confederation, and they persuaded the people to keep the Island out of Confederation. But instead of doing that, what did these same gentlemen do? Two leaders of that Government came to Ottawa without the knowledge of the people to negotiate the terms of Union. While they were negotiating those terms the question came up as to how much money they should receive as a condition of their coming in. They argued that, inasmuch as Canada had incurred a large public debt to build this Pacific Railway, they could not come in on the same terms as the other Provinces, because they would

receive no benefit from the railway. Those gentlemen agreed to these terms—$30,000,000 was put down for the construction of this work, together with a large sum for canals, and the people of Prince Edward Island have been and are now receiving their portion of the expenditure for the Pacific Railway. Yet there are men in Prince Edward Island who complain that they are not getting any benefit from Confederation. At a meeting held lately on the Island, Mr. W. D. Stewart, Mr. Davidson's right-hand man, said:

"It was high time that the people of this Island asserted themselves and endeavored to put a stop to this enormous expenditure in one section of the Dominion, while the public works of the eastern Provinces were starved."

Now, so far as Prince Edward Island is concerned, we have been receiving a fair share of that expenditure, in consequence of the additional burden put upon the people by the building of this railway; and when these lands come to be sold the probability is that the debt will not be increased at all, and that Prince Edward Island will continue to receive her share of this $30,000,000 a long time to come. But I rose to say that no importance should be attached to a petition which is based upon fraud and deception to start with. The hon. member for Gloucester (Mr. Anglin), who presented this petition to the House, declared it was one of the most respectable petitions ever presented to the House of Commons. There are many respectable names on that petition, but I do not know whether the owners of those names subscribed them. But we know that hundreds of the names are forgeries, that there are many duplicates, and that the names of many dead persons have also been added to that list. I have been told that children ten years old have had their names placed in that petition I do not hesitate to say that the Syndicate contract, when explained to the people of Prince Edward Island, will be perfectly satisfactory to them, and they will feel, with the other people of the Maritime Provinces, that they are relieved from a burden. They know the worst, they know what it is going to cost, and they feel relieved. They may wonder why the Government should reject a contract offering to do the work for some millions less, but all they want in the Maritime Provinces is an explanation of the terms of the two contracts, for they are anxious to do what is right, and are not prepared to repudiate obligations solemnly entered into by this Government.

Mr. YEO. In replying to the hon. Minister of Marine and Fisheries respecting that petition, I may say that I happen to know a little about it, having been in Prince Edward Island at the time. I was telegraphed to from several places to attend meetings and I did attend one meeting. At that meeting there was one of these papers on the desk, and it was signed by every individual at that meeting, both Conservative and Liberal. It is very customary at meetings held in country places, for one person to sign for one-half or two-thirds of the meeting, but it was not the case at the meeting at which I was present. The hon. Minister has pointed out only ten or twelve names; one of the members from the Island told me there was 200 names which were duplicated. That might be the case; but I fancy it was because the petitions were to be sent both to the Senate and the Commons. One thing I can assure this House, from what I know of the Island, if one had time to go through the country, I believe nearly every elector on Prince Edward Island would have signed that petition, except, perhaps, some gentlemen who might want office. The hon. Minister thinks the people are in favor of this contract; if so, let him open his county, and I will open mine, and we will test the question. I think it does not come with very good grace from the hon. Minister to charge a fraud against the Province which he represents. I think you will find as much honesty, straightforwardness and intelligence there as in any Province of this Dominion,

Mr. POPE (Queen's).

and I defy anyone who has been on that Island to say anything to the contrary.

Mr. MACDONALD (King's). The hon. member for Prince (Mr. Yeo) may take his own constituency under his wing, but I certainly object to his taking mine, and I can say, with the positive assurance that I am speaking the candid, honest truth when I say that every one who supported me at the last election is prepared to endorse the policy of the Government in the present instance, and I think it is a piece of impertinence——

Some hon. MEMBERS. Oh, oh.

Mr. MACDONALD. If it is not parliamentary I will withdraw the word; but I think it is a very cool thing indeed for the hon. member for Prince to come forward and speak for my constituency. I believe, not only my own constituency, but seven-eighths, if not nine-tenths, of the electors of Prince Edward Island will endorse the policy of the present Government. I believe it is carrying out the terms under which we came into this Confederation. About $30,000,000 has been added to the debt of this country by the construction of this road, of which we have been getting the benefit since Confederation; and I believe the lands of the North-West will wipe out the debt incurred for the construction of this railway, and Prince Edward Island will get the benefit of it. I fully endorse the policy of the present Government in carrying that great highway through this country, and I believe it will develop the country and throw population into it as it could not be done in any other way, and thus relieve the public of the burden of the work.

Mr. CHARLTON. I wish to make a personal explanation. The hon. member for Niagara stated I carefully avoided allusion to the Northern Pacific road, the Southern Pacific road, and the roads in Texas. I think you will bear me out that I alluded to the Northern Pacific, the Southern Pacific and the various other roads. I presume the hon. gentleman is aware that it would not be proper to allude to the roads in Texas, as Texas was admitted to the Union as an independent territory, it controls its own public lands, and the United States has not the appropriation of public lands in Texas.

Mr. ANGLIN. I had no intention this afternoon of taking part in the debate, but the speeches delivered render it necessary for me to say a few words. The hon. member for Niagara looked at me in a very knowing manner ——

Mr. PLUMB. A cat may look at a king.

Mr. ANGLIN. A cat may look at a king, and so the hon. member for Niagara may look at me. The hon. member for Niagara (Mr. Plumb) indulged in a great deal of what, in any other hon. member, would be called abuse of the Liberal party. We are a small and a weak party in this House, but I believe we are now a strong party in the country; and we are willing to await the decision of the people as to which party is right. The hon. gentleman speaks of fourth-class pot-house politicians. We are willing, if there are any pot-house politicians in this House, that the people at large should decide to which party they belong, and which is the party of gentlemen, judging us by our conduct in debate and when before the country. The Minister of Marine and Fisheries chose to assert that this petition is based on fraud, and that I did not do my duty, and in fact offered an insult to the House in presenting the petition without having thoroughly examined it, and ascertained if fraud existed on the face of it, as the hon. gentleman alleges. I stated on a former occasion how I came to present the petition; that it was handed to me a few minutes before the Speaker took the chair on that particular occasion by a member of the other branch of Parliament, who also handed me a letter, requesting me, in the absence of the

hon. member for Prince, to present the petition. I believe that in presenting it I was discharging my duty as a member of Parliament towards one of the Provinces of this Dominion, towards a large number of respectable electors, and I was satisfied I did right in relying entirely on the honor and integrity of the gentleman to whom I have referred. Technically speaking I was perhaps wrong in relying on the statement of that gentleman and the letter, and in taking the responsibility of presenting the petition without having examined it. The Minister of Marine travelled out of the record very widely in asserting that I am seeking the leadership in my own Province. I think the hon. gentleman knows enough of my past actions to be satisfied that I never sought the leadership of my Province. During the past say ten or twelve years of my political life I have never opened my mouth in public save in my own constituency; I never even took a prominent part in a meeting in St. John. The hon. gentleman's assertion that I am striving for the leadership in my Province is, therefore, only matter of conjecture. He probably imagined that by making such an assertion he would hurt, not myself, but some hon. members who sit on this side of the House. The assertion made by the Minister of Marine is entirely unfounded. The statement made by the hon. gentleman respecting my visit to Halifax is also entirely incorrect. The hon. gentleman would convey to this House the impression that I, for the purpose of "spreading myself," sought an opportunity of addressing a public meeting at Halifax. That is the direct opposite of the truth. I did not seek an opportunity of addressing a public meeting in that city. When I left Ottawa I had not the slightest idea of going to Halifax, but I received from a number of gentlemen an urgent invitation to attend a public meeting, probably because I happened to be one of those on the Opposition side of the House, who had resisted the hurried passage of this Bill. When I received the invitation, I wrote a private letter to the gentlemen setting forth reasons why I thought it better to confine the meeting to residents in Halifax. They thought otherwise; they renewed the invitation, and, under the circumstances, I felt it to be my duty to attend that meeting and to state why I opposed the contract before Parliament. I did that in the simplest language possible; and if any one told the Minister of Marine that a number of persons left the meeting while I spoke, that party misinformed him. I kept my eyes on the entrances and although there were many persons standing at the rear of the hall, I did not observe that any one left while I addressed the meeting. Resolutions were offerred condemning the contract in the strongest language; and not more than twenty, probably not ten, expressed dissent therefrom. Another resolution was submitted, declaring that a copy of the resolution should be sent to the members for the city and county of Halifax asking them to use their influence to prevent the ratification of the contract. That decision has never been officially stated in the House; and, perhaps, I am now justified in conveying this information to the House.

It being Six o'clock, the Speaker left the Chair.

AFTER RECESS.

Mr. ANGLIN. The hon. Minister of Railways made, before recess, certain statements with reference to the petition from Prince Edward Island which I presented, that call for a reply on my part. The hon. member asserted that many names were in the same handwriting, that many were those of dead persons, and that many were repeated. Charges of that kind should not be made deliberately unless the hon. gentleman is prepared to point out the names he objects to, even if he gives no proof to sustain the assertion. He did name one which he said was repeated in two or three places. There must be in an island like Prince Edward Island a great many persons bearing the same name. I remember a gentleman who represented in this House one of the Nova Scotian counties saying that in his county there were no less than 700 electors bearing the same name and of the same family. In Prince Edward Island there are many Scotchmen settled from the same part of Scotland—Highland Scotchmen—who have been quite as prolific as Scotchmen on the mainland. Names such as John Smith, and many Irish names, are borne by many different individuals; so that, unless the hon. Minister could prove distinctly that all these names were the name of one person, that charge must fall to the ground. The charge that several names were in the same handwriting has already been answered. It is well known that, in country districts especially, people often prefer that their names should be written for them, and names so written, with the authority of those asked to sign, are as authentic as if those people had signed themselves. With regard to the only point on which the slightest proof has been given, the duplication of names, I have in my hand a letter from Mr. Warburton which settles that point. The hon. Minister has chosen to describe Mr. Warburton as a very impertinent person, I believe him to be a gentleman of respectablity and standing in Charlottetown. I do not know that I have always agreed in politics with that gentleman, but I never heard anything derogatory to his character before, and I think Mr. Warburton's character will not suffer from an attack of that kind. The following is the letter:—

"CHARLOTTETOWN, P.E.I.,
"24th January, 1881.

"Hon. T. W. ANGLIN,

"DEAR SIR.—I learn that reports have been circulated in the lobbies of the House of Commons to the effect that 'investigation proves the petition (from P. E. Island) to contain double sheets of the same signatures, and in many instances numerous names signed in the same hand-writing.' As Mr. Haythorne, at my request gave you the petition to present, I feel it only fair to you not to lose a moment in writing to you on this matter, so that you may be in a position to meet any charges brought by our opponents. In the first place as to the *duplicates*. On one sheet, from the first district of Prince County, there are two parallel rows of duplicate siguatures, but I have run my pencil through one of the duplicate rows and that row is not included in the aggregate number of signatures, the single row is alone reckoned. On looking at the petition you will see it is in double columns and some of the persons who had it in charge thought a second one would be required for the Senate, as was the case last year, and in consequence I received a great number of duplicates, the one I speak of among the rest. This was the only one that contained the duplicates on the same sheet in the parallel columns. The different petitions were pasted togerther by a law student of four years standing, in whom I have every confidence, and I particularly impressed upon him the necessity of looking out for duplicates. When he had finished pasting them together I personally went over the whole petition and counted the names for the express purpose of seeing that everything was *bonâ fide*, and I did not find any double sheets or duplicates save the one I have mentioned, the duplicate columns of which I have cancelled. I think it impossible that duplicates could have escaped my notice, and feel quite safe in saying that the petition is signed by 4,465 *bonâ fide* electors. Moreover, had it not been for the short time at our disposal, and for a heavy snow storm that came on when the petitions were sent out, we could have easily doubled the number; as it is, I can forward some more should the Government supporters wish to get them, several having been received since the first were sent away. The duplicates I still hold.

"As to the second charge that 'numerous signatures are signed in the same hand writing.' This may be the case to a limited extent. It arises from the fact that in the country it is a very common practice when one man signs, for his neighbor to direct the first signer to sign for him, or in other words for one man to sign for another by the latter's direction. I have frequently been asked to sign this and last year's petitions for other persons, but of course I invariably refused to do so.

"The petitions were all sent out to reliable parties in the county in whom confidence could be placed, so that I am quite satisfied that everything is fair and above board. You are at liberty to make any use of this letter you see fit.

"I remain yours truly,
"A. B. WARBURTON,
"*Secretary of Reform Association of P. E. Island.*"

I put the matter fairly before the House, not merely for my own sake, because I do not suppose any hon. gentleman would suspect me of deliberately presenting a petition which I knew to be fraudulently signed, but for the sake of those 4,465 electors of Prince Edward Island, whom their representative in the Government has chosen to asperse so grossly. I will leave the matter entirely between that

gentleman and the signers of the petition as to who is right and who is wrong. I have no desire to prolong the discussion. I have said nothing of the merits of the question before us. I merely rose to reply to the charges made against the petitioners and the unprovoked attack made on myself. When I feel it my duty to deal with a charge against myself, I avoid all recrimination. On this occasion I shall not recriminate. I have answered fairly the charges made in such strong language by the hon. Minister of Marine and Fisheries, and am content to let the case stand on its merits. He spoke of the possibility of my addressing a public meeting some time or other in his Province, and he threatened me with what he no doubt considers will be a very serious infliction indeed. Now, I shall not threaten him in return but will simply say, that I have been repeatedly asked to speak at public meetings in various parts of Nova Scotia as well as in Prince Edward Island; that I have invariably declined appearing at a public meeting in his Province, because of the extraordinary position in which the two parties have stood towards one another in that Province for several years. Should I feel it my duty to my party, and above that to my country, to accept an invitation to address a meeting in Prince Edward Island, I can assure him that his threat will have no effect upon me. If duty would call me to do so, I should like very much to meet the hon. gentleman before his own people, but for no personal gratification would I embrace an opportunity of that kind. The hon. member for Niagara has also indulged in many attacks on the new Syndicate, but I do not think it is necessary now to reply to them as we have talked a great deal on that subject, and as the value of his statements will be properly estimated by the people; and I do not think that anything that has been said by him or by other hon. gentlemen on the opposite side will affect the estimation in which the gentlemen, whose names are attached to the new offer, will always be held by the people of this whole country. These gentlemen are known; they are known as men of high character and high reputation; they are men who in their various localities are known to be utterly incapable of such conduct and motives as have been attributed to them. So I think that hon. gentlemen on this side can allow those charges also to go without further answer. By the way, however, the hon. gentleman chose, amongst other things, to deal with private life, and he insinuated something with regard to my personal conduct and private life which, I think, was not becoming to him. I will recriminate for once, if recrimination it can be called, by saying that I have heard some things of the private life of that gentleman which entitle him to the highest respect and esteem of those who know him.

