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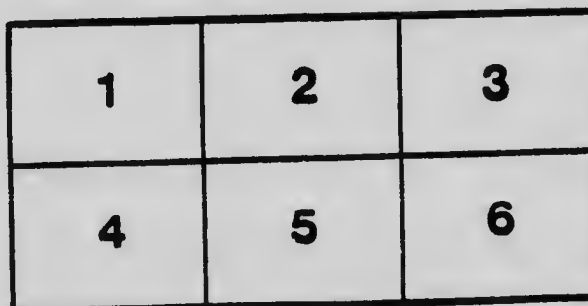
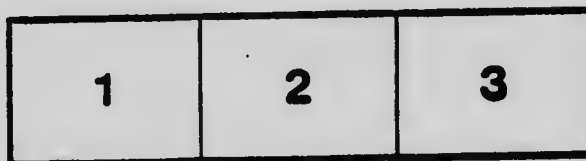
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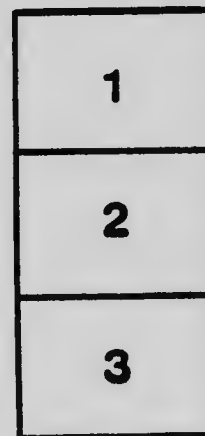
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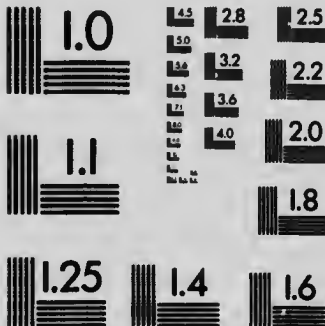
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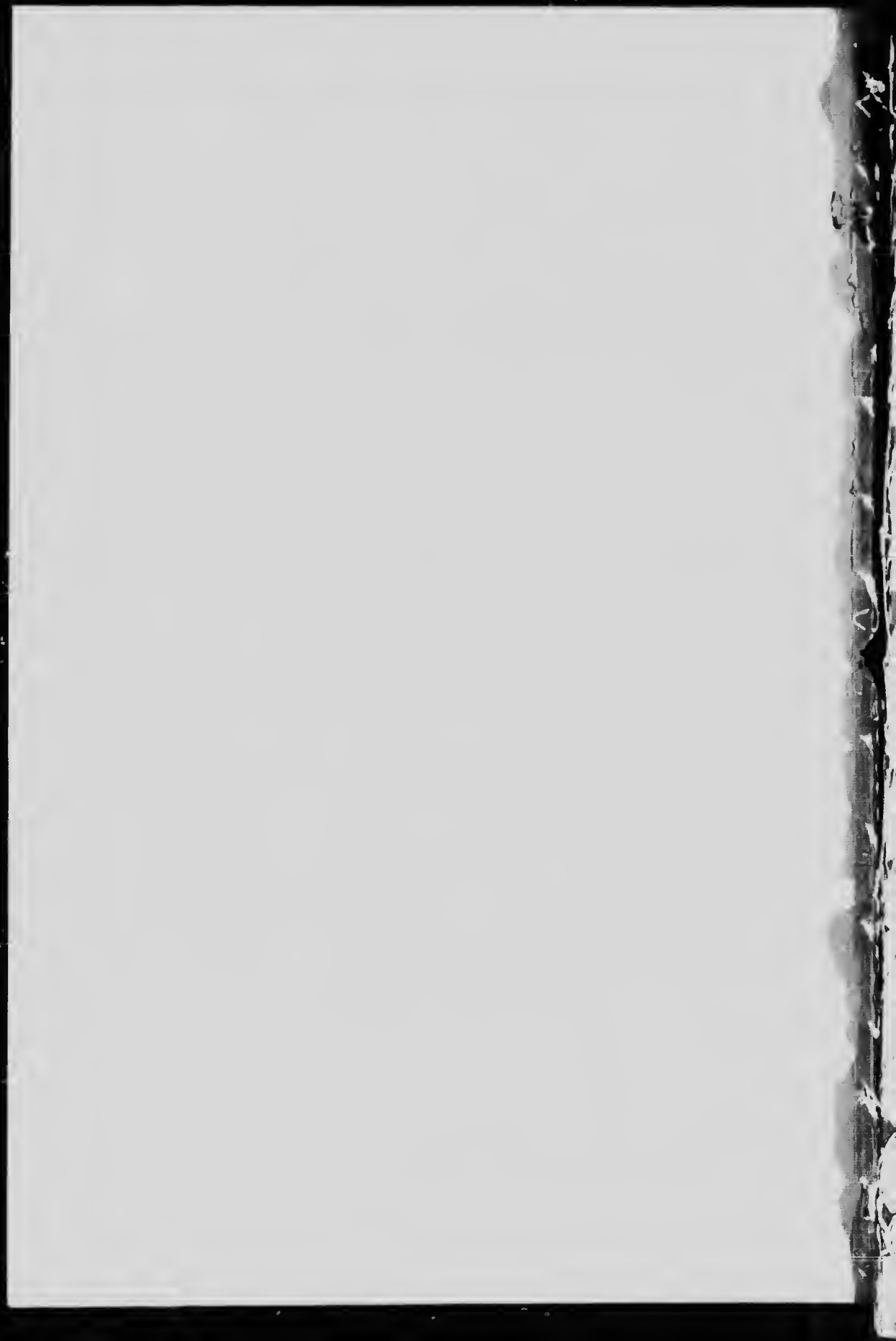
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HON. A. G. BLAIR

Minister of Railways and Canals



RESIGNS

And Condemns the Government's
Railway Policy

Hon. A. G. Blair

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RESIGNS AND CONDEMNS THE GOVERNMENT'S RAILWAY POLICY

Hon. A. G. BLAIR (St. John city). I do not, Mr. Speaker, find myself in any less unpleasant a position to-day than I occupied some two or three weeks ago in explaining the causes of my resignation from the ministry. It is a disagreeable task under any circumstances to criticise and perhaps condemn a measure introduced by a government of which one has so recently been a member, and there are, and there must always be, circumstances attending such criticism and such condemnation as will unfavourably affect many friends, many colleagues and many of those with whom one has been heretofore politically associated. I am pleased, however, Sir, to be able to avail myself of the present opportunity of exonerating the right hon. leader of the government (Rt. Hon. Sir Wilfrid Laurier) from the charge which has been frequently made against him since this difficulty has originated. The right hon. gentleman has been charged with having made a suggestion to me that I should, having the opinions which I entertain with respect to the railway scheme that the government have determined upon, remain a member of the government and should quietly and silently continue to act as a colleague with him in that administration. The charge which has been preferred is that this proposition was made by himself to me. I am bound to say, in justice to the right hon. gentleman, that the proposition did not emanate from him, and I make this statement, not at his instance, but as a matter of fair play to him and of fair play to myself. In the correspondence which ensued pending my contemplated resignation I referred, as you will remember, to the circumstance that such a suggestion had been made in Council, and I mentioned the reasons which I thought had rendered it impossible for me to favourably entertain such a suggestion. I did it because I thought that there were perhaps members of

Council who would think I was over punctilious in declining to pursue that course, and I was glad afterwards that I had mentioned it in the correspondence, because there are many warm personal friends on the government side who, between the time that my resignation was known and the time that the explanations were made, have criticised me because I had not pursued that very same course. I say, therefore, that I very gladly avail myself of the present opportunity to make that matter straight.

The right hon. gentleman has laid before parliament and before the country a statement of the reasons why he has presented this measure to the House, and the defence of that measure. He has given us to understand that this scheme is a scheme devised for the purpose of securing for the people of the east and west the shortest and cheapest route for the carriage of their traffic. And at the same time, and in the same connection, my right hon. friend, with a good deal of self-satisfaction I am sure, and with apparently much pride, told us that this great project was to be a grand national all-Canadian line. If such a policy well defined and well considered in all its bearings, and so studied that a just conclusion could be reached that it was a proper and necessary work in the interest of Canada, if such a project surrounded by these conditions were presented to parliament, then one might well be glad that such a venture should be entered upon by the government of the country, and it naturally would excite a very great deal of enthusiasm among the people of all shades of politics.

I followed the right hon. the Prime Minister in the statement which he made with the closest interest; and it is only fair to the right hon. gentleman to say that if the grace of eloquence, if the finest and choicest language, if eloquence coupled as I know it was with the sincerest conviction that the measure was a proper and judicious one; if these things

could have carried conviction to the minds of members of parliament, then I say that members of parliament and the country generally would have been impressed by the Prime Minister's presentation of the case. But, Sir, speaking for myself and for myself alone while I was impressed with the singular ability of the right hon. gentleman, and while I felt that all had been said by him that could be said by anybody, and much more than could have been said by any one else with the same effect: yet, I still felt myself absolutely and entirely unconvinced, and I still felt that the objections which existed in my mind against this measure almost in its entirety had not been removed except but in a very small degree.

Some hon. MEMBERS. Hear, hear.

Hon. Mr. BLAIR. The government of this country, realizing the enormous magnitude of this measure; realizing that it is perhaps a measure without parallel in the history of this country; realizing that no question so momentous in its nature, and involving such large responsibilities on the country had ever been presented to parliament since the confederation of the provinces of British North America; realizing also that this decision and determination to carry this project through, if it could be carried through this parliament, and if the assent of the country could be secured for it; realizing all this, my right hon. friend very naturally felt that the people of the country would expect that some satisfactory explanation should be furnished, as to why, with such unusual and such unexampled haste a measure of this magnitude and this character had been pressed upon them. My right hon. friend realized this as any one with the same responsibilities and occupying the same position would have realized it, and therefore, we observe that the very first feature of this whole question to which the Prime Minister directed his attention was to repel if possible the charge, or to answer if possible the accusation which must have entered into the mind of almost everybody from one part of Canada to the other, that this question had been sprung with undue haste and without due deliberation. The right hon. gentleman undertook an answer to that phase of the case, and I will give the House in his own words the answer which he gave. Let me tell the House in the first place, however, what the right hon. gentleman did not say in explanation of his course. He did not deny that there had not been deliberation; he did not affirm that the government of the country had availed itself of all proper sources of information, and had waited until they had exhausted all the means in their power to ascertain what the conditions were in the various portions of the country which this road was to traverse; he did not tell us the need which had arisen for us to jump headlong into a scheme of this kind; he did not tell us that he had summoned to his assistance the wisest counsels which the country could afford; he did not tell us that he had sought the assistance of experts in order to know what the traffic conditions were which would make this railway desirable; he did not even pretend to tell us that he had done these

things; but, Sir, I will quote his own language as to what he did say, to repel what was almost a self-accusation. The right hon. gentleman said:

Exception has been taken to the immediate construction of such a road, exception has been taken to the policy which we have to suggest, the immediate construction of such a road. But as to the idea itself I have never heard a word of opposition, nor do I believe that such a word will be heard in the debate. The first of these objections, that is to the immediate construction of such a road, can be disposed of, I believe, with a single observation. To those who urge upon us the policy of to-morrow, and to-morrow, and to-morrow; to those who tell us, wait, wait, wait; to those who advise us to pause, to consider, to reflect, to deliberate and to inquire, our answer is: No, this is not a time for deliberation, this is a time for action. The flood of tide is upon us that leads on to fortune; if we let it pass it may never recur again. If we let it pass, the voyage of our national life, bright as it is to-day, will be bound in shadows. We cannot wait, because time does not wait; we cannot wait because, in these days of wonderful development, time lost is doubly lost; we cannot wait, because at this moment there is a transformation going on in the conditions of our national life which it would be folly to ignore and a crime to overlook. . . . We say that to-day it is the duty of the Canadian government, it is the duty of the Canadian parliament, it is the duty of all those who have a mandate from the people to attend to the needs and requirements of this fast growing country, to give heed to that condition of things. We consider that it is the duty of all those who sit within these walls by the will of the people, to provide immediate means whereby the products of those new settlers may find an exit to the ocean at the least possible cost; and whereby, likewise, a market may be found in this new region for those who toil in the forests, in the fields, in the mines, in the shops of the older provinces. Such is our duty; it is immediate and imperative. It is not of to-morrow, but of this day, of this hour of this minute. Heaven grant that it be not already too late; heaven grant that whilst we tarry and dispute, the trade of Canada is not deviated to other channels.

Now, Mr. Speaker, it is only fair that I should call the grave and serious attention of this parliament and of this country to the statement which the right hon. gentleman has made. As I said, it is not a denial of the charge that there has been want of deliberation and undue and improper haste in this matter. It is not a denial of the charge that the government have not studied the question, and before I conclude my observations on this Bill, this resolution and this contract, I think I will convince the majority—well, I will convince the minds of the majority of this House at all events, that what is alleged against the government in this regard is absolutely and entirely true.

Some hon. MEMBERS. Hear, hear.

Hon. Mr. BLAIR. What does the right hon. gentleman mean when he says—

The flood of tide is upon us that lends on to fortune; if we let it pass it may never recur again.

What does the right hon. gentleman mean when he says:

If we let it pass this voyage of our national life bright as it is to-day will be bound in shallows.

What does the right hon. gentleman mean when he says:

We cannot wait because time does not wait.

I think, Mr. Speaker, and I say it with all respect to my right hon. friend, that it would have been as correct if not so poetic for him to have said: We cannot wait because Senator Cox cannot wait.

Some hon. MEMBERS. Hear, hear.

Hon. Mr. BLAIR. What does the right hon. gentleman mean by saying:

We cannot wait because in these days of wonderful development time lost is doubly lost.

What does he mean by saying: that to wait would be to destroy our future national life. Wherein is our national life going to be destroyed because perchance we take the proper time in order to study what we are doing, and in order to reach a wise and just conclusion with regard to an enterprise which is vaster, greatly vaster than any that has ever before engaged the consideration of this parliament. I fail to discover wherein we have to appeal to heaven against the possibility of a little delay in this matter. I know of no reason why the interests of Canada are going to be prejudicially affected because when we move forward we see the end, or think we see the end, to which we are looking, because we know the limits of the responsibilities by which we assume to be bound, and because we believe we understand the conditions under which we are operating. Why is it said by my hon. friend in this manner and in these terms, that we must not pause a moment to deliberate? Government may possibly not deliberate, but parliament has a right to deliberate, the country has a right to deliberate; and in my judgment, Sir, before we impose a burden of such great magnitude on the neck of the people of Canada, before we commit this country by an Act of this parliament to a scheme of such large and extraordinary proportions, it is only just to the people of Canada that they should have a chance to talk it over, and think about it, that the press should discuss it, and that everybody in the country should know what the government are contemplating. I cannot help feeling that it is rather a condition of hysteria than a condition of calm reason and judgment—I cannot help feeling that it is a condition of sentimental exaltation that has inspired the hurry and haste with which this measure is pressed forward; because I will not believe it possible that any other than a straightforward and honourable motive has inspired my colleagues in this transaction.