Mr. RICHEY. I should not have addressed the House at this stage of the measure had hon. gentlemen on both sides been content, as I expected they would be content, to permit the Bill to pass through its third reading without debate. But as the hon. member for North Norfolk (Mr. Charlton) has opened the whole question afresh and anew, impugning the contract in all its particulars, and charging members on this side of the House with infatuation in supporting it; and as the hon. member for Gloucester (Mr. Anglin) has repeated a challenge which has been made more than once from the other side of the House, I feel that I should hardly be justified in permitting this last opportunity to pass without replying to the allegations and insinuations which have been put forth by some of my hon. friends. The member for Yarmouth (Mr. Killam) said, the other evening, that the people of Halifax were not surprised at the silence of their members, because they knew that they could not defend a contract which was against the interests of their constituents—which had not the approval of their constituents. Sir, the people of Halifax know my weakness for silence, but they know, too, that I am neither ashamed nor afraid to speak when occasion requires—as I am accustomed to act according to my convictions. Silence I hold to be golden, especially in those who are young in political years, and I think the hon. gentleman might have refrained from his censure when he considered that he, a veteran, spoke late in the debate, and that it was only becoming in us to wait "to give ear to his words while he searched out what to say." If with Elihu we felt "Days should speak." But I confess that after having waited and listened I am forced to acknowledge the same experience as expressed by the ancient to whom I have referred, "Great men are not always wise, neither do the aged [necessarily] understand judgment." I have endeavored to follow the discussion which has taken place during the past six or seven weeks upon this great question with as much attention as I was capable of, and whilst there were many utterances on the part of hon. gentlemen opposite with which I could not concur, I did think that to one at least I might give a ready and cordial assent. I thought I could sympathise with the feelings to which they gave expression when they invited and exhorted us to free ourselves from the fetters of party, and in that emancipated condition to consider this question only in the light of patriotic duty. But, Sir, I grieve to find that even here, where I had hoped that some accord of sentiment might be established between us, we must part company. I am driven, but inevitably driven, reluctantly to the conclusion that there was no significance in the remarks of hon. gentlemen opposite on that point, for I have noticed in the speeches which have been made and in the numerous amendments which have been moved, not the slightest disposition to sunder the ties of party; and I feel that, as a Liberal-Conservative, I have no alternative but to hold that, in this case, the claims of party and the duty of patriotism are convertible terms. Indeed, as I reflect upon it, I am astonished at myself that I could ever have been so far beguiled by the silvery and seductive tones of my hon. friends as to imagine for a moment that this could be regarded in any other light than as a party question; for is it not indissolubly a part of the very policy for which we as a party exist; is it not by virtue of that great National Policy, which is the very soul and substance of our being, that we are this night ratifying this scheme as the most satisfactory, swift and economical mode for constructing a road which, uniting with our eastern railways, shall bind as with an iron band the British territory on this continent to integrate and confirm our union. We must not suffer ourselves to be deluded by the cry: "peace! peace!" which those hon. gentleman have so loudly vociferated, when in their heart there was no peace, when every device of partizan counsel and every strategy of party warfare has been put into operation against us. Hon. gentlemen on this side have been freely charged with not having discussed this question upon its merits. I think it has been most elaborately and successfully discussed upon its merits. It has merits in itself, and merits by way of contrast—absolute and relative merits. It is meritorious in that it provides for the construction of the Canadian Pacific Railway from end to end by a company; the mode in which we are told by hon. gentlemen on both sides of this House that it ought to be built, and by a company not precipitately formed in the interests of party, but a company formed by gentlemen who have given attention to point after point in this contract, and have finally assumed the work as a matter of business; by a company composed of capitalists of our own country, of England, of Europe, and of the United States, by gentlemen who are so situated as to be able very materially to advance the interests of immigration to our great North-West Territory, in itself a consideration, as I conceive, far outweighing the mere pecuniary difference between this plan and that interjected by another company of gentlemen during our discussion upon this question. I think it is meritorious, in that it

gives to us for the first time a definite promise of the completion of this work; a time within which it can be completed, and the cost of its construction; that it is meritorious, in that it relieves the Government at once and forever of the cost of operating the railway already built, and that is to be built, which, according to Mr. Mackenzie's estimate, would for a long series of years have involved this country in a loss of not less than $6,000,000 a year. It provides for the completion of the work within the shortest possible time consistent with its due construction. These, I think, are positive merits which stand out upon the very face of the contract itself, and which must be obvious to every unprejudiced eye. But it has merits also by way of contrast. It is more economical, practicable and complete than any other plan which had been previously proposed for the construction of the railway. I say it is more economical; for I care not upon what basis you frame your calculation, I believe there is no one who will impartially examine this contract, but must come to the conclusion that it is decidedly the least costly to this country of any which has been presented. I know that there are several hon. gentlemen on the other side of the House to whom may aptly be applied Butler's description of his hero in "Hudibras:"

> "He was in logic a great critic,
> Profoundly skilled in analytic;
> He could distinguish and divide
> A hair 'twixt south and south-west side;
> On either which he would dispute,
> Confute, change hands, and s ill confute."

But, however hon. gentlemen opposite may distinguish and divide, change hands and still confute, however they may add, subtract, retract and distract their figures, there are some few arithmetical facts which are so plain and so easy of presentation, that even Macaulay's schoolboy would at any time have worked out for them in a few moments, that I think they cannot, without great difficulty, get rid of them. Now, I attach no importance to the value of the lands in a pecuniary or commercial sense. Their value is so far unknown, and may in the future become so great, that I would rather part with as little as possible of them except for actual settlement, which I believe to be their value to us. I agree with Mr. Mackenzie that any value you place on those lands at present must be a fictitious value, and I would "frankly acknowledge," in his own words "the utter fallaciousness of any attempt to put a fictitious value on the land, and expect English capitalists to take the value as real value." Why, Sir, we have only to consider that, if the statement which has been made here be correct, that you have to-day, after a century of settlement, only seven or eight million acres of cultivable land in the great Province of Ontario, and but seventeen million acres for the whole Dominion, the value of those lands cannot be realized in a month, or a year, or a decade of years. You have only to look at the return which was laid on the Table of this House a few days ago, to examine the quantity of lands sold and the money received and to be received, to see how high are even your lowest calculations respecting the value of these lands in the presence of actual facts. You have to consider with regard to the disposition of the 25,000,000 acres of land placed at the disposal of the Syndicate, that side by side for every square mile which they possess there is a square mile owned by the Government, interested in filling up that country with immigrants, not in selling the land, but in giving it away, establishing homesteads for the people who go there. Therefore you have a square mile adjoining every square mile of the Company's, which provides for at least two settlers, alongside of whose homestead there is a preemption, giving them an equal quantity of land, which, if we count it at $2.50, would make the whole value not more than $1.25 an acre, in competition with these gentlemen upon their line of railway, out of which must be drawn the cost of bringing immigrants into that country. I have no doubt these lands will become very valuable. They will increase in value, and we may hope for the Company that they will derive a profit from the sale of their lands, as this country will in conjunction with them. If, however, it be necessary to put some fictitious value upon these lands for the purpose of comparison, I care not what value is placed upon them. I find that when the hon. leader of the late Government brought down his Bill in 1874, estimating the lands at $1 an acre, he was told by some members of the Opposition that they were worth $2.50 per acre, and when the hon. Minister of Railways brought down his proposal this year, and estimated the lands for the purpose of calculation at one dollar an acre, he was told by the Opposition that they were worth $3.18 per acre. Now, I am willing to take the estimate of the Opposition in each case, and give to Mr. Mackenzie's plan the benefit of the difference of 68 cents, and what is the result? The proposal of 1874 was: Cash, say, $27,000,000; land, 54,000,000 acres, at $2.50, $135,000,000; guarantee of 4 per cent., say $20,000,000; total, $182,000,000. If, as some asserted, the quantity of land to be given under that Act was 56,000,000 acres, instead of 54,000,000, we should have $5,000,000 to add to that amount. The Allan contract was: Cash subsidy, $30,000,000; land, 50,000,000 acres, at $2.50, $125,000,00; total, 155,000,000. The Syndicate terms are: Cash subsidy, $25,000,000; railways constructed by Government, $28,000,000; land, 25,000,000 acres, at $3.18, $79,500,000; total, $132,500,000, being a difference in favor of this contract as against the Mackenzie terms of $49,500,000, and against the Allan terms of $22,500,000. I said this scheme was more practicable. The Allan contract failed because capitalists were not to be found in Europe willing to run the risk of investing their money in the enterprise. The Mackenzie scheme failed because contractors could not be found to undertake the burden of construction. In the present case both contractors and capitalists have been secured, and it is no small consideration that we have enlisted in this enterprise gentlemen who can bring to bear so great an influence in the development of our country as those who are residents of France, Germany and England can in the way of promoting immigration. Why, the late Government expended, during their term of office, nearly $1,000,000 in bringing less than 65,000 immigrants into this country. How long, and how much money would it take, at that rate, to produce the 3,000,000 of population in the North-West which it is estimated is necessary before this railway can be made a paying speculation. But we are told that another company without coaxing are ready to jump at the chance of constructing this railway on better terms than those proposed. Well, Sir, that is always the way. There are always those ready to bid after the hammer has fallen, always those ready to underbid after the contract has been "made firm." I said this contract was more complete. It leaves nothing for future negotiation. The Company is formed and ready to proceed with the work. Its financial arrangements we understand to be complete, and they only await the ratification of the contract in order to begin operations. I cannot look upon the offer of the so called new Syndicate as a *bonâ fide* offer. I can only regard it as a great political kite, of which hon. gentlemen on the opposite side hold the string, and these friendly capitalists raise the wind. If I could feel that that offer would be vigorously and honestly carried out; if I felt that it did not necessarily involve the return to power of hon. gentlemen opposite, resulting in the loss of millions and millions of money to this country by their mismanagement, and in the abrogation of our tariff, which is fast raising us from the slough of despond into a region of hope; if I did not think it would be the death knell to the scheme of connecting the Atlantic

with the Pacific by a continuous line of railway through British territory, I should then be in a position to consider whether I should vote down the scheme proposed to this Parliament by my right hon. friend. But, even then, I would have to consider what might be the effect on the moral and material standing of my country in the eyes of the world; and I confess such a consideration as that alone would appal me. I believe the Government have acted strictly within the authority with which they are clothed as the trusted representatives of this Parliament, and within the authority of the resolutions and enactments which have been passed by this Parliament from the very inception of this scheme. With these credentials they proceeded to England and negotiated a fair bargain with which they have returned to us for its ratification, and I feel that we have nothing else to do but to sustain them in it. That if we refused to ratify a contract which has been thus negotiated and thus brought to a conclusion, we would proclaim that our Government is not to be trusted, and we would render it exceedingly difficult for this Government, or any other Government, to approach at any time, when they need to do so, the capitalists of the civilized world. We have heard a good deal of aspersion of the details of this measure. It has been mildly insinuated by the hon. member for West Durham (Mr. Blake), if not boldly asserted—and I think he would shrink from the assertion—that there is not sufficient guarantee for the completion of the ends of this road, whilst at the same time we have had rolled up before our eyes the tremendous character of the exemptions which are conceded to this Company. There is the monopoly arising from the prohibition for twenty years of any line of railway south of the Canadian Pacific Railway from any point at or near the railway, except such line as shall run south-west or to the westward of south-west. There is the power to the Company to construct and work branch lines of railway from any point or points along their main line of railway to any point or points within the territory of the Dominion. There is the exemption from taxation forever of the Canadian Pacific Railway, its capital stock and all stations, station grounds, workshops, buildings, yards and other property and appurtenances, and for twenty years after the grant made by the Crown of the lands of the Company in the North-west Territories unless sooner sold or occupied. There is the promise from the Government to grant to the Company the lands required for the road-bed of such branches and for the stations, station grounds, buildings, workshops, yards and other appurtenances requisite for the efficient construction and working of their branches in so far as such lands are vested in the Government. There is the restriction placed upon the Government interference with the rates of the Company, having once agreed to them, until the tolls produce ten per cent. per annum profit on the capital actually expended in the construction of the railway. There are the facilities which the Government is to afford to the Company in their financial arrangements. All those are confessedly great advantages. They may have been exaggerated; I think they have been. I think it has been demonstrated in the course of this discussion that the hon. gentlemen opposite have taken a very exaggerated view of those concessions. But let me assume that they have not, to what amount have they been aggregated by hon. gentlemen opposite? We have been told that one member of the Syndicate estimated one of those concessions as worth at least $5,000,000; others have been made to amount to $15,000,000, and others have brought up the sum to $23,000,000. Our apprehensions have been raised to the highest pitch respecting the formidable character of those concessions. We are told over and over again, told upon the high legal authority of the leader of the Opposition, that there is no security for the completion of the work; that they may go on and construct the easy portion of the road, the prairie section, and receive the large bonus in money and lands which apply to it, and then retire from the construction of the ends. The hon. member for West Durham put it in this way, he said:

> "There is, it seems to me, a practical privilege of abandonment, for I do not see anything in this contract of reverter of the railway to the Government or reverter of the land to the Government in case they fail to complete the ends or either end after building the middle."