My hon. friend, having disposed of this question of want of deliberation, proceeds to take up another question which he regards as one of very grave and serious magnitude. With all the skill of an old parliamentary hand, with all the deftness and ability which we know

he can successfully employ; my hon. friend, referring to Carnegie and his threats, quoting what was said by President Cleveland, reading from despatches, and otherwise, succeeded in working up our anxiety and arousing our fears—and he must have succeeded in convincing many of our friends on this side of the House—that we were on the verge of a very great calamity, that an awful abyss was yawning before us, that we were looking down a precipice, and were on the eve of being precipitated to its depths in everlasting ruin and disaster. And then, Sir, after my hon. friend had brought them up to the edge of that yawning precipice, he was to relieve them of their distress and anxiety by telling them, 'we have saved you by our measure; we have rescued you from the dreadful danger which was threatening you; we are going to give you an all-Canadian line, which is going to save you from the possibility of having your commerce destroyed and your business ruined by the action of the people to the south of you.' Let me refer to the language which the hon. gentleman used in that connection, in order that I may quote him with absolute accuracy. 'Luckily,' he says:

Luckily, Sir, up to this moment, we have escaped the danger with which, on repeated occasions, we have been threatened. But, Sir, what would happen if at any moment there should come one of those frenzies, one of those periods of excitement which we have seen sometimes amongst nations, the American nation included. At any moment we may be deprived of the biding privilege which we have had up to the present. The only way whereby we can contemplate such a contingency with equanimity is to provide against it, and to have upon our own territory all the facilities by which we can get access to our own harbours. These are the reasons why we apply to parliament to give its countenance to the policy which I have outlined, a policy which will give to this new Transcontinental Railway at our own harbour, by an all-Canadian route to reach it.

Now, I want to ask the calm reason and judgment of this parliament—and, if need be, the appeal will have to be made to the calm judgment and sober reason of the people of Canada—when we have had the bonding privilege between Canada and the United States in existence for all these years; when, if ever there was a danger, that danger has been minimized; when the conditions existing in the United States are just as potent to prevent the possibility of any such action being taken by the United States government; when the number of American railways crossing our territory from one portion of that country to another, and the shipping which comes to the leading ports of the United States, are carrying to the merchants of Canada and from the dealers in Canada goods which are a profit to them; when they would be actually striking at and destroying their own trade and commerce if they adopted such a course—why my hon. friend should feel impelled at this late date, after all these years, and after we have been seven years in the government of this country and have never felt even a thrill by reason of that possibility—why my hon. friend

and the government for whom he speaks should come to us now, in the frenzied rush, the impetuous haste, which has inspired this legislation, and tell us that we are in deadly peril, and in the utmost danger of having our commerce destroyed by the action of a friendly government? I ask the members of this House why is this pretense put forward, or this argument—I will not knowingly use any term offensive to any of my hon. friends here—why is this argument put forward? It must be because there is an absence of real, good, substantial argument to sustain the case itself, and my hon. friends feel obliged to appeal to the prejudices and feelings, and to arouse the passions of the people of Canada in order to carry through a measure which, on its merits, they would have no hope whatever of carrying. I noticed that when both this and the preceding defence were made by the right hon. gentleman, our friends on this side of the House were wild with enthusiasm. I do not know whether the enthusiasm was because of the relief which seemed to come to them after the period of strained anxiety was over, on account of the boundary peril, or whether the real reason was that they felt great satisfaction in finding that even a flimsy argument could be made in support of the government's policy.

Now, Sir, what foundation is there, I ask, for the statement that our conditions, when this road is built, if it ever is built, will be any different from what they are to-day? I want to know upon what foundation is the suggestion made that we are in deadly peril by reason of the possible action of a frenzied people, if frenzy should seize the people of the American republic? Why, Sir, we have to-day a railroad which traverses this continent; we have two railroads which run to the province of New Brunswick, with both of which connection could be made if need be; and we need not pass over American territory, even though the restriction were sought to be placed upon us by the American government. We could avail ourselves of those railroads, and they are just as transcontinental, just as Canadian, just as national, as any railroads we could construct in Canada. They are railroads on Canadian soil, and one of them at least is owned by the government of the country itself.

For myself I would have much preferred that this argument, at all events, had not been presented by my right hon. friend. I would have much preferred that it had been left to somebody else to declare to the world at large that the Canadian people are at the mercy of any other people. I am loath to acknowledge that we have not in ourselves to-day the means to protect ourselves against any such possibility, and I do not like to have the word go across the ocean and throughout the wide world that Canada is hemmed in by the United States and unable to protect herself, or, what is very much the equivalent, that it requires the expenditure by Canada of one hundred and odd millions of money in order to get relief. I do not think that there is any such question to-day to be feared as the abrogation of the bonding privilege. The period when we might have feared it has long since passed away; and whatever may be the merits or demerits of this govern-

ment scheme which we are now discussing, I do trust that no man's judgment is going to be influenced in favour of what he would otherwise consider a defective and unjustifiable measure because this boggy of the abrogation of the bonding privilege has been raised.

The next leading proposition which the hon. gentleman presented was that we need an all-Canadian transcontinental line from ocean to ocean. Let me again quote the hon. gentleman's language, in order that I may be entirely accurate:

"We ask Parliament to assent to this policy because we believe—nay, we feel certain, and certain beyond a doubt—that in so doing we give voice and expression to a sentiment, a latent but deep sentiment, which is to-day in the mind, and still more in the heart, of every Canadian, that a railway to extend from the shores of the Atlantic ocean to the shores of the Pacific ocean, and to be, every inch of it, on Canadian soil, is a national as well as a commercial necessity. That such a road must be built, that it is, in the language which I have used, a national and a commercial necessity, that it is a corollary of our status as a nation, that it is a requisite of our commercial development, is a proposition to which, up to this moment, I have heard no dissent."

The necessary implication from that argument is that a road from ocean to ocean through Canadian territory does not now exist; and if we are to accept this inference, if we are to allow it to influence our judgment, then we will be misled—misled unquestionably, although I would be sorry to convey the impression that I thought my right hon. friend would wilfully attempt to mislead this parliament or the country. But certainly, if parliament were to accept this implication, it would be misled beyond all doubt and question. What constitutes an all-Canadian national line? Does it mean a railway line spanning the continent from ocean to ocean and owned entirely by one corporation? Well, we have such a line now. We have even, I might almost say, got two such lines. Then why should we be influenced by this implication? We ought not to be influenced by it. If that is the sole necessity, and my right hon. friend said that were it not for this question of the bonding privilege he would not now be asking this parliament to assent to this proposition of a transcontinental road.

Finding the reasons assigned in support of the proposition inadequate, finding the ground giving way and the foundation dropping out, what is to be the outcome of the measure itself, if it is to be dealt with as similar measures, under other circumstances, would be dealt with by any deliberative body? The line, my right hon. friend claims, is both a national and a commercial line, but yet he says it is not a commercial line in the sense that you are to count the idea of profit and loss? You may build a commercial line if it is not a line constructed according to the dictates of commercial needs and which involves, necessarily and inevitably, the idea of profit or loss? You may build a sentimental line, but if so, tell the people that it is a line which you are building for sentimental purposes. Or, if you are building it for commercial purposes, say so. But my right

hon. friend does not seem to be willing to consider it entirely the one or the other. It is a compound of both. He says it is not, in the ordinary sense, a commercial line, but is an all-Indian line. Well, unless there be some pressing need for it, I do not see why the people of this country should be saddled with an obligation of \$100,000,000 of money and an addition to their liability, as I shall show, of an amount exceeding that. Unless there be something behind which has not been disclosed and which renders it necessary, I can see no reason now for the construction of this proposed national line. Both the Canadian Pacific Railway and the Canadian Northern Railway are national lines in the widest acceptation of the term. They do not traverse the whole country from ocean to ocean, but if you will look across the border, I think it will give you some difficulty to point to any transcontinental railway there in the sense mentioned by the right hon. gentleman. You cannot find any railway in that country which starts from the Atlantic and ends at the Pacific, and which is under one control. I do not know of any. Their great lines east and west meet about the centre of the continent, and are the result of a process of development. Our American neighbours have not been trying to perform any spectacular feat by spending a large amount of money unnecessarily. They have done what the business needs of the country called for. Less than that we ought not to do; more than that we would be wrong in doing.

These are the four chief reasons which I gather from a careful reading of the right hon. gentleman's address why this measure should commend itself to our approval. But there is another, a general reason, which he gave. The country, he says, is crying out for another transcontinental railway. Mr. Spenser, my ears have been open. I have been a willing listener to any demand of the kind, and I am bound to say that I have not heard any outcry for another transcontinental line from ocean to ocean. I do not know where the cry was made that it reached others. It was not made, at all events, so that it reached me.

I may have occasion, before concluding my remarks, to refer to this question again, and therefore will pass from it for the moment. Those who have been criticising this measure, myself among the number, as an opponent of the Bill, are taunted with being timid, with being deficient in pluck, unable to grasp a large problem, somewhat provincial in our ideas, and incapable of appreciating the increasing growth and progress of Canada. I deny this charge, and, as far as my denial may be of any value, I want to make it emphatic. I am not open to any such reflection. I do not admit at all that a well digested, well considered scheme of railway development, a scheme called for by the needs of the country and to be proceeded with as soon as it could be reasonably proceeded with, would be opposed by me. I would not be found placing any opposition whatever in the way of such a scheme. I am as willing that the resources of this country should be taxed to the full ability of the country for the purpose of railway development, reasonably necessary to

develop the illimitable resources of this great country, as any man in this House. But, Sir, I am not thereby prevented from saying to those who ask me to give my assent to this project: How do you reach your conclusions? On what information are you going? Have you exhausted the necessary sources of information, and where is this thing going to end? It is only the part of reasonable prudence for a man to do that. Nobody is worthy of the great trust which the people of the country is reposing in those to whom they have intrusted the administration of their affairs unless he is prepared to resist pressure brought on him to act hastily, and unless he is determined to give to the subject that careful study and deliberation which will justify him in assuming the responsibility of proposing the legislation asked for. I felt, Sir, as one, and particularly, as Minister of Railways in my hon. friend's government, that the country would expect me to apply my judgment to the questions which came up. Having somewhat more experience in the matter of railway construction and railway operation than many of my colleagues, and being charged particularly with the government's business in that regard, I felt that on me would rest a larger measure of responsibility; and I was entitled to know enough, and to see into the matter far enough, to justify me in asking parliament with a clear conscience and well-considered conviction to give its assent to the proposition to be laid before it. Barely six months ago this question was first mooted. Six months is not a long time to consider and weigh and look into a project of this kind, which had not been mooted before; particularly when it is borne in mind that a large portion of these six months has been occupied by the sitting of parliament, when every minister has his hands full, when his thoughts are fully engrossed with the business of the session, and when some have particularly important measures pending before the House. In that, I speak for myself, because, as Minister of Railways, I was charged with the carrying forward of a piece of legislation which was very important, and which required the best thought and attention I could give it, in order that it might be perfected at every point. This being the case, was this the time for one to endeavour to comprehend and shape and advise upon, and think out a proposition of this magnitude? Why, you have only to dwell upon it for a moment to see how unreasonable such a suggestion is. Every session of parliament we put off things of the most trivial moment because we have not time to deal with them. Every session, Bills that are pressed upon us are put by until the following session, simply because we have our hands full. Yet, right on the eve of the sitting of parliament, after we had taken up large policies, after we had arranged to propose large expenditures, when it was known that we were going to have our best thoughts and acutest judgment strained to the utmost to do justice to the subjects with which we would have to deal, we undertake to grapple with a problem of this immensity and complexity, and one involving such great financial and other re-

responsibilities. Well, Mr. Speaker, the bonding privilege up to that time had never impressed anybody; the imperious need of a great transcontinental all-national line had never forced itself upon anybody's mind. Within a few weeks of this sitting of parliament this thing is first mooted. And here we are now putting the final ratification—if we shall do it—upon a measure, which, when it is once passed is beyond recall, which, when once passed is so irrevocably done that the people of Canada will have no more to say as to whether this thing shall go on, than will the common council of any county in the land. My hon. friends have taken the precaution—of making a contract with somebody representing the Grand Trunk Pacific, a company not even yet incorporated, somebody who undertakes to speak for the Grand Trunk Pacific as to what the company will so do, and also with somebody who undertakes to say what the Grand Trunk Railway Company of Canada will do; and they have signed this contract in all its details, with all its clauses and conditions, and they have put that upon the Table, and they say to us: Accept this or reject it; take it as it is, or leave it; you have but one alternative, to swallow the whole, or reject the whole.

Now, I want to know also, in all candour and all frankness, from the members of this parliament, from whom comes this irresistible and compulsive pressure under which we must drive this thing through now? The thing was never mooted before, and the government took no action, until the Grand Trunk Railway conceived that it would be in their own interest to have the railway project liberally aided by the parliament of Canada which they desired to promote. That is the secret of the whole business; that is where it originated. All the other considerations fell upon unheeding ears. All these dangers never struck our minds, never seem to have entered into our calculations; it never occurred to us that we were under such imminent peril; it never was suggested by anyone that the great empire of Canada, the very life of Canada was at stake—until the Grand Trunk Railway Company made a call and laid their proposition before my hon. friends and colleagues of the government. I make bold to say that there is no evidence that the people of this country demand this legislation. I will commence with the province of British Columbia and ask you: Is there any call, loud or weak from the province of British Columbia that another railway should be put through the passes of the Rockies and carried to Fort Simpson? If there is, I have not heard it. I would like to see the proof that can be brought in support of any such statement. Such a feeling does not exist. I have no doubt that the people of the province of British Columbia, if this railway venture is going on, would like to see it pushed through their province. But I know that when it comes to the question of railway aid and construction in that province, the files of the Department of Railways will show what railways they want; and among them is not included a

transcontinental railway into that province. Go over the files of the department, and you will find that the railways that they chiefly want are those that will go through southern British Columbia and give means by which the mineral products of that country can be taken to market. That is what they are asking for. Therefore, I say that, from wherever else the cry may come calling for the building of such a line as my hon. friends propose, that cry does not proceed from the province of British Columbia. Well, have we heard any loud appeal from the sister province of Ontario? Have we heard even a whisper of it before this thing was suggested? Of course, I do not deny that the very moment it is known that the government of the country is determined upon carrying out this project, you will hear cries innumerable in favour of it. Then all the papers and all the men who are friendly to the government will take up that cry, if their judgment or their consciences will allow them to do so. When the project is announced, then the cry will exist; but it did not exist, there was no voice, there was no word of it before the suggestion came from our friends in Montreal. Now, is there any cry in the west for a transcontinental railway? I dare say I may be taking up a position which is singular to myself, because I observe very little in the public press suggesting a doubt as to the necessity or advisability of more railways in the West. I have studied the question somewhat, and I do not know just how soon or how far in the future the time might be when such a line as this would be called for by the West; but now or in the immediate future there would have been no demand for any such railway project as this.

Mr. McCREARY. Does the hon. gentleman mean on the Western prairies?

Hon. Mr. BLAIR. Yes.

Mr. McCREARY. I say there is congestion there through which the farmers of the country lost over six millions of dollars last year.

Hon. Mr. BLAIR. My hon. friend (Mr. McCreary) will find that I have not altogether lost sight of this question of the congestion of which he speaks; he will find that I have considered it. Whether I have reached a just and proper conclusion or not will remain for those who consider the subject—

Mr. McCREARY. Hear, hear.

Hon. Mr. BLAIR. Yes. I intend to present the argument. Let the arguments be dealt with, as they will be in the discretion of every one who hears them. I say there are two ways in a west for railways, in the way of east and west long lines. My hon. friend (Mr. McCreary) says that there was a great deal of wheat remaining to be taken out last year. Was that because of the lack of another railway up through the undeveloped northern portion of that western country? No, Sir, that cry came not because there were not railways enough, but because the railways they had were not equipped with enough locomotives and enough cars. That is what the congestion arose from. These people have had no difficulty at all from any other cause than the shortage and shrinkage

in the equipment upon these railways. If you have read carefully what has been said by these people, you will find that there is a general consensus of opinion that that was the trouble, and not because they wanted other railways to be constructed just now in the unpeopled territory. The traffic was congested but I think the congestion will very soon be overcome, I think perhaps it may be pretty well provided against now. But I state now that the three railroads—and I am including the Manitoba and North-western, for although they are branches they are still extending largely into that country with all reasonable railway facilities that are needed at present.