I would say this: had there been in this contract a provision for reverter to the Government on the failure of the Company to fulfil that portion of the contract, I would have expected the hon. member for West Durham (Mr. Blake) to denounce that as the most stupid blunder of all. I should have expected him to indulge in the loudest denunciation of the Government, for having, as he would have contended, given this Company money enough to build the road at a profit and then prepared to relieve them from the only actual burden, viz.: that of operating the road after it was built. Had there been any power of reverter in this contract, then the Government might have been said to confine itself to that remedy and debar itself from all others, and that in case of the failure of the Company the Government would find that its only remedy was to take the road out of the hands of the Company. But as the contract is now framed, owing to the astuteness and legal acumen with which it has been drawn, we have left to us every remedy which may lie in law or equity, in addition to which we have the power of Parliament to interpret its own acts. But the point with which I started, and which I desire to impress on this honorable House is this: I wish to ask the leader of the Opposition whether these promises by which the Government is bound in this contract, are dependent promises, or are they not? The contract starts with an undertaking on the part of the Company to build certain sections of the railway, and to build them concurrently, to take over the sections constructed and to be constructed by the Government, and to equip, maintain and efficiently operate for all time this continuous line of railway. Not any part or parts, but the whole continuous line from Nipissing to Burrard Inlet is to be the Canadian Pacific Railway. It is in consideration of the performance of the various acts on the part of the Company thus to be performed, of those conditions precedent, that the Government undertake to convey the lands and pay the money stipulated in the contract, and to secure to them all the exemptions of which we have heard so much. Let them fail in one jot or tittle of their contract; let them fail in the performance of any one of the conditions precedent, and what is the result? They may, it is true, from time to time receive appropriations of land and payments of money as the work proceeds, as they construct and equip and have the road in operation for each 20 miles; but let them fail to complete the railway from end to end, and to operate it efficiently after it is built, and what becomes of those favorable exemptions and concessions now placed before us, and which hon. gentlemen opposite have so much exaggerated? What becomes of all that edifice of frightful pictures which hon. gentlemen have constructed with so much art and ingenuity? Why, Sir, it topples like a house of cards. Every concession, every exemption granted to the company in this contract, if it be of substantial value in itself, becomes a substantial security to the Government and the country, not only for the complete construction of the railway, but for its operation by the Company effectively for all time to come. The hon. member for Gloucester, told us the other evening that the Company might be compelled to construct three-tenths of the road, and by that time the railway through the prairie section would be completed, and the Company could abandon the work. But if they should abandon it, the railway would become ours, the exemptions would cease, and the security deposited would fall into our hands. We assume they will not fail in carrying out this contract to completion. It therefore becomes necessary to

enquire whether the exemptions are justifiable or fair in themselves. I feel that these exemptions are favorable to the older Provinces, that they do not bring inconvenience or injury to any part of the Dominion, and therefore should be accepted with satisfaction. The estimated value of each of these exemptions must have been taken into calculation in framing the offer of the gentlemen composing the Syndicate, or why did they insist upon them? By how much they estimated the concession, by so much could they diminish the pecuniary demand. The exemption from taxation is one that should be viewed with satisfaction by the older Provinces which have themselves pursued the policy not only of exempting railways from taxation, but of largely subsidizing them. Would it be reasonable that the older Provinces, having burdened themselves for the construction of their own railways, should now be called to contribute more than necessary the means by which the Provinces yet to be created in the North-West are to be provided with railways, instead of imposing on those Provinces their contribution to that end? The exemption from duties has been made a great ground of cavil on the assumption that it is in contravention of the National Policy. I hold it to be in perfect conformity with the true carrying out of that policy. The National Policy is not simply a policy of taxation, but a policy of development of our resources in every way, as well as of fostering our industries. It might have been, yesterday, necessarily a policy of imposition of duties on certain goods, to protect our various industries; it may, to-day, be a policy of exemption from taxation in certain directions; to-morrow it may be something else. It is a policy which has to adapt itself to the circumstances of the country, which take cognizance of everything that concerns the interest of the country, and therefore the exemption from duties which will aid the development of our North-West is in no wise in contravention of, but is in perfect harmony with, the great National Policy. We have been told this Company has the right to choose the choicest lands of the North-West, and we have had a comparison drawn between the terms of this contract and the Act of 1874. Now, I will confess to not understanding the English language, if the terms of the Act of 1874 are not as large in their operation in favor of the Company as the concessions in this contract. The Act of 1874 provided that lands of fair average value were to be granted to the companies that should contract for the building of the road. Here, I must draw attention to the interpolation in the amendment which was moved by the hon. member for West Durham, an interpolation which that hon. gentleman can hardly justify. It is "that by the Act the land grant is to be taken so far as obtainable along or in the immediate vicinity of the whole line of railway to the Pacific Ocean, and is to be of fair average quality, thus embracing a large proportion not fit for settlement." That word, "whole," does not occur in the Act. It provides that the land is to be taken along the line of railway, and that the land is to be of fair average quality. And when the advertisements were issued, what would any contractor in England or Europe or on this continent understand by lands of fair average quality, but that these lands were to be fairly fit for settlement. That was then the offer on the part of the Government; here there is a stipulation, according to the reading of the contract, that the Company are not to be required to receive lands that are not fairly fit for settlement; and I certainly need not do more than assert that a stipulation of this kind can have no construction put upon it more favorable to the contractors than the words themselves inevitably imply. They are not to be the choicest lands; it is not that they are to have the selection of the lands; it means that when these alternate sections into which the territory is divided the Company have theirs allotted to them, if they object to any it must be shown that they are not fairly fit for settlement —and that I suppose will be determined by the arbitrators —and then they shall have the lands along the branch lines, or upon the frontages which are to be determined by the Government. But I wish to refer to another point in connection with this clause in the Act of 1874, which only more fully confirms the view I have taken of the reading of that particular portion of it to which I have referred. If I read this Act aright, it contemplated the construction of the whole line of the Canadian Pacific Railway through a series of smaller railways. It provided specifically that the road should be divided into four sections; it provided that the Government might divide those sections into subsections, and it provided for the taking of contracts for each of these subsections as so many distinct railways. "Each subsection of the railway as it is in whole or in part completed shall be the property of the contractors, and shall be worked by, and for the advantage and benefit of such contractors, under such regulations as shall from time to time be made by the Governor in Council," and so on. In applying the Railway Act of 1868 to the Canadian Pacific Railway, it is stated that the expression "The Railway" shall be constructed as meaning any section or subsection of the railway the construction of which has been undertaken by the contractors. How can it be said that the contractors were to take lands of fair average quality through the whole extent of the railway; that the contractors for the prairie section, for example, should take lands of average value, taking into consideration the barren or waste lands which might be found in parts of British Columbia, or along the north-western shore of Lake Superior? If the contractors constructed the prairie section, that was to be their railway, and were they not to receive the $10,000, and the 20,000 acres per mile along the line they built? I say that this conclusion is inevitable, and that another of the assertions of hon. gentlemen opposite has been fully, fairly and completely met. Hon. gentlemen grumble at the fact that, for the prairie section, a larger sum is appropriated than would be necessary to construct it, but let me tell those hon. gentleman that it falls very far below what was to be given under the Act of 1874. I may be told that it was not contemplated by the leader of the late Government that $10,000 and 20,000 acres per mile should be granted, and in reply I have only to turn to the statements of that hon. gentleman himself. The hon. member for Lambton, in introducing his resolutions proposed "either by a fresh grant of money to make it an object for companies to undertake the enterprise, or by a combined system of giving both land and money." He "proposed to give a specific sum per mile, in the first place $10,000, and in the next place a grant, the same proposition he said as was made by the former Government, of 20,000 acres per mile," and "proposed inviting the sending in of tenders from capitalists stating the amount for which they would require a guarantee at four per cent. in order to give them what they might deem a sufficient sum wherewith to build the road." "They knew," he said, "that $10,000 and 20,000 acres per mile, supposing it to average a dollar an acre would not build the road. It would more than build it in some parts but from end to end it could not be built." Then shewing that the Intercolonial, traversing a very favorable country, and with the benefit of having purchased within the time of very cheap iron, had cost $40,000 per mile; that the Northern Pacific Railway, with material almost all the way within easy reach, and the country traversed altogether quite as favorable as the most favorable spot in the whole of our territories, and nearer the source of supplies, cost $48,000 per mile, he asserted that there was no reason to suppose that it would be possible to construct this line from end to end for less than $40,000 per mile, or it might exceed that by several thousands of dollars, and parts would

exceed that very much. "They proposed to donate $10,000 per mile to the companies and guarantee of 4 per cent. on the sum named in tenders, 20,000 acres of land being also an absolute grant in each case." Then, Sir, we are told of the vast monopoly in land, and the hon. member for West Durham, in his speech at Montreal, spoke about establishing another monopoly in the North-West, involving the evils of the land laws in Ireland. I believe we can have no better immigration into this country than that drawn from the green fields of Ireland. I agree with him in his denunciation of that system of landlordism which has proved the curse of that country, but I ask him where is the analogy between that case and this? Where is the analogy between a country that has groaned under a system of landlordism, taking its rise in confiscation and absention, and the state of things which will exist in the North-West Territory? Is it not trifling with the intelligence of the country to place before it such a picture as that? With regard to the monopoly in lands I have said that I place no special pecuniary value upon the lands in the North-West. I believe an acre must be its own unit of value. I believe that 25,000,000 acres are less than 54,000,000 or 55,000,000 which were to be donated under the former Act, and are less in proportion to the whole quantity of land which we are supposed now to possess of a quality fairly fit for settlement, in less proportion than the 18,000,000 or 20,000,000 acres of land which was to be given in 1874, was to then known quantity of available land—to say nothing of the 36,000,000 acres to be held in trust for the Company by the Government, and sold as they agreed upon the price. But 25,000,000 acres now is an immense monopoly, when 18,000,000 or 20,000,000 acres of land in 1874 was no monopoly at all. Can any sane man suppose that with 18,000,000 acres of land in the hands of a company, an area exceeding that of the whole cultivable area of the Provinces of the Dominion, and that the quantity of lands in the hands of the Government to be disposed of to immigrants, they would have reached even in twenty years the disposition of the 36,000,000 acres which were held in the hands of the Government to be sold at the cost of the Government, whilst the Company were to receive the proceeds, and that those lands would, within that time, have become subject to taxation? That was the true means of creating a monopoly. The hon. member for Yarmouth (Mr. Killam), referring to the Hudson Bay outlet in his speech the other night, said:

"Now I would like to call the attention of the member for Halifax to that point. What becomes of his winter port for Halifax, if the grain trade of the North-West, instead of going down to Halifax, is either to go down by the St. Paul and Manitoba Railway to New York and Baltimore or out through the Hudson Bay? I think when this subject is brought before the people of Halifax, they will say the hon. member has not been very attentive to his duty in that matter."

I think I may fairly ask that hon. member to consult his captains, and to tell me in what months of the year the outlet through Hudson Bay will be found in conflict with the outlet by Halifax. If we can establish that the transportation by Hudson Bay can be seriously brought into conflict with transportation by the port of Halifax, then I can understand something of his argument. He charged us with violation of duty on the ground that we were to have competitive routes. Did he wish to help us? Did he wish to stimulate us in our duty in that regard? What has he done? Why, he has voted for a resolution which would have given to the offer which has been rejected by this House, his own endorsation and that of this House, for the very reason that it preserved to Parliament and the new provinces the freedom to create competitive routes. There is another point which has been frequently referred to, and that is the standard of the Union Pacific Railway that was selected as the approximate standard for this work, I find in the amendment to which I have referred, that the policy of the Government in the Act of 1874 was to have this road constructed with very low grades, and that we have taken as an approximate standard a railway of very high grades. The American "Railway Manual" of 1873 says, of the Union Pacific Railway:

"It may be noted specially here that although in passing the mountain ranges the Union Pacific Railway attains an altitude of more than 8,000 feet above the sea, the grades do not exceed 80 feet to the mile and compare favorably with those prevalent in the Pennsylvania, and Baltimore and Ohio railroads."

Poor's "Manual of Railways" of the United States further says:

"On the Baltimore and Ohio roads the mountains are crossed at an elevation of about 2,600 feet above the sea and with long grades of 110 feet to the mile. The whole line of the Union Pacific Railway is a very favorable line when its immense length is considered. More than one half of it is practically level, while the mountain ranges are surmounted by grades not in any case exceeding those now existing on some of our most successful roads."

That I think ought to dispose effectually of the objection in the matter of the grades. I began, Sir, by adverting to the advice which hon. gentlemen opposite gave to us with regard to our abandonment of party. I shall conclude by referring a little more particularly to the precepts which they have exemplified in practice. They have proved to be very apt pupils of a writer in the *Edinburgh Review*, who, a quarter of a century ago, undertook to promulge the maxims of parliamentary opposition. Let me read an extract:

"Whatever course the Government may take the oppositionist must be able to find some ground, general or special, for censure. His business with respect to the Government is, in fine, to sustain the part of an *advocatus diaboli*; his office is to state the case against the Administration, to say everything that can be said with plausibility against every measure, every act, and every word of every Minister and every person in the service and under the control of the Ministry. It is clear that such an office (the writer remarks) accompanied with a strong personal interest in misrepresenting, defaming and undermining, the Minister is liable to serious abuse."

I think we have had that exemplified during the past seven weeks. I may now refer to the maxims. I need not refer to those he produced in the first instance, but I will cite those he produces in the second instance:

"Secondly, the measure may be condemned as premature. There has not been sufficient time for consideration. There has been no inquiry. The facts are not ascertained. The papers are not printed. The Committee have not reported. Members have not had time to communicate with their constitutents. The country is taken by surprise."

There was the canon of inspiration for hon. gentlemen opposite, and faithfully have they conformed to it. How have we heard this Chamber ring with the assertion that there was not sufficient time for consideration, that members had not had time to communicate with their constituents, and that the country was taken by surprise. And what they could not find in the *Edinburgh Review* adapted to their purpose they found in the Bigelow papers, where the candidate is represented as relating the story of his campaign, and says:

"We got up percessions, and shouted hooraws,
And marched through the mud for the good of the cawse."

Only these hon. gentlemen got up *pertitions* instead of *percessions*, and the mud they marched through was metaphorical mud. They got up meetings too, and now by their resolutions they call upon us to appeal to the people at the polls. Well, Sir, if we are to relegate to our constituents the duty which they have devolved upon us; if we who have been entrusted by them with the task and responsibility of enquiring into and sifting for them with daily devotion and nightly toil every measure which affects the common weal, are to refuse to shoulder our responsibility and throw it back upon its source; if we who, at least, may be supposed to possess some superior means for arriving at a decision, are to confess ourselves incapable of doing so, and are to wait until the people have mastered every detail of an intricate measure placed before us, until they have mastered the figures and analyzed the sophistries of hon. gentlemen opposite, we shall have to wait until the crack of doom and the trump of the Archangel will sound in the ears of our posterity, while still distracted by the confused

noise of politicians warring over the Syndicate. The hon. member for Gloucester and other hon. gentlemen have referred to a meeting held at Halifax. Well, there was a meeting held at Halifax, addressed by the hon. member for Gloucester, and I may say to my hon. friend that we did not know that he was to honor our constituency with a visit, or we might have thought proper to modify the answer which we gave to the invitation sent to us by the young men's Liberal Club to postpone our return to Parliament for the purpose of attending the meeting convened by them. Whatever may have been the action of that meeting, I think the hon. member for Gloucester has furnished me with an effective answer to it. We know that a resolution passed by a representative body in his own constituency was produced in this House, and the hon. member referred to it in the following terms:—

"It enables me to tell the House that so far as I can recollect not one of those gentlemen ever voted for me at any election, but that every one of them, so far as I know, opposed me at every election; opposed me when my majority was nearly 1,200, and did their best to prevent my election, and I think if I recognize one of the names, it is the name of a gentleman who opposed me as a candidate."

I have not the names of the gentlemen who occupied the body of the hall at Halifax, but I have the names of all the gentlemen who occupied seats upon the platform, and with the exception of two, I think I may apply to every one of them the language of my hon. friend. I can say that not one of them as far as I can recollect, voted for me, but that every one of them, so far as I know, and I do know, opposed me at each election—opposed me when my majority was—I cannot say 1,200, but I trust that I may be able to say so if the Government continues on its present course, but when my majority was nearly 900 in the city of Halifax and Dartmouth, and did their best to prevent my election. I may go further and, using his words, say that I recognize one of the names as the name of a gentleman who opposed me as a candidate. In fact, Sir, the only representative character of that meeting was its representation of defeated representatives. It was presided over by an ex-representative, now the representative of a defeated party. The hon. gentleman was escorted to the meeting by defeated candidates, and had defeated candidates upon the platform to right and left of him. I have received many letters from my constituents, not one of them, save that conveying to me officially the resolutions passed at that meeting to which the hon. member for Gloucester (Mr. Anglin) has referred, breathe the slightest doubt regarding the propriety of ratifying this contract. They all approve of it, and a Liberal Conservative Association in Halifax, in its annual meeting assembled, when it heard of the passage of the railway resolutions through Committee, telegraphed to my hon. colleague and myself its congratulations, adding that the members unanimously approved of the terms. I trust hon. gentlemen opposite will at least give me credit for knowing how to gauge the feelings of my constituents, and how to consult their interests, as well as my hon. friend can instruct me. He, Sir, would be a mistaken and unworthy mariner on the political sea, who should at all times trim his sails to catch the popular breeze; but it is well for us when we have the wind from that particular quarter with us, as I believe we have at present; and so far from concurring in the predictions of hor. gentlemen opposite, I believe, that should it freshen to a gale, it will prove for us a propitious gale.

Mr. BRECKEN. I will not detain the House long, and I should have preferred to follow the hon. member for Gloucester (Mr. Anglin). The petition presented by that hon. gentleman from Prince Edward Island was the most numerously signed of any laid before the House, and on that account it had the advantage of receiving a good deal of attention. My colleague, the hon. Minister of Marine and Fisheries, characterized the nature of that petition. Of course I was absent from the Island when it was signed, and I cannot speak of my own knowledge respecting the signatures. I have gone over the names and I find there are signatures in duplicate; whether they have been placed there by accident or designedly I cannot say. I am not going to speak disparagingly or disrespectfully of a petition coming from my constituents, because I recognize that the right of petition is one of the dearest rights possessed by the people of a free country; but I will give some reasons why that petition will not thwart me from sustaining the vote I have already given. The petition presented by the hon. member for Gloucester was accompanied by a letter from a young gentleman who has been for 18 or 20 months at the Bar of the Island. I observe in that letter addressed to the Hon. Mr. Haythorne, the writer says:

"The people here will not trust any of the other five members, so if Mr. Yeo is not back we would like to entrust it to either Mr. Anglin or Mr. Cameron, the former preferred because of his being from the Maritime Provinces."

I am sensible of this fact that I would have felt it to be my duty to have presented the petition if it had been forwarded to me, although I might have dissented from its prayer, and have not felt that I could vote in accordance with its prayer. There are thousands of names in the petition who would have trusted me with it, and I look upon that paragraph in the letter as one of those many gratuitous insults and taunts that have been thrown in our faces again and again by the bad taste and political malignity of our political opponents. I will state one reason why I do not consider it my duty to vote in accordance with its prayer. I hold that the position of a member of Parliament is not that of a delegate, a mere repeating machine; but he is sent to Parliament to examine, judge and discuss the questions submitted and to vote according to what he believes to be right; and he returns to his constituents when Parliament dies either a natural death or comes to a premature end, which is not probable at present, and renders an account of his stewardship. I do not know whether dead men's signatures are on the petition or not; but I have received letters from highly respectable men on the Island, who are not very ardent supporters of the Conservative party, informing me that a number of the signatures to the petition are those of minors. The hon. member for Prince (Mr. Yeo) made the assertion, and I am sorry he made it, that if time had permitted he could have obtained the names of nearly all the electors of the Island to the petition. I admit the hon. gentleman knows a little more than I do about Prince county, but he does not know half as much as I do about Queen's county, and I can tell him that from Charlottetown, which I had the honor to represent for thirteen years, there is not a Liberal-Conservative name on the petition with a single exception. Moreover, while I admit there are very respectable names, the most prominent Reformers are absent with the exception of three or four. If I were to vote in accordance with the prayer of that petition hundreds of men whose names are upon it would not thank me for doing so. Meetings were held—indeed I think they were inaugurated here, and resolutions were sent to the Island—called by our political opponents, and the manner in which the Government measure was represented, was simply discreditable; and I can tell the hon. member for Gloucester (Mr. Anglin) there is not a crumb of comfort to pick up out of the agitation, and that we will be delighted to see him there, for we are not afraid to meet him. Those meetings were conducted by the Liberal party. This contract was grossly misrepresented. Take for instance what the principal gentleman in this agitation said about the standard question. He said:

"Now, what sort of a road is it that this Syndicate has to build? Its model is the Union Pacific Railroad—not, mark you, as it was after being

rebuilt, not as it is now, but as it was when first constructed. And here he would point out an important difference between the contract with the Syndicate and the one with Sir Hugh Allan. In both the model is the Union Pacific. In the contract with Sir Hugh Allan it was as that road was after it had been re-built at a cost of millions of money to the United States. In that with the present Syndicate it is as it was when first constructed. And what was the Union Pacific when it was first constructed? It was the flimsiest kind of a road. Its ties were of basswood or poplar, and other un-substantial material. Its rails were of iron. There is no limit to the grades of this proposed road."

He had got his cue from the hon. member for North Norfolk (Mr. Charlton) when he said the ties were of cottonwood and basswood, and the road was ballasted with lumps of dirt. Those who signed that petition did so under the impression that the Government were giving $25,000,000 and 25,000,000 acres to build this clap-trap railroad. Another gross misrepresentation was in respect to the allotments of lands. The gentleman who spoke knew the weak point of the people of Prince Edward Island. We suffered for years under the absentee system, but, thank goodness, we have been emancipated from it. In order not to misstate I will read what he said on this point:

"But this is not all. The most infamous part of this wicked bargain has yet to be told. It is said that the Syndicate land is to be taken in alternate blocks, no part of which is to be more than twenty-four miles from the railway. Now, this phrase 'alternate blocks' has a good sound. On the face of it, the division seems to be a fair one. But there is a 'but' in the business. It is provided that if any of those blocks, in the opinion of the Syndicate, is unfit for settlement, they can choose other lands from those held by the Government, and it is further provided that if any of the land is swampy or barren or occupied by water stretches or river or morass, it is not to be calculated in the concession, but the Syndicate can select portions of arable land sufficient to make it up. Now, what does this mean? It means that all the arable land within twenty-four miles of the railway is to be given to the Syndicate."

There was not a man who signed that petition who was not induced to do so, through misstatements such as this. Many of these signatories are respectable men who, I believe, if they had as much light on the question as has been thrown on it in this House, would have withheld their signature. I would be a coward and recreant to my duty if I allowed this petition, even were it signed by 14,000 instead of 4,000, knowing the means by which it was obtained, to cause me to deviate from the course which I believe to be in the true interests of the country. Mr. Warburton, in his letter, which the hon. member for Gloucester read, assures this House that all the signatures to that petition were the signatures of electors of Prince Edward Island. I have been twenty years connected with politics in that Province where, as the hon. member for Gloucester said, there were many of the same name, and I would not venture to say whether the signatures were those of electors or not; and the assurance of Mr. Warburton is not worth the paper it is written on. I feel perfectly satisfied that not 25 per cent. of the men who signed that petition had an opportunity of an unbiassed consideration of the merits of the question, and I know there are men in Prince Edward Island who would sign a petition to hang, draw and quarter every one of us, politically. Their policy is: "No good can come out of Nazareth." When this work will have been in operation two or three years, those most opposed to this contract will recognize its merits. I do not believe that there are 10 per cent. of the signatures upon that petition who are men who ought to sway the mind of any hon. member of this House. I believe that the contract is a good one, and that it is in the interests of the country, and I believe that those of us who support the Government will find when we go to the hustings that the people will recognize that we have discharged the duty that was reposed in us by exercising our common sense and refusing to be deluded and humbugged by our practical opponents.

Mr. KILLAM. I merely wish to say, with reference to the speech of the hon. member for Halifax (Mr. Richey), that, in common with, I am sure, all hon. members who listened to it, I heard it with a great deal of pleasure. He seems to have gone fully into the question, and, perhaps, if his speech had been delivered at an earlier period of the debate, many of the speeches made upon this side would have been unnecessary, and some of the amendments and in consequence some of the speeches made by hon. gentlemen on both sides might have been dispensed with. No doubt a speech which, like that of the hon. gentleman, occupied six weeks in compiling, and which the hon. gentleman has been able to add to from time to time, should be one covering the whole ground and be practically effective; but the hon. gentleman and his references to what I have said on previous occasions, has failed altogether to touch the points I raised. When I referred to the hon. member for Halifax, I was speaking about the taxation which would be imposed so suddenly upon the people of Nova Scotia, and I said I thought it was his duty as representing the metropolis of that Province to have protested against that imposition both in Halifax and in this House. I said that this contract, by increasing the debt of the Dominion too rapidly, was placing burdens on the people of his Province which were unjustifiable. My remarks were general, and applied to other Nova Scotia members in the House—some of whom were here before me and some of whom have come in since. I believe that true patriotism does not consist of a blind support of party such as the hon. gentleman from Halifax accords to the hon. Minister of Railways; but that true patriotism at this time is to consider the position of our Province and of the Dominion as a whole, and to see that unjust burdens were not imposed by reckless Governments to the disadvantage of the people. I also referred to the outlets from the North-West, and the hon. gentleman has taken me up on that question. I was led up to my remarks by the speech of the hon member for Provencher (Mr. Royal), and from what I had read of the speech of the hon. the Minister of Railways at London. I gathered from them that at present, at all events, there would be no outlet from the North-West except by St. Paul. The hon. member for Provencher said that the people of Winnipeg were dissatisfied with that prospect, but since they have been told that there was an alternative line to be built by way of Hudson's Bay, they have become more contented. I thought it no more than right—and I think I said so kindly and properly—that I should warn the member for Halifax, that the interests of his city were being affected in this particular. It is not necessary for me to enlarge on this point, because both the member for Halifax (Mr. Richey) and the member for Queen's (Mr. Brecken) have admitted at the close of their speeches that the feelings of their constituents are against them, as I believed they were when I spoke before, and in which belief I am confirmed by every report which has reached me from that Province. I do not care to throw out useless challenges across the floor, but I think that while we hold the views which we do hold, we can only wait until the electors in the different localities have an opportunity of deciding upon them.

Mr. ROBERTSON (Hamilton). I feel very reluctant to prolong this discussion any further, but occupying as I do the position of a representative of one of the most important constituencies in this Dominion, I feel I could not take leave of this question without saying something with reference to it. Whatever may have been the case three or four weeks ago, with reference to the general question it cannot be said now that it is not well understood. The general principles of this measure have been discussed on both sides of the House, and I am sure there is not an hon. gentleman here who does not understand it fully and thoroughly. In fact, I may say that there is not a man outside of this House, within the Dominion, who takes any interest whatever in public affairs who is not conversant with the merits and demerits of this contract and the