Now, there has been no press agitation. Let me add that I have not heard of any agitation in the maritime provinces or in the province of Quebec. In the city of Quebec and neighborhood there is quite a feeling in favour of some assistance being given to a railway that was to travel over much this same route; and so far as that sentiment has been expressed it is entitled to consideration. I, myself, have been in sympathy with it, and I am going to state fully what my opinion is in that regard before I conclude my observations. But I do say that there has been no demand in the North-west for a grand transcontinental line from ocean to ocean; there has been none in the maritime provinces. I never heard of any, and I would have heard it if it existed. Nobody ever heard of this project, at all events, until this session of parliament was half way through; no one ever heard it mooted as a scheme that was under consideration by this government, or likely to be submitted to parliament for an extension of this line to Moncton. There has been no press agitation in favour of it during the last six months, no platform agitation, no discussion in parliament, nobody has arisen in any numbers, or even in units, and said that we want another transcontinental railway, moving motions, urging the government to that course. Nobody has been calling for this, therefore it is a mistake, it is misleading, to say that there is a great cry in the country which impels this government to adopt the policy that has been determined upon. Moreover, Mr. Speaker, it is fair to add that when this matter did first come up for consideration, when the Grand Trunk Railway Company first moved in this direction, it was not for this scheme that they moved; they moved for a much more limited scheme, they moved for a scheme which involved aid to a railway to North Bay, as they told us publicly. That was their idea, these other features have been added since, and I suppose it was considered necessary by reason of the fact that these bonding privileges had been imperilled, and other direful consequences seemed to be imminent.

Now, Sir, when we consider all these facts, and other facts, it would seem to be almost incredible that, under such circumstances, no heed should be paid to an appeal that we should go slow, that we should see what we are doing, that we should carefully study the bearings of the question in all its aspects. I would have thought there is scarcely one minister in the government, burdened with all

the duties which during a parliamentary session are cast upon members of the government, but would have hesitated to take a step of this magnitude during the present session. However, Sir we have the scheme before us, and we must deal with it as it is. I think that a different scheme might have been with greater advantage to the country devised. If we were to consider the interests of the country as being paramount to any desires or any wishes of any railway company, I think a different scheme from this could have been and would have been devised. The whole proposal strikes me as ill-considered. There are facts which should have been ascertained and which when ascertained would have sufficed to show us whether the step to which we were committing ourselves was one which we could safely take. The fact when available which would have given us confidence in either not moving at all or in moving forward in the direction we are now asked to take. But we are in the dark. We cannot say that things are not so, because we do not know; we cannot say they are so because we have not any information which would justify us in saying it. We may find, if this thing goes on, that it is a huge blunder, that it is a grave mistake. We may find when it is too late, that the best interests of this country would have been better served by waiting, by putting off till to-morrow, by delaying long enough to make a proper investigation and inquiries.

Now, we have this session—and I think that ought to be borne in mind—made large provisions for a western railway extending through almost the whole of the fertile belt to Edmonton at all events. We are providing this year a guarantee of bonds for 600 miles, and another additional 100 miles in another direction. Now, that is a considerable thing for parliament to have done in one session, seeing, if I am not incorrectly informed, that the country through which that railway passes is not settled, that it remains to be settled, and we hope to invite settlement by means of it. That railway 600 miles long, benefiting a tract of country 15 to 20 miles on each side of it, will ultimately be settled, but it will take a great many people and it will take some time to settle it, even with all the railways to the south of it. It will be some time before you need to make a new railway to the north. I think the case is abundantly clear that we have done amply well this year, at all events, in the way of giving a guarantee amounting to \$9,000,000 towards the construction of the Canadian Northern. We have done that after two years of consideration, and only came to a final conclusion during the present session of parliament. Now, my own view would be that if we wanted to pass railway legislation, if we wanted to do something of advantage for the transportation of the country, if we wanted to secure to our Canadian sea-ports the transportation of western products, we would have extended the Intercolonial to Georgian Bay by acquiring the Canada Atlantic. Of course, Mr. Speaker, that involves a continuation of the principle of government ownership, a principle to which I know a great many people are hostile. It would involve the govern-

ment doing something to which many people are not well disposed. I regret, I am sure, as much as any man can, that unfortunate visit which the right hon. gentleman paid to Depot Harbour on the occasion which he mentioned in his speech. It left an ineradicable impression upon his mind, fatal to all ideas in that direction. It is enormously regrettable, because that impression cannot be removed.

No amount of argument, no amount of reason, no amount of experience, could possibly lift from my hon. friend's mind the load of conviction that was brought to him by the visit on the occasion referred to. I know that some former colleagues of mine were not a bit more friendly to government ownership than he was; whether it was owing to a visit to Depot Harbour I am not at all clear, but I am not yet content to accept that explanation as to their attitude upon the question of government ownership. The impression that has been created upon my own mind is that they had made this question of the Intercolonial Railway so much a battledore and shuttlecock business between political parties in former times when they were on the other side of the House that they have become filled absolutely full of prejudice and it is impossible to enlighten them or remove this prejudice. If they wanted to do something which would give evidence of a response to the national aspirations they would have gone to Georgian Bay and they would have found the great body of public opinion that would have justified and supported them in going there with the government railway. The opinion is that business can be brought from the western country by the lake route and down over the Intercolonial Railway which will never, perhaps, be brought by any other possible route that may be constructed in the country. When the Intercolonial Railway was extended to Montreal, I felt that that would be the next move that we would make. I felt that it would be a proper step to take. I have been four or five years struggling valiantly in order to achieve some success in that direction. The move will be taken though. Other views which are more potent, than mine have been will prevail upon the government, and it will adopt the policy because it has virtue in it, and it has hope in it, and it must become a means of realizing the national idea of using our own ports winter and summer for the carriage of the products of our own country. I am not going to undertake to enter, on this occasion, upon any elaborate justification of the policy of government ownership. I have on many occasions, when I have been addressing the House in reference to my railway estimates, taken the opportunity of pointing the mind a little in that direction, and I have adduced arguments which, while not being put forward at the time as arguments in favour of government ownership, may have influenced the creation of a sentiment in favour of such a policy and I claim that whether it be due to any word that I ever uttered or to other causes, there has been a marked, strong, rapid growth of public opinion in favour of the extension of the policy of government ownership in Canada.

I do not say that the government should own every railway. I do not say that the government should take up every railway enterprise which is proposed, but I do say that the government might very wisely own a trunk line here and a trunk line there, because it gives advantages to the people who use these lines and who use other lines, which they can never have in any other way.