Bill now before the House. The discussion has been conducted most ably on both sides of the House; and while I think the hon. gentlemen who have presented their case from the Government point of view have had the advantage, I am not so illiberal as to imitate the example of the hon. member for Lambton, by saying that I can see no merit, no argument, or no virtue, in anything that was said on the other side of the House upon this question. The subject has also been very fully discussed in the country. During the recess we had nothing else to talk about except this Pacific Railway measure, and the people have considered it fully, and I am satisfied that although there was some reluctance on the part of the Government at the time to grant an intermission, that the longer that intermission was, and the more the question has been discussed in the House and before the country, the stronger does the Government stand in the hearts of the people with reference to it. Now, Sir, it cannot be said that this is a new question. It cannot be said that it was sprung upon the country, when the papers were laid on the Table of the House on the 10th of December last, because we all know that since the days of Confederation the question of a great national trans-continental railway has been a matter that has been considered and thought about by all statesmen. It was considered then that Confederation would not be an accomplished fact until all British North America was united and in one Dominion. It was known then that in order to keep that Confederation intact, the Atlantic Ocean must be bound to the Pacific Ocean by an unbroken chain of railway on Canadian soil. This was the aspiration of all statesmen of that day, both Liberal and Conservative, and there has not been a Government from that time until the present that has not had its Canadian Pacific Railway policy. I do not intend to take up the time of the House by showing how the patriotic efforts of the right hon. gentleman who now leads the Government, were frustrated when he brought down his first great scheme for the purpose of carrying out this idea. But, Sir, I will say that when the history of this country comes to be written by an impartial hand, and by one who will have naught of party hatred, but who will aspire to be an honest historian, I venture to say that there will appear amongst the names of those arch tricksters, who so successfully carried out their fell purposes, the name of one who has not yet had his fair share of the ignominy, which has so far been placed upon those who took no less the desperate part, but who played the character with less disguise. When it was first announced last autumn that a bargain was likely to be made by the Government with a Syndicate, it was received with the greatest satisfaction by all parties. Men felt as if they were relieved of a burden which might some day or other crush them. They felt further that if that road, after it was constructed, could be worked and carried on without the assistance of Government, a great boon would be granted to this country. I am satified that is the opinion of the people at large still. If it were not for the party exigencies that are now prevailing, that would be the all but unanimous opinion of the people of this country. Now, Sir, we know that almost as soon as the contract could be read after it was placed upon the Table, the members of the Opposition began to find fault with it and endeavored to pull it to pieces. The first thing we heard was that after a caucus was held, a manifesto was to be issued to the whole people that would carry consternation into the ranks of the Conservative party, and that it was to be the banner under which the hon. gentlemen opposite were to march gloriously to power. The country waited with bated breath. The people knew the mountain was in labor and expected that something would be brought forth. But what was it? I hold in my hand what certainly cannot be called anything of more importance than a mouse. I hold a document which instead of being a great manifesto to the people of this country has dwindled down to the insignificence of a memorandum, a poor bantling that has no father. It was supposed this great manifesto would be signed and sealed by the leaders of that great party. It was to be their confession of faith on this question. But when it was produced it had no known father, it was not even signed by a Reform member of the House of Commons, but simply was said to be by a member of the House of Commons. I can understand why those hon. gentlemen did not wish to reveal the authorship of this document. I felt when I saw it that they would probably be ashamed of it in a short time, and that they wished to be in a position, on some future day, to say: "Why, there is no evidence that it came from the Reform side of the House. It is from a member of the House of Commons. It is some wretched Tory who has produced this document." I do not think I was very far wrong when we consider the policy those hon. gentlemen pursued in 1873 by stealing letters, and doing other disreputable things that ought hardly to be mentioned under the light of the sun. They were not satisfied to issue this document as coming from themselves, but in order to give it an air of respectability they palmed it off upon the people as coming from a member of this side of the House. I hold in my hand a copy on which is printed at the top: "With Thomas Robertson's compliments." It is unnecessary for me to say that I had nothing to do with its production. It is a well-known fact that there is another hon. gentleman in this House whose name is "Thomas Robertson." I have no fault to find with that hon. gentleman issuing that document under his auspices and under his name, if he would only give it a distinctive mark and not be ashamed to say that he came from Shelburne. What I do complain of is that it has been sent to numbers of my constituents. Hon. gentlemen no doubt considered it a joke; but when I tell him that the crime of forgery was committed in sending it, they may consider the matter more serious. I have in my hand two of the wrappers which were sent to the city of Hamilton—and I suppose I could have obtained a dozen—and I find that my initials are forged on the wrappers. I merely mention this circumstance to show that hon. gentlemen opposite are only pursuing that contemptible and ungentlemanly practice they indulged in in 1872 and 1873. These documents were addressed to political friends of mine in the city of Hamilton, and the wrappers are franked with the initials "T. R., M.P." Now, there is no other gentleman in this House except my hon. friend from Shelburne who has these initials, and that hon. gentleman has declared to me that he knew nothing of the matter, and that the writing was not his. I therefore acquit him of the act, but some hon. gentleman on that side of the House, I have no doubt, committed the forgery and is responsible for it. It is not extraordinary that these hon. gentlemen smile at and glory in this matter, it is quite in accord with this mode of party warfare. They were never guilty of a statesmanlike act in their lives, as the country well knows and has punished them for; but this business is of a piece with their pernicious acts. It is a great misfortune that this country is placed in a position so unlike that of any other country, because I believe every country under the sun can boast of her children being patriots; but I deny that that spirit is to be found in the hearts of hon. gentlemen opposite. Anything for them so long as they get place and power, and after they do get it they have not the capacity to govern the country as statesmen should govern it. They decried the National Policy, and told us it was going to ruin the country, and they have been doing everything they could to make the people believe that. They have not succeeded, but unfortunately their papers, their speeches and their vile insinuations are carried across the Atlantic, and gentlemen of capital and enterprise who would have come here

and embarked in various industries, are afraid to do so, and until the people ratify, at another general election, that policy by an unmistakable majority, the interests of the country must materially suffer. It is the same with the question now before the House. Although this House, by a majority of eighty-six, a majority unequalled on any question since Confederation, has declared that the railway policy of the Government is the proper one, what do we find? It is stated in the press—and I presume with the authority of hon. gentlemen opposite—that notwithstanding that this contract may become the law of the land now, yet the Reform party will not be bound by it, and the first opportunity they get they will rescind it. Hon. gentlemen were not satisfied to leave this question to the people, in order that they might discuss it among themselves. In the interests of their party, and with the view of embarrassing the Government, in which I am happy to say they signally failed, they got up an agitation. That agitation was begotten here; it was not the spontaneous outburst of any section of the people. They were told that they must agitate against it, and the organs of the party have done all they could to create and assist that agitation. Before it was known what the bargain really was the *Globe* newspaper found fault with it. It first built up a man of straw, which it called the bargain, and then knocked it to pieces. It has been said that the country had no notice of this bargain being made, and that no opportunity was given to other capitalists to make an offer to the Government. Why, from the very time it was first stated that the members of the Government had gone to England to endeavor to make an arrangement, the *Globe* kept the matter before the public daily. It was afterwards announced that the bargain had been made, and when the right hon. gentleman and his colleagues came back to this country to settle the details, we were told day after day that the settlement of these details was going on. Yet hon. gentlemen say no notice was given to the country. Well, Sir, the agitation having failed, meeting after meeting having been called without producing the desired effect, we heard whispers that a new Syndicate was to be formed, and a new offer made. At last this new offer is brought down and handed to the Minister of Railways, who lays it on the Table. Sir, the House must pardon me if I recite a story, which I was reminded of, when I heard of that affair. It put me in mind of the fable of the fox and a certain little animal that has not a very agreeable odor. This little animal paid a visit to the house of the fox and asked for admission. The fox declined, saying, "I do not know you." "Why," said the little animal, "I am a fox;" feel my hands, they are like those of a fox; feel my nose, it is that of a fox, and above all look at my tail, that is like a fox's." "True," said the fox, "your hands, your tail, and your nose, are like those of a fox; but you smell very much like a skunk." That is exactly the way it struck me, with respect to the second Syndicate offer. It had all the appearance of a *bonâ fide* offer on the face of it, but when you came to sift it, to understand it, and see the names of the gentlemen who were at the bottom of it, you understood exactly that it was a fraud. I wish to say that, while there are gentlemen connected with it who were induced to join that Syndicate, of great respectability and wealth, I do not want it to be understood that I attribute to those gentlemen any fraudulent intent; but what I mean to say is that there was a fraud in its inception; that hon. gentlemen opposite suggested it, and that by means best known to themselves, they induced some of their political partizans to take the matter up and endeavor to form a Syndicate. They succeeded in doing that, and those political gentlemen who were asked to get up the Syndicate knew perfectly well that the Government could not accept the offer. But I believe there were gentlemen who joined the Syndicate who did not know that such was the

fact; they were humbugged into the idea that there was a good thing open, and that the Government must, as a matter of course, in the interests of the country, if they underbid the other Syndicate, accept their offer, and I believe it was on these representations that a respectable and wealthy firm of gentlemen in Hamilton, Messrs. E. & C. Gurney, were induced to join the Syndicate. I may make the same remark with respect to Mr. William Hendrie, a gentleman who is not a politician, but a man of means, who is greatly skilled in railway work, and a large railway contractor and who would be influenced by Mr. J. Stuart, his colleague on the Hamilton and North-Western, and Mr. J. Proctor, another colleague. I do not give credit to Mr. A. T. Wood, a late member of this House, or to Mr. J. Stuart, also a member of this House for a short time, for being in that position. They knew perfectly well that the offer of the second Syndicate could not be accepted by the Government; and they are such strong partizans they woutd not hesitate to do what they could to assist their friends in the Opposition benches and embarrass the Government. If this is not so, why did those gentlemen not think of this thing before? They cannot say they had no notice, for it was known that the Government were only too anxious to negotiate with anyone who had the means for the construction of the road. But those gentlemen did not then make an offer. How could the Government now accept this offer? It was a most absurd thing to imagine that they could under almost any circumstances. Before they accepted the offer they must notify those with whom they had already contracted that the bargain was off, and before negotiations were concluded and the House ratified the desired arrangement, we would have another Syndicate offer brought down, and hon. gentlemen opposite would be delighted to find that the Government was being embarrassed from day to day, that new syndicates were being organized and the time of the country wasted and the great hope of the Opposition almost carried out, that the building of the railway would be postponed for all time. In comparing the new offer with the contract, I observe that there is a great similarity between them; it is true, less land and money is offered to be received, of these I need not repeat what has already been said. I think, on the whole, that the contract is far more beneficial for the country than the new offer; but it has struck me as singular that several of these gentlemen are said to be, and are, in fact, interested in the Ontario system of railways, and we know that the Toronto Board of Trade has petitioned this House with reference to the effect of the 24th and 25th clauses of the Act of Incorporation, claiming that the interests of Ontario are not sufficiently protected by the 24th section; but, Sir, I find that the new Syndicate have adopted the very same form of words. There is a strong feeling with respect to these sections, and I mention this in order to draw the attention of the Minister of Railways to the fact and suggest to him that, in the interests of Ontario, when he introduces his Railway Amendment Bill he will take notice of it, as I understand he is disposed to do. In those sections there are certain provisions made with the view of keeping the Ontario system of railways perfectly independent of the Canada Central Railway, and according to my idea, the 24th section covers all that is required; but it appears that in the estimation of the Toronto Board of Trade, and other gentlemen who reside in Hamilton, there is a difference of opinion about that; and they seem to be alarmed for fear that, in case the Canada Central should become the property of the Canadian Pacific Railway, the Ontario system of railways will not be fairly dealt with. I have said before that hon. gentlemen opposite, thought it necessary to get up an agitation, that that agitation was not spontaneous, but

that agitators were sent through the country, and the leader of the Opposition opened the ball in London, afterwards proceeding to Hamilton and Toronto. When I heard that the hon. member for West Durham (Mr. Blake) was going to address a mass meeting, as it was called, in Hamilton, for the purpose of laying this matter of the Syndicate before it, my colleague and I dropped a note to the hon. gentleman asking him if he had any objection to discuss the question on this occasion, with another gentleman, in order that the people might have an opportunity of hearing both sides. I received a courteous reply informing me in so many words that he did not think it could be done; however, he would leave the matter to the committeee which had invited him to speak, and if they were desirous it should be so he would place himself in their hands. He also intimated that a copy of our note, with his answer, had been sent to the committee. You may be sure that the gentlemen in Hamilton could not see their way to such an arrangement, and the consequence was there was no discussion. I am not one to suggest for a moment that the member for West Durham is afraid to meet any man. I presume he thinks there is no man in this House who is worthy of his steel. He informed me that my hon. and esteemed friend from South Wentworth was to be one of the speakers at that meeting, with the view, no doubt, of assisting to convert the unrighteous to repentance, and make all the citizens of Hamilton good followers of the hon. member for West Durham. The meeting took place, and a large meeting it was. There was no one there to represent the other side, for the reason that none would be admitted, although I begged to be allowed to, and that the hon. Minister of Railways might be allowed to attend. I felt the hon. member for West Durham might turn up his nose if I were to be his opponent, so I informed him that the hon. Minister of Railways had expressed his willingness to attend; but that made no difference. One would have supposed that when the hon. gentleman had it all his own way, when the Music Hall in Hamilton was packed, his eloquence and powers of persuasion would have been sufficient to convert the whole city, and petitions would have been sent from every quarter of it praying this House not to pass this measure. But not a petition has been sent. Not the slightest excitement took place and the hon. gentleman made nothing by his motion. His speech was talked of certainly for a couple of days later. He was said to be a most magnificent speaker, well known to be a very able lawyer and special pleader, who presented his case in a way that must have carried conviction had there been truth or force in the arguments he used, or had the people no common sense; but the people of Hamilton have common sense, they read the papers, they reason for themselves and will not allow the eloquence of the hon. member for West Durham nor his legal skill to carry them away, against their better judgment. The meeting resulted in nothing, and my colleague and myself are plied with letters asking when this cruel war will be over, when the contract will be ratified. All want to see the question settled, and settled exactly as the Government have agreed with the Syndicate. In saying, as I did, that nothing came of the meeting, I was not literally correct. One of the grievances the hon. gentleman presented to the people of Hamilton was this fact, that the Syndicate would hold their lands back and create a land monopoly, taking advantage of the Government settlers, who would increase the value of their lands. Somebody suggested that would not be altogether an unmixed evil, for the settlers could then use the Company's lands for the purpose of grazing their cattle; but the hon. gentleman, quick as thought, said the Syndicate would fence in their lands, and then a calculation was entered into to show how many miles of fencing and how many thousand tons of nails they would use, and how many post holes would have to be made. The question arose whether these post holes should come in free of duty, because it was suggested the Northern Railway would be defunct and might transfer their post holes to the Syndicate. More than this came out of the discussion. It was suggested that a monument should be erected to the memory of the hon. member for West Durham. All men, no matter how clever they may be, must some day die; but this monument was to be erected on the political death of the hon. member, which it was predicted would take place about the year 1883. It was suggested a magnificent statue should be erected to his political memory, in the middle of a 640 acres square, to be surrounded by a magnificent pine board fence, with post holes imported from the Northern Pacific Railway; that the monument should be in marble, that from the shoulders of the figure the mantle of Aurora should be slipping off—and in parenthesis permit me to say that that mantle is very thin—that in his left hand he would hold a scroll, said to be the refused offer of the new Syndicate; and that a phantom cow from West Elgin would appear looking most wistfully at the grass, while in the right hand of the figure would be a placard bearing the warning: "Keep off the grass."

Mr. HUNTINGTON. I have been a listener during a considerable part of this long debate, at which it was not my good fortune to have been present all the time. I have been pleased with the ability which has been displayed in the discussion of this great question on both sides of the House. I have not, myself, taken part in the debate, because a great portion of the time I was not here, and when here I contented myself by my pride in the ability with which my colleagues on this side have discussed the question, and I registered my views by my votes. I would have been better pleased if, since we seem on the whole to have got on in this debate with good nature, the special orators of the Government side had not been set up, just now, to call us all the bad names with which they seem to be familiar. The hon. member for Niagara and the Minister of Marine and Fisheries agreed in this particular, though they may differ in some things. The hon. member for Niagara is, I think, not so genial, not so gracious, not so gifted, shall I say, as the hon. gentleman who has dwelt down by the sea all his life in a softer atmosphere, and who has probably enjoyed the advantages of better society than the hon. member for Niagara, who betrays the cold frigid latitude from which he comes. I say nothing of the want of courtesy which he sometimes displays, for, unlike the hon. member for Queens, he has not enjoyed the refining effects of learning and good society, and all the genial influences which culture can confer upon a man. But in all other respects these two hon. gentlemen whose names began with a particular letter are as like as two peas. They have a common contempt for the Opposition. They both regard the gentlemen on this side of the House as no gentlemen, indeed there are none on this side or in our party; the party of gentlemen in which the hon. member for Niagara is so distinguished a light sit altogether on the other side of the House. I do not, Sir, dispute that the gentlemen over there are gentlemen; but I do dispute that the men of learning and culture, the men who deserve the respect of this House are the men who rise and indulge in such wholesale denunciations of a great party as the hon. gentleman did to-day. Does he want the country to believe that he is so far removed from that wisdom which should distingulsh a member of Parliament—does he wish them to believe that he is honest when he rises in his place and expresses contempt for the abilities of all the men who sit on this side of the House? Does he want the country to believe that he is honest when he expresses his contempt for the whole Reform party and for the men who have led that party for years in this House? On the other hand—for the hon. gentleman must take one horn of the dilemma or the other—does the hon. gentleman wish himself to be registered as a man who knows nothing of the history of

the men in this House or of a party in this country; or does he wish the people to believe that he was insincere and that he was looking into a mirror when he described the pot-house politician? I would be unwilling to say a disrespectful word of the hon. gentleman—to say a single word which could at all deteriorate from that courtesy which I know the hon. gentleman is capable of displaying; but what would the country think if we sat by and allowed a gentleman of his eminence and learning and culture to hurl at us such epithets as he has hurled across the floor to-day, without holding up the mirror to him? What a blessed and a pleasant thing it would be if we could "see ourselves as others see us." Let the hon. gentleman look at his distinguished colleague, the Minister of Marine and Fisheries, the hon. gentleman who does not like to have people allowed to carry prayer-books around with them. I do not speak of the general ability which that hon. gentleman displays in the discharge of his duties; I do not speak of him as a foul renegade, as being no gentleman, as being a pot-house politician, as he has chosen to speak of those who are at least his equals. I shall speak of the hon. gentleman only as he has displayed himself, and if I am compelled to do this not only in the vindication of the rights of this House, but in the fulfilment of my duty, it is because the hon. gentleman has obtruded an ugly presence in this debate which should call for the censure not only of the members on this side of the House, but of those who sit around him, and who I doubt not regretted the tone he assumed. I want to tell the hon. gentlemen of the other "P," the distinguished member who comes from down by the sea, and who I hope will be recognized by the culture, the education, the refinement and the geniality which distinguish him—I wish to tell him who talks so glibly about his betters—and as the hon. member for Gloucester (Mr. Anglin) said, I have no doubt that he is kind-hearted when he is not mad with the spirit of partizanship—that perhaps he has not been long enough in this Confederation to understand the question he talked about. He talked of us as if we belonged to the party which had made itself disreputable in public life. We could forgive the hon. member for Niagara for saying—as I understood him to say—that the leadership of this party had always been a disgrace, that we had always upset ourselves by the want of ability in our leaders—I say, we could forgive the hon. member for Niagara for saying this of a party which from the days of Robert Baldwin has been nobly led. The hon. gentleman could be forgiven on the ground that he sacrificed his manners to his partizanship in making a declaration which he must have known he was not justified in making, and which he must have known placed himself in an undesirable position before the country. But, Sir, we cannot forgive the hon. Minister of Marine, although I believe that hon. gentleman disturbed his colleagues more than he disturbed us. It was amusing to see them wince as the hon. gentleman did that which seemed so like nothing else as the act of hurling a fish from one counter to the other. We could forgive that hon. gentleman a great deal, but we should not be forgiven ourselves if we did not take this opportunity of correcting his ignorance. When he speaks with contempt of the Reform party and its leaders let him understand that to that party is due, every amelioration of the condition of the people, in the sense of extending their rights and privileges, which has ever been granted in this country. From the time when the Reformers of this country, fifty years ago, were denounced by the Tories of that day as the Reformers of this day have been denounced here to-night, down to the present; every attempt which has been made to secure privileges to the people, every attempt which has been made to put less burdens and more responsibilities upon their shoulders, has been steadily advocated by this side of the House and as steadily resisted by that. If the hon. gentleman can mention me an instance in exception I will be glad to have him do it now. I would be pleased to sit down and let him have the opportunity. The members on this side of the House have never put forward offensively their claim to be considered a "party of gentlemen," but they have always been the advocates of the rights of the people. They have always, at least, enjoyed the confidence in the main of those who read and think, of those who act upon their convictions. But this, Sir, is no new thing. It does not apply alone to Canada. It is an element in the very principle of Liberalism the world over. You Conservatives, as you now call yourselves, do not like the word Tory. Our celebrated *litterateur*, Goldwin Smith, has said you do not like that word; it is too old-fashioned. For myself, I think it was a respectable name, and I think when you shook off that name you did not shake off the shackles of Toryism. But, as Mr. Goldwin Smith said, you had to have a deodorizer, and so you called yourselves Conservative-Liberals, or rather Liberal-Conservatives, for I believe that is the name you have adopted; but if you look at the history of the efforts which have been made by slow degrees to win the rights of the people of this country from the early days you will find that although the Tory party sometimes yielded, under fear of loss of power, though sometimes when the majority was against them, they accepted position and salary and carried out the behests of the men they denounced, and thus became the dominant party, yet to the advocacy and the efforts of the Reform party has been due every great measure tending to the amelioration of the condition of the people. From the days when constitutional government was one for Upper and Lower Canada, from the days when municipal institutions were fought for in Upper Canada and seignorial tenure was the question upon which parties divided in Lower Canada, every great measure tending in the direction of popular rights was initiated by the men whom you denounce to-day, the men who sat on this side of the House the men whom you denounced then as you do now. At your head in the days when municipal government was first talked of in Upper Canada, even a Tory Governor went so far as to declare that municipal reform meant annexation to the United States. They have constantly declared from that day to this that annexation to the United States would be the terrible consequence of every reform we have tried to carry out, and which they have resisted. One day it was municipal institutions, the next day it was constitutional government. All the way down that has been the attitude which the Conservative party, or the Tory party, as you may please to call it, has held towards the Reformers in this country ever since we had anything to reform. Whether we have been in a minority or a majority there was always the same wave of misrepresentation, the same wave of abuse as that with which the hon. gentleman who last spoke has seen fit to close the debate. We have heard a good deal during the progress of this discussion, and particularly from the last speaker, about partizanship. The partizanship of the Opposition is something which seems to be rank in the nostrils of the hon. gentlemen opposite. Let us see exactly what is the partizanship of this question. I will not go back far. But who are the partizans in this House *à propos* of the Syndicate question? What did the Government do after they made the contract? They called Parliament together. What did they call Parliament together for? Was it merely to register their decrees, or was it for the purpose of getting the opinion of Parliament? Why, they might as well have said to the members of Parliament: "You need not have come here, because we have already settled the thing. If you want to come and vote us down, come on; but if you intend to stick by us, stay at home." When we arrived here the Government presented the House certain documents for its consideration. Certainly one would have thought from the first start that there was an intention of consulting the House. I have seen a patriotic course of

that kind pursued by gentlemen of both parties when a matter of great public consequence came up for the consideration of Parliament, and Governments have been willing to take the House into their confidence. But in the present case the disposition of Ministers has been quite the opposite. They have said in effect: "Don't make a suggestion, because we will not dot an *i* or cross a *t*." And from the day we came here and during all the discussion that has taken place the attitude of the Government has been simply—if you don't accept this contract just as we present it to you we will go out of office at once. They would not accept the smallest suggestion from any of their supporters. The hon. member for Halifax (Mr. Richey) has just stated that he would be almost tempted to vote against this bargain if he did not believe the terrible Opposition would come in. Is that not partizanship? The hon. gentleman was so frightened that he would vote for a bad bargain rather than jeopardize the Government. What would that hon. gentleman, and others like him, have done if the terms of this contract had been doubly as onerous as they are? Let them ask themselves this question in that calm, friendly, and dispassionate manner which they have been recommending to us. If the exemption from taxation and from duties had been more extensive, the money and land compensation doubly as great, and the Government had said: "We will have the contract carried or else we will go out;" does the hon. gentlemen on the other side pretend that in that case the Government would have been driven out of office? Perhaps not. There are many people in the country who believe as I believe, that the hon. gentlemen opposite would have voted almost any Pacific Railway contract rather than see the Government fall. Whence then the partizanship? On which side of the House is it? We have been obliged to take care of ourselves, and have defended ourselves when the Government have risen and hurled epithets at us. The Government refused to accept suggestions from us, and then because we make suggestions we are unfaithful to the country. I say, where is the partizanship, and where is a better evidence of partizanship than the statement frequently made by hon. gentlemen opposite that though a good many clauses in this contract were objectionable to them they would still vote for the contract, for fear the other side would come in? Now, we had one evidence of yielding, it was a gentle evidence—I am not going to make any observations about it—but a certain hon. gentleman was said on more than one occasion to have expressed himself very strongly against some of the terms of this contract. He seemed to think that the monopoly that was being recreated in the North-West was as bad as the one he had bought out years before. He had a little concession made to him, one just large enough to hang his hat on, one that enabled him to take part in that interesting little piece of acting when the Prime Minister rose at the convenient moment and promised to withdraw the objectionable clause. So it seems there was a chance to have dotted one *i*, and to have crossed one *t* for the sake of winning a recalcitrant supporter. I cannot avoid asking one little question. We have heard about Prince Edward Island. According to the Minister of Marine and Fisheries, it is rather a tight little place. We have heard some things about it I hope are not true. We have heard a sort of rumor about what happened in Ontario, but things have been mighty quiet in Quebec. Yet Quebec is represented in this House, to a considerable extent, by gentlemen who sit on Ministerial benches. I should be sorry, without giving two days' notice to ask those gentlemen any questions, but I should like to know, if it were proper to ask, what arrangements have been made by the Province of Quebec to protect her own special interests. It was held out last winter that the business of the great sea-board trade would be brought down from our North-West and the American North-West by the ministry of the Sault Ste. Marie Branch, and thence through Quebec to the sea-board. I would like to ask those hon. gentlemen, who were so much elated by the news last winter, what assurance they have that this Sault Branch is now to be built. I would like to know whether those gentlemen, if they have not actually made arrangements in this particular, are aware that last year George Stephen and Donald A. Smith, and other members of the Syndicate were powerful allies of theirs in favor of the construction of the Sault branch, and whether they are aware that by this contract they have made this powerful company enemies and opposers of the scheme of the Sault railway? This is an important matter. The people of Quebec ought to be acquainted with it, and if any hon. gentleman would get up and explain this matter in the House, the people of that Province would be relieved of considerable anxiety. Why is that which was so good for us last winter so bad for us now? We have heard a great deal of the security that was to be taken on the part of the Province of Quebec. We have seen in the *Minerve* and other papers that troubles and clouds of darkness were hanging over the Province of Quebec from which she must be protected, and there have been occasional itinerations of our public men to lead us to believe that they were looking after the interest of their Province; and now, have they placed themselves in such a position that their railways are safe, or may the Syndicate, like the monopolies of the United States, discriminate against all the future trade of that Province? Have they left to the Syndicate the power to build a rival railway along the St. Lawrence and drive them into the sea? We are told that enormous benefits are to accrue to this country from the developments that are now taking place. When an anxious elector has suggested that the interests of Quebec should be looked after, he has been told that Sir John would make it all right. Well, the Prime Minister is about to cease to have any control over the railway destinies of this country. The Prime Minister does not control the Grand Trunk; he does not control the Syndicate; for after they have once got their feet in the stirrups the Province of Quebec, like any other Province, must look after its own interests or its interests will be forgotten. I know that the Province has powerful men in the Government, and if they were not there there would be less danger for the province. If my hon. friend who sits before me were on this side of this side of the House there would be a wail of lamentation that would reach to the Citadel of Quebec over the terrible condition of things which now exist. Now all is silence, all is serene. I remember when the hon. gentlemen who represent a majority in that Province thought they had a grievance. There was no silence then. There was a disposition to secure a certain end, and that end was secured against what was thought to be a constitutional doctrine; that end was secured, at all events, by the firm alliance of gentlemen from the Province of Quebec, who said, as we all believed, to the Prime Minister: "Unless Mr. Letellier is dismissed we will oppose you." I do not mention this circumstance on account of the unhappy event which has occurred. God forbid that I should bring Mr. Letellier's name into this debate. But I refer to a great public movement in the Province of Quebec, which I say was a personal movement, and that movement caused the Prime Minister to fulfil the demands of the members from Quebec then, as he would have been obliged to fulfil them now, if the hon. members from Quebec were so inclined. Let me say one word, in which the hon. members from Quebec will join with me. This is, perhaps, no place for the allusion I am about to make; but I think every one will forgive me when I say that there is no man in the Province of Quebec who does not mourn over the calamity which has befallen that Province. The death of Mr. Letellier is a calamity to the party to which I belong; but it is also a calamity to his native

Province, for when an honest man falls, whether his views accord with those of all his fellow-citizens or not, there is cause for mourning.