The experience of the Intercolonial Railway, I think, so far from being an evidence that such a policy is an unwise and unsafe one and one which cannot be judiciously adopted by the government is directly and positively the other way, and I am only too sorry that so small a portion of our friends on this side of the House, and so small a portion of hon. gentlemen on the other side of the House agree with me in that view. Then, I will say that if our friends had been anxious to hear what the people of the western country had to say and what their wishes were in reference to this railway they would have heard that no policy would commend itself to their judgment so heartily or so unquestionably as the policy which will ensure the construction of a railway through the western country which shall be owned and operated by the government. Now, we have been told a good deal by my right hon. friend in regard to the disadvantages of the Intercolonial Railway by reason of its circuitous route, and what the right hon. gentleman said in that respect is absolutely correct. He said what I have said over and over again in explanation of why better financial results had not been accomplished over the road, but because it is a fact in respect to the Intercolonial Railway it does not follow that it should continue to be a fact in respect to any extensions which take place, because, in my view, the more territory you extend the road into which shall be productive, the better it will be for the Intercolonial Railway and the more it will equalize and bring up the general results. When you talk about building a road through the central part of the province of New Brunswick in order that you might get a cheaper and better route than the Intercolonial Railway, I point to the experience of the Canadian Pacific Railway, which crosses the state of Maine. What is the fact? The Intercolonial Railway has had a contest with the Canadian Pacific Railway—a contest in one sense—not all events, a test between the two roads has taken place. When did it take place and with what results? It took place last year when the Canadian Pacific Railway was barred, in consequence of the embargo laid upon cattle, from carrying cattle through the state of Maine. We were called upon on the Intercolonial Railway to carry these cattle from the west, because as I have said they could not go by the Canadian Pacific Railway, we carried them, and what did we succeed in doing when we carried them? The city of St. John is 259 miles further away from Montreal by the Intercolonial Railway than by the Canadian Pacific Railway; yet, we hauled double as many cars to a train load over the Intercolonial Railway by reason of its good condition and level, easy grades, and we hauled them to the west and north-west—they are provid-

in less time than the Canadian Pacific Railway could haul their cattle trains over their own line 259 miles shorter in distance. That is a fact, and therefore I say that we can with good reason claim that the Intercolonial Railway can hold its own against the competition of any other railway which may be constructed in New Brunswick, except the railway which will run from Rivière du Loup directly down the valley of St. John to the city of St. John, which, of course, has very much more favourable grades than those on the Canadian Pacific Railway. I was going to add that it is clear from the information which is easily obtainable, and some of which I have in my hand, and which I would perhaps not be warranted in taking up the time of the House in reading, that there is a very large traffic done by the Canada Atlantic Railway in shipping from the head of Lake Superior, and that that business could unquestionably be increased. It follows then that it could have been, but as the officers of the Canada Atlantic Railway will tell you, they have been in need of additional locomotives and cars, and perhaps they have been at some disadvantage owing to the single track: I am not clear about that. At all events, cars and locomotives are much needed by them if they are to increase their traffic, and if they did increase their equipment in that respect their business would also correspondingly increase. Now, then, the navigation at that point is very much later than it is through the canals. I understand from Mr. Booth that Depot Harbour is open at least a month or six weeks later in the fall, and some two or three weeks earlier in the spring, than is the navigation on the canals, so that they could take shipments across the lake during a period when the canal system is not opened. Therefore, you have advantages over that road which you cannot get in any other way, and you would be picking up the traffic at the points where it can be had, and from which it is seeking carriage. The traffic comes down to the head of the lakes on both sides of the line for the purpose of getting water transport, because they allege that water transport is very much cheaper than rail transport under any circumstances, and by this means you would be able to secure that traffic. Now, sir, so much for the Georgian Bay.

It has been my first hope and my first desire that the government of the country should take up that question of the Canada Atlantic Railway and acquire it, as they could acquire it, I am pretty well satisfied upon reasonable terms, and the expenditure of a very moderate amount of money would have connected it with the Intercolonial Railway, and you would have then a railway which was running through our own territory, which was picking up the traffic just where the people wanted to have it picked up, and which would have given you an outlet and a gateway through our own ports.

Now, Sir, addressing myself to the present scheme of the construction of this railway from Quebec to the west, I am not going to say that it is a project that has not very much to recommend it, and perhaps a project which I would gladly see carried out, and which I would hold up both hands to support under proper conditions and in a proper way. If we

could be satisfied that the country to be traversed by that railway from Quebec to the prairies is a fertile country which will invite and support settlement, and which will support a railway from a local point of view, then I should say, let us go ahead and build it as rapidly as the occasion arises, as rapidly as the settlement of the country will call for it, and as rapidly as we can justify it under a proper administration of affairs. I would not put any obstacle in the way of the rapid construction of it, after you have possessed yourself of all information with regard to it; after you have found out what it is going to cost, what is the limit of the liability you assume, whether or not you can get a suitable route, and generally possessed yourself of that information which any ordinary business man would put himself in possession of before he would embark in any such undertaking. So far as the construction of the Quebec portion is concerned, I would heartily favour its construction by the government, I would heartily favour its operation by the government, provided they had taken these proper precautionary steps, which, however, they have not taken. My quarrel with the government so far as this portion of the undertaking is concerned, rests almost entirely upon the consideration that they are plunging headlong into this thing, in a most unwise, injudicious, and unbusinesslike way, when by a little pause, by a year or two of delay to get information, we might be put in possession of facts which would justify us in proceeding. And surely a year or two is not a long time in the life of this Canadian nation; surely Canada is not going to come to an end so soon that two years is a term of any importance to be considered in our national life. I apprehend that we would have needed two years in order to have obtained a thorough, complete, and correct survey and exploration of that whole country. And having that, the government could have come to parliament, and they could have gone to the country and given reasons for the faith that is in them, and given substantial ground for asking the people to encumber themselves with a liability of \$40,000,000, or \$50,000,000 or \$60,000,000, or perhaps more for the construction of this railway. If you delay it in order to obtain this information, you could have come to parliament upon solid ground with your proposition, and if you had that solid ground the country would, I am sure, heartily and readily sustain you. But as you are going now, as you are plunging into it, you may possibly plunge into what is going to be a disaster. I cannot say; no man can say that that country is not of abounding fertility. No man can say that that country will not afford the amplest amount of traffic. No man can say that it is not rich in all the varied resources which distinguish other portions of Canada. No man can say that there would not be a mint of money made by any company that would operate a railway through that country. But the fact of the matter is, that we know nothing about it. We have no information about it. The government is not in possession of any information about it, or at all events if they are I have never known of it and they

have not put this House in possession of it. And if it be that this country is not a fertile country. If it be that there is no local support for a railway; if it be that settlement cannot be successfully invited into the country; if it be that the rest of Canada will fill up with settlement before settlement will go into it; if there is nothing but pulpwood in that country which will not be hauled out until after all the pulpwood which is handier to the market is taken away from the other vast areas of Canada in which it is to be found; if there is no lumber there except the lumber that would enter into competition with the lumber of British Columbia which is much handier to get and better in quality; if that is all the business that a railway can take out of that country, what a calamitous plunge this government and this parliament would be taking in lending support to this scheme.

At all events, I am entitled to ask so far as I represent the people of my own constituency and the people of New Brunswick; I am entitled to ask as any other member of this House is entitled to ask; that I should have enough evidence before me, that I may be satisfied in order to arrive at an honest judgment, so that I shall feel that I am not by any possibility committing a grave and an egregious error which will deal disaster to the future of this country.

Some hon. MEMBERS. Hear, hear.

Hon Mr. BLAIR. Now, Mr. Speaker, such a railway as I would favor could be used for colonization purposes of course, and for whatever other western traffic would be attracted over that road—whatever other western traffic would find its way there in preference to seeking an outlet from the head of the lakes. If all that our friends confidently expect and believe with regard to the future prospect of the advantages which would come to the west from that railway, is fully realized, so much the better, and we will all be able to appreciate such good results. But we do not know that there is any possibility of such beneficial results; we have no information that would lead us to form an opinion on the matter, and therefore I say that the government may fairly consider whether they ought not to pause in the project which they are asking us to approve.