Mr. BOULTBEE: It is rather difficult to divine at what precise object the hon. gentleman who last spoke had in rising, for he seems more to have carried on a desultory conversation than to make a speech on a particular point. He charged the hon. member for Niagara with calling gentlemen on that side of the House, fourth-rate pot-house politicians. I did not understand the member for Niagara to say so, and I should be very sorry that any man should make use of such language. What I understood the hon. member to say was that the new Syndicate was a small trick, worthy of a fourth-rate pot-house politician. These gentlemen cannot say that that cap fits them, unless they assume the paternity of that Syndicate. If they did that they might inferentially come under the cognomen the hon. gentleman applied to the Syndicate; but then it would be through their own act, and not through the act of the member for Niagara. I feel myself, as no doubt the gentleman who spoke last has felt, that very often in the heat of debate we use language which should not be used in a Chamber like this; but I would say to these hon. gentlemen who comment so severely on the remarks of the member for Niagara that we have had a great deal to bear from them. We have had insinuations thrown across the House that we have been bribed by the Syndicate. We have heard the man who leads us, and of whom we are proud, charged with a mercenary motive in bringing this matter to an issue. I think gentlemen should consider this a little; they should recollect that we are men with the same feelings as themselves. The hon. member for Shefford (Mr. Huntington), in speaking of the party to which he belongs, remarked that it had been honored with the leadership of Robert Baldwin. I think there is a group around the member for Shefford composed of the heirs of the men who hunted Robert Baldwin into a too early grave. They were called Reformers then; but about the time they destroyed Baldwin they were called Grits, and the name has stuck to them since. They cannot call up the shadow of Robert Baldwin to cover them now. I knew that great patriot when a lad; I admired his sterling qualities; and there is no man in broad Canada who would say that if Robert Baldwin were alive now he would have spent seven weeks of useless opposition in trying to retard the greatest scheme that was ever launched in Canada. For seven weeks the discussion has gone on with no apparent object; nothing has been done. Not a vote has been gained from this side of the House; no opinion has been created in the country except that this is an excellent bargain, and one which it is well for Parliament to affirm and carry out. The only vote in this House I have seen changed is that of an hon. member who generally, I believe, follows the Opposition, but who now it seems to me is voting consistently and determinedly with this side of the House. After seven weeks' debates, it looks as if the debate would be continued still further; and I ask hon. gentlemen opposite what they expect to gain by it. The hon. member for Shefford (Mr. Huntington), appeared to endeavor to raise up some feeling among the members from the Province of Quebec. There seems to be no good ground for that. So far as we can see, the construction of this great work will be of greater service to Quebec than we think it will be to Ontario, and there seems to be no reason to try to raise any jealousy in any such matter, because this scheme is one so grand in its conception, and large in its interests, that it involves the building up of a nationality, and its advantages will be such that not the smallest Province but will feel the beneficial influence of this scheme when it is fully consummated. The hon. member for Shefford (Mr. Huntington), after the subject has been discussed for two months, said the Government permitted no alteration to be made in the contract. No alteration can be permitted. The Government who have the confidence of the people and an enormous majority in the House, and possess not only the confidence of the Conservative party, but a very large portion of the Reform party also, who think public affairs are conducted safely and wisely by the present Administration and are very unwilling to disturb them—spent a whole year in formulating this agreement, and going over clause by clause with the other parties to the negotiations, protecting every interest that required to be protected; and a more carefully drawn instrument I have never had the good fortune to see, and the assault made upon it during the discussion and the attempt made to tear it to pieces more clearly demonstrated the great wisdom and care bestowed in drawing up the document. But once drawn up who is going to remove from our shoulders a burden which the people thought too heavy to carry; what were the Government to do? It seemed to me, although the hon. member for Shefford (Mr. Huntington) is an older politician than myself, that, to a certain extent, he talked nonsense. The agreement could not be altered and cut up. The bargain was a made bargain, and what the House had to do was either to affirm or reject it. When the bargain was first thrown against hon. members, owing to the novelty of the transaction, and to its being one with the like of which they had never previously been called to deal, and owing to some of its terms not being sufficiently understood, some hon. members felt uncomfortable. They heard what the Opposition were saying; they heard the opinion expressed by clever men that the agreement would ruin the country and destroy the party, and there was some uneasiness. What has been the result? During two months every clause of the contract has been discussed, and every hon. member on this side of the House is fully satisfied not only that the agreement was well done, but that it is the best bargain ever offered, and they are convinced that the utmost skill and care and the greatest wisdom possible has been shown in framing the agreement, that it is perfect in all its parts, and it will effectively carry out the object we all have.

Amendment (Mr. Mills) negatived on a division.

And the question being put—that the Bill be now read a third time; it was agreed to on the following division:—

YEAS:

Messieurs

Allison,	Gault,	Montplaisir,
Arkell,	Gigault,	Mousseau,
Baker,	Girouard (Jac. Cartier),	Muttart,
Bannerman,	Girouard (Kent),	O'Connor,
Barnard,	Grandbois,	Ogden,
Beaty,	Hackett,	Orton,
Beauchesne,	Hesson,	Ouimet,
Bergeron,	Hilliard,	Patterson (Essex),
Bergin,	Hooper,	Perrault,
Bill,	Houde,	Pinsonneault,
Bolduc,	Hurteau,	Platt,
Boultbee,	Jackson,	Plumb,
Bourbeau,	Jones,	Pope (Compton),
Bowell,	Kilvert,	Pope (Queen's),
Brecken,	Kirkpatrick	Richey,
Brooks,	Kranz,	Robertson (Hamilton),
Bunster,	Landry,	Rochester,
Carling,	Lane,	Ross (Dundas),
Caron,	Langevin,	Rouleau,
Cimon,	Lantier,	Routhier,
Colby,	Longley,	Royal,
Connell,	Macdonald (King's),	Ryan (Marquette),
Costigan,	Macdonald (Sir John),	Ryan (Montreal),
Coughlin,	McDonald (Cape Breton)	Scott,
Coupal,	McDonald (Pictou),	Shaw,
Coursol,	Macmillan,	Sproule,
Cuthbert,	McCallum,	Stephenson,
Daly,	McCarthy,	Strange,
Daoust,	McConville,	Tassé,
Dawson,	McCuaig,	Tellier,
DeCosmos,	McDougall,	Tilley,
Desaulniers	McGreevy,	Tupper,
Desjardins,	McInnes,	Valin,
Domville,	McKay,	Vallée,

Doull,	McLennan,	Vanasse,
Drew,	McLeod,	Wade,
Dugas,	McQuade,	Wallace (York),
Elliott,	McRory,	White (Cardwell),
Farrow,	Manson,	White (Hastings),
Ferguson,	Massue	White (Renfrew),
Fitzsimmons,	Merner,	Williams,
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Fulton,	Mongenais	

NAYS:

Messieurs

Anglin,	Fleming,	McIsaac,
Bain,	Flynn,	Malouin,
Béchard,	Geoffrion,	Mills,
Blake,	Gillies,	Olivier,
Borden,	Gillmor,	Paterson (Brant),
Bourassa,	Gunn,	Pickard,
Brown,	Guthrie,	Rinfret,
Burpee (St. John),	Haddow,	Robertson (Shelburne),
Burpee (Sunbury),	Holton,	Rogers,
Cameron (Huron),	Huntington,	Ross (Middlesex),
Cartwright,	Killam,	Rymal,
Casey,	King,	Scriver,
Casgrain,	LaRue,	Skinner,
Charlton,	Laurier,	Thompson,
Cockburn (Muskoka),	Macdonell (Lanark),	Trow,
Dumont,	MacDonnell (Inverness),	Weldon.—49.
Fiset,		

On the question: "Shall this Bill be passed,"

Mr. BLAKE asked the hon. Minister of Railways to make the statement he promised he would yesterday, with reference to his intention as to the clause about accounts and informations to be brought down.

Sir CHARLES TUPPER replied that a clause to be introduced in connection with the Consolidated Railway Act, would cover that point.

Bill read the third time and passed.

Sir JOHN A. MACDONALD moved the adjournment of the House.

Motion agreed to; and (at 11:35 o'clock, p.m.,) the House adjourned.

ERRATA.

On page 213, 25th line from bottom of 2nd column, *for* "Inland Revenue" *read* "Inland Marine."

On page 214, in Mr. Patterson's speech on wrecking and towing in inland waters, the wrecking tugs mentioned were: The *McArthur*, the *Erie Belle*, the *Bob Hackett*, the *Mystic*, the *Parker*, the *Jessie*, the *Routh*, the *Hall*, and the *Prince Alfred*.

On page 484, in Mr. Costigan's reply to Mr. Anglin, 18th line from top of 1st column, *for* "in spite of," &c., *read* "the charges I made against the hon. member in this House I repeated and sustained on the hustings in his county, notwithstanding the fact that he had neither the courage nor courtesy to give me a hearing on that occasion."

On same page, 25th line from top of 1st column, *for* "I am entitled" *read* "he is not entitled."

On same page, *after* 5th line from top of 2nd column, *insert*:—

"An hon. MEMBER. What about the Printing contract?"

On same page, at end of 30th line from top of 2nd column, *after* "excite sympathy if he" *insert* "remained silent, if he," so as to *read* "excite sympathy if he remained silent, than if he made a vain attempt to defend himself."

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SESSION 1881.

ABBREVIATIONS:—1°, 2°, 3°, First Reading, Second Reading, Third Reading; 3 m. h., 6 m. h., Three months' hoist, Six months' hoist; B., Bill; M., Motion; Y., N., Yeas, Nays; Com. of Wh., Committee of the Whole House; O. C., Order in Council. Subjects connected with a Province as a whole is indexed under the head of the Province.

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1°, 1213; 2°, 1242; 3°, 1340.

Andrew Mercer (Ont.) Reformatory Amt. B. 81 (Mr. McDonald, Pictou.)
1°, 1213; 2°, 1340; 3°, 1372.

Authorization of New Loan B. 106 (Sir L. Tilley.)
1°, 1443; 2 and 3°, 1462.

Accident Ins. Co. of Can. Incorp. Act Amt. B. No. 54 (Mr. Gault.)
1°, 994; 2°, 945; in Com., 1144; 3°, 1144.

BILLS.

Bill (No. 1) Respecting the Administration of Oaths of Office.—(Sir John A. Macdonald.)
1°, 1.

BILLS—*Con.*

Bill (No. 2) To regulate the floating of cordwood upon the navigable portion of the River St. Francis.—(Mr. Vanasse.)
1°, 81; 2°, 940; in Com., 1098.

Bill (3) To amend Chapter thirty-two of the Acts of 33 Victoria (1870, intituled: An Act to empower the Police Court in the City of Halifax to sentence Juveniles Offenders to be detained in the Halifax Industrial School.—Mr. (Richey.)
1°, 107, 2°, 857.

Bill (No. 4) To repeal the Supreme and Exchequer Courts Act and the Acts amending the same.—(Mr. Keeler.)
1°, 107; order for 2° called, 857; 2° M. (Mr. Landry) 913; Amt. to adjd. Debate (Mr. Houde) neg. (Y. 72, N. 89) 922; Amt. 6 m. h. (Mr. Mills) carried (Y. 88, N. 33) 926.

Bill (No. 5) For the better prevention of Fraud in relation to Contracts involving the expenditure of public moneys.—(Mr. Casgrain.)
1°, 107; 2°, 858; dischgd. and Sel. Com. apptd., 912.

Bill (No. 6) To regulate the hours of labor in the workshops, mills, and factories of the Dominion of Canada, and for other purposes.—(Mr. Bergin.)
1°, 129; 2° M., 1099; B. withdn., 1099.

Bill (No. 7) To incorporate the Wrecking and Salvage Company of Canada.—(Mr. Gault.)
1°, 154; 2°, 213; in Com., 1043, 1098; 3°, 1144.

Bill (No. 8) To reduce the Capital Stock of the Exchange Bank of Canada, and otherwise to amend the Act respecting the said Bank.—(Mr. Desjardins.)
1°, 204; 2°, 266; in Com., 996; 3°, 996.

Bill (No. 9) For better securing the Independence of Parliament, and for the Prevention of Corruption.—(Sir R. J. Cartwright.)
1°, 225; 2° M., 1099; Amt. (Mr. Langevin) 6 m. h., 1100; Amt. carried (Y. 91, N. 31) 1107.

Bill (No. 10) To remove doubts as to the true construction of Section 12 of the Northern Railway Company's Act, 1877.—(Mr. McCarthy.)
1°, 258; 2°, 861, 3°, 1339.

Bill (No. 11) To incorporate the Saskatchewan and Peace Rivers Railway Company of Canada.—(Mr. Beaty.)
1°, 258; 2°, 292; withdn.

Bill (No. 12) For constituting a Court of Railway Commissioners for Canada, and to amend the Consolidated Railway Act, 1879.—(Mr. McCarthy.)
1°, 258; 2° M. 926; Debate adjd. 934; resumed, 997; adjd., 999.

Bill (No. 13) To incorporate the South-Eastern Railway Company.—(Mr. Schultz.)
1°, 314; 2°, 1144.

Bill (No. 14) To incorporate the Westbourne and North-Western Railway Company.—(Mr. Cameron, N. Victoria.)
1°, 314; 2°, 766; withdn.

Bill (No. 15) To incorporate the Metropolitan Fire Insurance Company of Canada.—(Mr. Beaty.)
1°, 314; 2°, 766; in Com., 1098; 3°, 1144.

Bill (No. 16) To explain and amend the Act to authorize the transfer of the Windsor Branch of the Nova Scotia Railway to the Western Counties Railway Company.—(Mr. Cameron, N. Victoria.)
1°, 314; 2°, 1098; withdn.

Bill (No. 17) To incorporate the Saskatchewan and North-Western Railway Company.—(Mr. Boultbee.)
1°, 354; 2°, 766.

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Bill (No. 18) To amend the Act incorporating the Souris and Rocky Mountain Railway Company.—(Mr. Boultbee.)
1°, 354; 2°, 766; in Com. 1241; 3°, 1287.

Bill (No. 19) To enable the Manitoba South-Western Colonization Railway Company to extend their line of Railway, and for other amendments to their Act of Incorporation.—(Mr. Ryan, Marquette.)
1°, 354; 2°, 861; withdn.

Bill (No. 20) Respecting the Northern Railway Company of Canada.—(Mr. Boultbee.)
1°, 384; 2°, 942; 3°, 1340.

Bill (No. 21) Respecting the Grand Trunk Railway Company of Canada.—(Mr. Kirkpatrick.)
1°, 384; 2°, 766; in Com, 1098; 3°, 1220.

Bill (No. 22) to incorporate the St. Lawrence Wrecking and Salvage Company of Canada.—(Mr. Robertson, Hamilton.)
1°, 418; 2°, 766.

Bill (No. 23) to incorporate the Ontario and Quebec Railway Company.—(Mr. Cameron, N. Victoria.)
1°, 418; 2°, 766; 3°, 1235.

Bill (No. 24) Respecting the Berlin and Galt branch of the Grand Trunk Railway Company of Canada.—(Mr. Kirkpatrick.)
1°, 447; 2°, 766.

Bill (No. 25) Respecting the Ontario and Pacific Junction Railway Company.—(Mr. Williams.)
1°, 447; 2°, 766; in Com., 1356; 3°, 1356.

Bill (No. 26) To incorporate the Ontario Investment Association.—(Mr. Carling.)
1°, 385; 2°, 766.

Bill (No. 27) To amend the Act 43 Vict., Chap. 61, intituled: An Act to incorporate the Assiniboine Bridge Company, and to change the name of the said Company.—(Mr. Scott.)
1°, 485; 2°, 766; 3°, 950.

Bill (No. 28) To incorporate the South Saskatchewan and Hudson Bay Railway Company.)—(Mr. Boultbee.)
1°, 485; 2°, 766.

Bill (No. 29) Respecting Prize Fighting.—Mr. McDonald, Pictou.)
1°, 485; 2°, 935; in Com, 938; 3°, 940.

Bill (No. 30) Further to continue in force for a limited time The Better Prevention of Crime Act, 1878.—(Mr. McDonald, Pictou.)
1°, 485; 2°, 856; in Com., 856; 3° 935.