Now, Sir, my proposition is this: We ought to have come before parliament as a government, and we ought to have said to parliament and to the country: We are favourably impressed with the importance of the early construction of another transcontinental railway; but, as business men, as prudent and cautious men, we think that the proper course for us to take is to get an appropriation from parliament in order that this whole country which it is proposed the railway shall traverse in so far as it has not been officially explored, and in so far as we have not been made familiar with its conditions; shall be ascertained and made known to the people of Canada, laid before parliament at a later day; and then if these reports are favourable it is our fixed purpose to ask parliament to authorize us to go along with railway construction in that territory. My idea would be that we should go as far as we could reasonably and as the necessities would justify, and when we got through to the prairie,

that we should then call a halt until the necessity arose for further extension through the western country. We would have our officials on the alert and they would see when the growing needs and prospects of the country would justify a further extension, and when that time came, then if nobody else entertained it, and even if they did, my idea would be that we should continue our road along; go right along through, go along just as we required to do it in the true interest of the country. Then this discussion which I have said was so necessary, would have taken place. The public press would take the project up; the public platform might, perhaps, be used to some extent, parliament would discuss the matter in all its bearings, and you would get the ideas of the people as to whether government ownership and government operation, or company ownership and company operation would be the most desirable, and the arguments would be brought pro and con, and you would have the people of Canada put in possession of all the facts of the scheme which was to be adopted, before they were irrevocably committed to its adoption.

The points that I think ought to be inquired into are: Is there a feasible and practicable route north of the height of land between Quebec and the prairies? What will the railway cost? What are the prospects of settlement? What are the natural resources of the territory? Is there a good reason to believe that there will be a local traffic to sustain the road? These, and cognate questions should, I think, be first inquired into before we are asked by the responsible government of this country to commit ourselves to a work of this magnitude.

Now, Sir, I am brought naturally to call attention to some features of the contract in connection with the observations which I have just made. On the first page of the Bill you will have discovered a special feature indicated by the language employed in the preamble:

"Whereas, by reason of the growth in population and the rapid development in the productiveness and trade of Canada and especially of the western part thereof, and with a view to the opening up of new territory available for settlement, both in the eastern provinces and in the west, and the affording of transportation facilities for such territory, and for other reasons, the necessity has arisen for the construction of a National Transcontinental Railway."

You will observe further on that it reads that you are to proceed to 'the construction of a National Transcontinental Railway to be operated as a common railway highway across the Dominion of Canada from ocean to ocean and wholly within Canadian territory.' It is to that particular feature that for a moment I desire to call the attention of the House. One of the fundamental grounds and bases upon which this scheme is founded—and you can see the consequences of this view later, when I further advance with my argument—is that it is necessary to furnish to that territory which we are opening up and developing a common railway highway.

Now, I apprehend that that language has been chosen for the purpose of conveying a specific idea. It is to be, not an ordinary rail-

way in any sense, not a railway which could be owned and controlled by a corporation, although subject to all the powers of control which may be exercised through any tribunal which parliament may constitute, but a government railway, to be used in a different sense from an ordinary railway—something in the nature of a highway, only with rails, so that every railway company which came along would have the right and opportunity afforded to it of traversing this railway with its trains; so that, as my hon. friend said in the course of his speech, a train could start at St. John or Halifax, run to Moncton, get on to this railway, and come out at Port Simpson; so that your locomotive, your train and your train hands could go on a long junketing tour across the continent from St. John to the Pacific ocean. That is to say, it would be a railway common to every railway company to use. That is the meaning, I apprehend, of the language used, or else there is no meaning in it at all.

Now let me call attention to clause 24 of the contract, which contains two or three sub-clauses which point to the same idea: First, sub-clause (a), and next, sub-clause (b). On reference to these clauses—I need not read them—you will see that they fortify the idea that trains might come along and pick up this railway, and run along it in the ordinary way in which a man with a horse and cart may travel along the highway. To show that this is the idea that underlies the measure, I will read a brief extract from what was said by the right hon. leader of the government on this subject. At page 7692 of 'Hansard,' my hon. friend says this:

So that under this agreement an Intercolonial train can leave St. John or Halifax and proceed all the way to Port Simpson. Under this agreement, a train of the great Northern or of the Canadian Northern can enter upon this road at any point and go as far as the maritime provinces. So we have guarded this point in every way, and I believe that in this respect the provisions we have made will command the full satisfaction of the Canadian people.

If it were possible to produce the most conclusive and striking evidence that some features of this contract were framed without consultation with and without the advice or the opinion of anybody who knows anything at all about railroading, these clauses in the contract and this clause in the preamble afford that evidence. A more absolutely unworkable, and, in the opinion of every railway man in the country, a more senseless suggestion it would be difficult to make. The idea of commencing a scheme involving all the millions of expenditure which it is proposed that this scheme shall involve, and then saying you will do it in order to establish a common railway highway, so that 'a' company, 'b' company, 'c' company and 'd' company may have their trains travel thousands of miles over this railway. I have endeavoured to urge the view, but without the slightest success, that that was not railway usage or practice or possibility; but it is here all the same. I have no doubt that if my hon. friends had appealed to the honest opinion of the general manager of the Grand Trunk Railway himself, he would have pointed out to them the utter fallacy of such a suggestion as that—the abso-

lute and utter impossibility of any such plan being worked out. Just look at it: What does it involve? It involves that a train shall leave the Intercolonial Railway, with its train hands, its locomotives and its cars, and shall start out. It runs its first day; what will it do? It has either to lie at some particular point over night, or get fresh men and a fresh locomotive. You have to have your locomotive looked after and repaired; you have to have your men sleep and your engine cooled, and other things attended to. Or, take your time and stay on the road. In that case, you would have to pay your board, or be looked after in that way. You would have to provide rest houses for your men, and engine houses for your engines. Every company would have its engine houses and its rest houses, and every one of its trains would have to lie over after it had gone as far as it could in a day, until it rested and was ready to go on again the next day. Would not that be a very comfortable way of conducting the railway business of the country? You could not do that, you say; that would be absurd. Well, what else would you do? There would have to be some authority in charge, which would have spare locomotives and spare men whom you could utilize to look after and repair them at every 120 or 140 miles along this railway. Then, that thing would have to be repeated all over the line. Why is that not done now? Because it is utterly impracticable. The only practicable way is to have some railway commission or some general tribunal deal with the matter. When different railways are anxious to use a road in common, they constitute themselves into a board, which board appoints its officers and employs its men, who will have general supervision over the common road so as to ensure its suitable use to all. This association would have to own the locomotives and manage everything in order to ensure fair play. But such a body could not operate a transcontinental line running its trains three thousand miles to the Pacific coast. Right of way is sometimes given by one railway to another over its line, but only for short distances. The Canadian Pacific Railway use the Grand Trunk Railway between Toronto and Hamilton: But that is a very short mileage; and when you talk of giving various railways the use of a line a thousand miles long, the thing is not possible. A common railway highway is not feasible. You cannot work out any such idea. The idea is however put forward, as one of the great merits of the scheme, that it will provide a common railway highway which may be used by all the railway companies that may desire to connect with this line across to the prairies. It is claimed that all these other companies may send their trains over it. That, Sir, can never be worked out. There are good reasons why the latter feature of this scheme, involving the leasing of this road to a private corporation, will defeat the possibility of this road being utilized to any extent by any other company doing business in the western country. The same reasons which would justify the construction of this road by the government call for its operation by the government. There is no other way in which the advantages which are supposed to accrue from government ownership can accrue to the people. When I speak of