Bill (No. 31) To enlarge and extend the powers of the Crédit Foncier Franco-Canadien.—(Mr. Girouard, Jacques Cartier.)
1°, 495; 2°, 942; in Com., 1242; 3°, 1290.

Bill (No. 32) To incorporate the Crédit Foncier of the Dominion of Canada.—(Mr. Ives.)
1°, 495; 2°, 945; in Com., 1241; 3° 1288.

Bill (No. 33) To amend the law respecting Documentary Evidence in certain cases.—Mr. McDonald, Pictou.)
1°, 533; 2°, 857; 3°, 935.

Bill (No. 34) To incorporate the Dominion Salvage and Wrecking Company, Limited.—(Mr. Girouard, Jacques Cartier.)
1°, 566; 2°, 861; in Com., 1098; 3°, 1144.

Bill (No. 35) To incorporate the Silver Plume Mining Company.—(Mr. Ouimet.)
1°, 599; 2°, 766; in Com., 1144; 3°, 1144.

Bill (No. 36) Further to amend the Act incorporating The Canada Guarantee Company and to change the name of the said Company to "The International Guarantee Association."—(Mr. Gault.)
1°, 661; 2°, 766; in Com., 996; 3°, 996.

BILLS—*Con.*

Bill (No. 37) Respecting the Canadian Pacific Railway.—(Sir Charles Tupper.)
1°, 765; 2°, 771; in Com., 771; 3°, 813.

Bill (No. 38) To amend the law respecting Criminal Procedure.—(Mr. McCarthy.)
1°, 765.

Bill (No. 39) To amend The Insolvent Act of 1875, and amending Acts.—(Mr. McCuaig.)
1°, 765; 2°, 858; 3°, 913.

Bill (No. 40) To incorporate the Bay of Quinté Railway and Navigation Company.—(Mr. White, East Hastings.)
1°, 789; 2°, 861; in Com., 1043; 3°, 1043.

Bill (No. 41) To incorporate the Hull Mines Railway Company.—(Mr. Cameron, South Huron.)
1°, 789; 2°, 861; 3°, 1287.

Bill (No. 42) To amend the Act incorporating The International Railway Company.—(Mr. Brooks.)
1°, 789; 2°, 861; 3°, 1410.

Bill (No. 43) Respecting the Sale of Railway Passenger Tickets.—(Mr. Kirkpatrick.)
1°, 815.

Bill (No. 44) To incorporate the Association known as "J. Winslow Jones and Company.—(Mr. Brooks.)
1°, 861; 2°, 1144; 3°, 1144.

Bill (No. 45) To further amend the Patent Act of 1872.—(Mr. Pope, Compton.)
1°, 854; 2°, 964; in Com., 1213.

Bill (No. 46) To prevent and punish wrongs to children.—(Mr. Richey.)
1°, 854; 2°, 1000; in Com., 1098.

Bill (No. 47) Respecting the Court of Maritime Jurisdiction in the Province of Ontario.—(Mr. McCarthy.)
1°, 854; on M for 2°, Amt. 6 m. h. (Mr. Patterson, Essex) carried, 1006.

Bill (No. 48) Respecting the Canada Consolidated Gold Mining Company.—(Mr. White, East Hastings.)
1°, 854; 2°, 912; in Com., 1144; 3°, 1144.

Bill (No. 49) To amend the General Inspection Act of 1874, and the Act amending it.—(Mr. Mousseau.)
Res., 855; 1°, 856; 2°, 940; M. (Mr. Gillmor) to recommit neg. (Y. 42, N. 113) 966; 3°, 966.

Bill (No. 50) To correct a clerical error in Schedule B to the Act 43 Vict., Chap. 22, amending The Bank Act, and continuing the charters of certain Banks.—(Sir Leonard Tilley.)
1°, 884; 2°, 940; in Com., 940; 3°, 940.

Bill (No. 51) To limit the Appellate Jurisdiction of the Supreme Court of Canada.—(Mr. Girouard, Jacques Cartier.)
1°, 884; 2° M. Debate adjd., 1290.

Bill (No. 52) To amend The Canada Temperance Act, 1878.—(Mr. Boultbee.)
1°, 884; 2° M., 970; Amt. (Mr. Ogden) 6 m. h., 974.

Bill (No. 53) To amend the Acts incorporating the Montreal, Portland and Boston Railway Company. (Mr. Brooks.)
1°, 904; 2°, 945; 3°, 1340.

Bill (No. 54) To amend the Act of incorporation of The Accident Insurance Company of Canada, and to authorize the change of the name to "The Accident Insurance Company of America."—(Mr. Gault.)
1°, 904; 2°, 945; in Com., 1144; 3°, 1144.

Bill (No. 55) To amend the Acts relating to the New Brunswick Railway Company.—(Mr. Weldon.)
1°, 912; 2°, 945; 3°, 1408.

Bill (No. 56) To make provision for the winding-up of Insolvent Railway Companies.—(Mr. Orton.)
1°, 934,

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Bill (No. 57) To give power to the Governor in Council to suspend the operation of certain provisions of the Act 43 Vict., Chap. 29, respecting the Navigation of Canadian Waters.—(Mr. Pope, Queen's.)
Res., 934; in Com., 935; 1°, 935; 2°, 1218; 3°, 1263.

Bill (No. 58) To provide for the Salaries of an additional Judge of the Court of Queen's Bench and an additional Judge of the Superior Court in the Province of Quebec.—(Mr. McDonald, Pictou.)
Res., 884; 1°, 935; 2°, 1178; 3°, 1200.

Bill (No. 59) To incorporate the Moncton Harbor Improvement Company.—(Sir A. J. Smith.)
1°, 953; 2°, 996; 3°, 1220.

Bill (No. 60) To incorporate the Don River Improvement Company.—(Mr. Platt.)
1°, 963; 2°, 996; in Com., 1144; 3°, 1144.

Bill (No. 61) To incorporate the Peace River Railway Company.—(Mr. Macdougall.)
1°, 987; 2°, 1043; withdn.

Bill (No. 62) Respecting the Citizens' Insurance Company of Canada.—(Mr. Gault.)
1°, 987; 2°, 1030.

Bill (No. 63) To incorporate the Montreal Board of Trade and Exchange.—(Mr. Girouard, Jacques Cartier.)
1°, 1042; 2°, 1098; 3°, 1241.

Bill (No. 64) To continue in force for a limited time the Act passed in the 43rd year of Her Majesty's reign, intituled: An Act respecting the Administration of Criminal Justice in the Territory in dispute between the Governments of the Province of Ontario and of the Dominion of Canada.—(Mr. McDonald, Pictou.)
1°, 1042; 2°, 1177; 3°, 1217.

Bill (No. 65) Further securing the Independence of Parliament.—(Mr. Blake.)
1°, 1043.

Bill (No. 66) To extend the Act establishing one uniform Currency for the Dominion of Canada to the Provinces of British Columbia and Prince Edward Island.—(Sir Leonard Tilley.)
Res., 1057; 1°, 1057; 2° and 3°, 1177.

Bill (No. 67) To repeal "An Act to render Members of the Legislative Councils and Legislative Assemblies of the Provinces now included, or which may hereafter be included, within the Dominion of Canada ineligible for sitting or voting in the House of Commons of Canada.—(Mr. Ouimet.)
1°, 1107.

Bill (No. 68) To amend the Act relating to interest on moneys secured by mortgage on real estate.—(Mr. White, Hastings.)
1°, 1108.

Bill (No. 69) Respecting La Banque Ville Marie.—(Mr. Desjardins.)
1°, 1134; 2°, 1144; 3°, 1340.

Bill (No. 70) To amend the Consolidated Railway Act, 1879.—(Mr. Casgrain.)
1°, 1134.

Bill (No. 71) To provide for empowering Loan Companies to carry on business throughout Canada.—(Mr. Brecken.)
1°, 1134.

Bill (No. 72) To incorporate the European, American, and Canadian Cable Company.—(Mr. Currier.)
1°, 1152; 2° and 3°, 1410.

Bill (No. 73) To explain and amend section fifty-two of "The Bank Act."—(Mr. Orton.)
1°, 1152.

BILLS—*Con.*
Bill (No. 74) To incorporate "The Napierville Junction Railway and Quarry Company.--(Mr. Coursol.)
1°, 1220; 2° and 3°, 1410.
Bill (No. 75) To amend the "Petroleum Inspection Act, 1880.—(Mr. Mousseau.)
1°, 1333; 2° and 3°, 1360.
Bill (No. 76) Canada Military Asylum, respecting.—(Sir John A. Macdonald.)
1°, 1172; 2° and 3°, 1263.
Bill (No. 77) To amend the Dominion Lands Act.—(Sir John A. Macdonald.)
1°, 1193; 2°, 1360; 3°, 1400.
Bill (No. 78) To amend the Act 40 Vict., Chap. 10, intituled: "An Act to amend and consolidate the Acts respecting the Customs."—(Mr. Bowell.)
1°, 1200; 2°, 1303; 3°, 1305.
Bill (No. 79) To incorporate the Northern, North-Western and Sault Ste. Marie Railway Company.—(Mr. McCarthy.)
1°, 1213; 2°, 1242; in Com., 1356; 3°, 1356.
Bill (No. 80) To incorporate the Acadia Steamship Company, Limited.—(Mr. Longley.)
1°, 1213: 2°, 1242; 3°, 1340.
Bill (No. 81) With reference to the Andrew Mercer Ontario Reformatory for Females, and the Central Prison for the Province of Ontario.—(Mr. McDonald, Pictou.)
1°, 1213; 2°, 1340; 3°, 1372.
Bill (No. 82) Further to amend the Acts relating to the Inspection of Steamboats.-(Mr. Pope, Queen's.)
1°, 1213; on M. for 2°, Debate adjd.
Bill (No. 83) Further to amend an Act respecting certain Savings Banks in the Provinces of Ontario and Quebec, and to continue for a limited time the Charters of certain Banks to which the said Act applies.—(Sir Leonard Tilley.)
1°, 1213; 2°, 1305; 3°, 1306.
Bill (No. 84) To amend the Consolidated Railway Act.—(Mr. McDonald, Pictou.)
1°, 1240; 2°, M. Debate adjd, 1386; 2°, 1389; 3°, 1425.
Bill (No. 85) To incorporate the British and Colonial Insurance Company.—(Mr. Beaty.)
1°, 1240; 2°, 1340; 3°, 1410.
Bill (No. 86) To prevent Exactions by Pawnbrokers.—(Mr. Orton.)
1°, 1253.
Bill (No. 87) Respecting Naturalization and Aliens.—(Mr. McDonald, Pictou.)
1°, 1288; 2°, 1340; in Com., 1369; 3°, 1386.
Bill (No. 88) To prevent Agents of foreign railways and others from holding inducements to persons to emigrate from Canada.—(Mr. Orton.)
1°, 1303.
Bill (No. 89) To relieve borrowers from the payment of extortionate rates of interest.—(Mr. McCuaig.)
1°, 1303.
Bill (No. 90) Respecting Vagrants.—(Mr. McDonald, Pictou.)
1°, 1303; 2° and 3°, 1403.
Bill (No. 91) To prescribe an Oath to be taken by Employés on Government Telegraph Lines.—(Mr. McDonald, Pictou.)
1°, 1303; 2°, 1403; 3°, 1437.
Bill (No. 92) To wind up Insolvent Banks and other incorporated Companies.—(Mr. McDonald, Pictou)
1°, 1303.
Bill (No. 93) To amend Inland Revenue Act of 1880.—(Mr. Mousseau.)
1°, 1303; in Com., 1404.

BILLS—*Con.*
Bill (No. 94) To explain and amend the Canada Temperance Act of 1878.—(Mr. Ouimet.)
1°, 1303; M. respecting 2° ruled out of order.
Bill (No. 95) To increase the salaries of the Judges of the Supreme Court of P.E.I.—(Mr. McDonald, Pictou.)
1°, 1330; 2° and 3°, 1404.
Bill (No. 96) To amend and consolidate the laws relating to Government Railways.—(Mr. McDonald, Pictou.)
1°, 1340; in Com., 1406; in Com., 1410; 2° and 3°, 1424.
Bill (No. 97) To establish a Marine Telegraph between the Pacific coast of Canada and Asia.—(Mr. Langevin.)
1°, 1338; 2°, 1391; 3°, 1403.
Bill (No. 98) To provide for the extension of the boundaries of the Province of Manitoba.—(Mr. McDonald, Pictou.)
1°, 1340; 2°, 1443; 3°, 1453.
Bill (No. 99) Further to amend the Acts therein mentioned respecting the Militia and Defence of the Dominion of Canada.—(Mr. Caron.)
1°, 1356; 2° and 3°, 1411.
Bill (No. 100) To provide for the allowance of drawback on certain articles manufactured in Canada and used by the Canadian Pacific Railway Company.—(Sir Leonard Tilley.)
1°, 1357; 2° and 3°, 1424.
Bill (No. 101) To amend the Act 36 Vict., Chap. 60, respecting the Montreal Harbor Commissioners.—(Sir Leonard Tilley.)
1°, 1381; 2° and 3°, 1424.
Bill (No. 102) To amend the Consolidated Insurance Act 1877.—(Mr. Ouimet.)
1°, 1388.
Bill (No. 103) To amend the Indian Act of 1880.—(Sir John Macdonald.)
1°, 1406; 2°, 1426; 3°, 1443.
Bill (No. 104). Supply Bill.—(Sir Leonard Tilley.)
1°, 2° and 3°, 1462.
Bill (No. 105) To amend the Act 42 Vict,. Chap. 15, and 42 Vict., Chap. 18, entitled an Act respecting the duties of Customs and Excise.—(Sir Leonard Tilley.)
1°, 2° and 3°, 1442.
Bill (No. 106) To authorise the raising by way of loan of certain sums of money required for the public service.—(Sir Leonard Tilley.)
1°, 1443; 2° and 3°, 1462.
Bill (No. 107) An Act in amendment of the Acts respecting steamboats.—(Sir John A. Macdonald.)
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1°, 789; 2°, 861; in Com., 1043; 3°, 1043.

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1°, 485; 2°, 856; in Com., 856; 3°, 935.

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1°, 447; 2°, 766.

Bank Act Amt. B. No. 50 (Sir Leonard Tilley.)
1°, 884; 2°, 940; in Com., 940; 3°, 940.

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1°, 1240; 2°, 1340; 3°, 1410.

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