government ownership, I do not necessarily mean the operation of the road by the Railway Department. It does not matter a jot whether the road be in the control of a department of the government or some tribunal which the government may create, it must be operated by an independent tribunal which has no interest in any other railways that are competing for the same traffic. Therefore I say that when the government took the responsibility of building this line, it should also have taken the responsibility of owning and operating it. It should not have parted with it for a period of fifty years. Its leasing of it for fifty years is equivalent to their giving up its ownership during that period. It ought to own the road and operate it, and in this way confer on the country the advantages, whether great or small, which follow from government ownership. The people would then enjoy those advantages which they will not do now under the system adopted. After going to the enormous expenditure of building this line, the government intend handing it over to the Grand Trunk Pacific Railway for fifty years. Thus during two generations this property will be out of their hands. But they say, Oh, we have put some very binding clauses in the contract, we have tied them up hand and foot, we have compelled them by agreement to do this thing and the other. That does not help the government in the least. I do not say that these restrictions will be of no advantage at all, but I say that there will be no advantage to the people from the construction of the road, after you once lease it, commensurate with the loss incurred by your putting with its control and putting the road into other hands. The Grand Trunk Pacific Railway is not in a position to attract a great deal of business to this road. If the tendencies were all, as my hon. friend thinks they are or will be, in favour of this road securing transatlantic traffic with equal advantage compared with any water route, when the government lease it to the Grand Trunk Pacific Railway, they give it into the absolute operating control of that company. You cannot constitute any committee of investigation able to watch those men close enough to prevent their giving the advantages to their own company's traffic in preference to any other. No ingenuity you can display will enable you to provide yourself with safeguards sufficient to prevent the Grand Trunk Pacific Railway from giving the benefits and advantages to themselves and withholding them from others. The Grand Trunk Pacific Railway is practical owner. Every man engaged on that road will be in their employ, looking to them for wages and promotion, and anxious to win the confidence and good-will of his employers. Every train despatcher, along this strip of 1,800 or 1,900 miles, will be naturally inclined, to favour the company which pays him. It will be of the greatest importance to him to see that no delay occurs in the despatching of their trains and the carriage of their traffic. He knows that if he does that, his people will appreciate his zeal in their interest, because they are keen competitors with all the other people who are supposed to want to use this railway line. What are the other railways that are going to use this great common railway highway? They will all be competitors of the Grand Trunk

Pacific Railway, hauling grain in competition with that road, and they will be sure to suspect that they have not been given fair play. They will not send their business that way if they can find any other way. Those people will suspect, and they will not upon their suspicions even though these may not be well founded. Let me give you some of my experience as a member of the Railway Committee of the Privy Council. Five or six cases have occurred in which companies have come before the Railway Committee to have their disputes settled concerning the user of single or double tracks by two or three different companies, and the amount of jealousies, suspicions and difficulties experienced, in getting those companies to come to any sort of an agreement, whereby one of them was to be allowed to handle the trains and serve the others, one could hardly imagine. Even if it is only a few miles, the struggle for advantage, the time taken up, the controversies that arise, the suspicions that exist will not be allayed, they cannot be allayed—it is not in human nature. Therefore, I feel as though I am bound to say that it is perfect moonshine, it is misleading the people of this country, to try to make them suppose that they are to have a grand trans-continental highway at their disposal, to be used in common in the way this Bill declares and this contract contemplates. So, one of the bases on which this thing is being pushed forward now with this prodigious haste will bear no weight, by reason of the utter impracticability of working it out in actual railway practice. The way to do this, as I have said, would be, if you like, to put a commission in charge of the road. Then you might rest assured that, with a commission that has no interest in either of the competing railways, no interest in the traffic, would have the confidence of all the railways that might want to use the road. And the way they would use it, and the only way they could use it, would be by bringing their loaded cars up to the point of intersection and handing them over to the commission to be hauled over the road to the point of destination. But when we are told that we can pick up trains at this place or that and carry them, if necessary, with their own crews over hundreds or thousands of miles, we are being led in a kind of hysterical frenzy, it seems to me, to adopt ideas that are wholly and absolutely impracticable, and which show that a little thought and a little time, and a little more thought and a little more time, and still a little more thought and a little more time, would not have been wasted if devoted to the consideration of this scheme. Now, for these reasons, I am unable to understand, after we had adopted the principle of government ownership down to this point, what are the reasons, what are the cogent and convincing reasons why we should divorce the principle of public operation from the principle of public ownership and hand the road over to the operation of a private company. There is no reason to my mind which at all ought to commend this idea to one's reasonable judgment. Therefore, I complain of that feature of the scheme. I think it is, in this respect, radically defective, and that it cannot be worked out successfully. I think it contains defects which will impair the successful working of the railway, and which will prevent rather

than promote the successful working out of financial results. And it will strike a blow, which I regret to see struck by the government of this country, at the principle of government ownership.

Of course, this contract contains a very great many clauses for the purpose of securing this and assuring that. But, I have yet to learn that you can frame clauses which will meet the ingenuity of company officials, or prevent a company which may be operating the road from having very much its own way in the premises. And when you consider that railway interest in this country has become so powerful, that even within a few weeks of the present session of parliament, they can get a scheme sprung upon the country involving many millions, what reasonable ground have you for expecting that, in these minor things which affect only individuals doing business with the road, you can enforce the clauses and provisions which you have incorporated in the contract in order to bind and hold them? I think we are building upon very slight foundations the hope which my hon. friend has expressed.

Now, passing from what is called the eastern section, I wish to make a few observations upon the question of the prairie section. A curious condition of things is developed here. The policy of even government construction and ownership is abandoned when you come to this portion of the line. Why should it be thrown aside here? I fail to understand—that is, I fail to reconcile it with any interest which Canadian people have in the matter or with anything calculated to serve the welfare of the general public. If it is simply because a railway company desires and prefers to own the prairie section that we think it is proper, or if we think, on balancing the advantages and disadvantages it is better that a company should own and operate it, very well; I can see the force of that. But these reasons have not yet been made apparent. If it is a sound principle to own your railroad from Moncton to the prairies, to the confines of that portion of the country where you hope the business will, in course of time, develop to a paying point, why should you virtually give away, and not only that, but also substantially aid, the line through this valuable and fertile country? What are the compelling reasons? I see none, none whatever. There is no reason in the experience of the Intercolonial which will justify the inference, that such a road being owned by the government and operated by a commission, could not be made as much a success, so far as the general interests of the country are concerned. It might not yield us large dividends, because you might not develop the same large amount of business. But the people of the country—and it is the people whose interests we are supposed to consider—would be far better served, their rights would certainly be better secured, by continuing a policy of public ownership and also carrying out the principle of public operation when you come to the fertile belt, that portion of the road which is going to create traffic for you. Now, on the very threshold of this question, I make this inquiry of myself: Is there now, or is there likely to be in the immediate future, any need for our embarking on

another railway through the North-western country? Are we not actually anticipating the requirements of that country by a considerable number of years? Now, the idea, if it is entertained, that the whole western country can be filled with railways, and that it will attract innumerable millions of people to fill it up at once, is not well founded. Yet that is the idea that seems to underlie this proposition. There does not seem to be any impression that you may be putting a railway into that country long before the time when it need be put there. Are you or are you not doing that? My hon. friends, if they have not information on that subject—and they cannot have it—might well have inquired into the matter. They might well advise the House as to what are the facts, and what are our own needs. Where are the men who are competent to speak who have advised this government that another railway through that country, north of the Canadian Northern, is required at this time, or that it will be required in the immediate future? I have no means of knowledge myself on that point. But is it not a natural query to raise? How many transcontinental railways do you want to construct in one year? One has already been sanctioned. Is there no limit, or is that limit only the number of demands made upon us by influential corporations? Is that the limit? Now, that is not a proper limit, that is not a legitimate limit, that is not a limit that this parliament ought to listen to, that is not a limit that this government should respond to for one moment. The question is, whether there is real need for another road through that fertile country. I can understand that if it was thought desirable to construct another government railway you might run it down between some of these roads that are now in existence, so as to have some effect upon their rates; but to run another railway north thirty or thirty-five miles from the first railway, will be to encroach on its territory. We ought to have evidence as to whether such a condition of things exists in that western country which renders it necessary for us to rush with all long haste to authorize the construction of enormous cost of two lines of railway through that same country at the present time.

Now I wish to direct attention for a moment to the question of the location of this new railway. I have spoken of it as drawing to the north. I have heard it said by people who profess to know whereof they speak that the Grand Trunk Pacific have some assurance or expectation that they are going to be allowed to run south of the Canadian Northern, and through some of these roads that are already constructed in that section. Well, if that be true, and I cannot believe it is true, I think I find evidence, conclusive evidence that it is not true—but if it is true, then I say unhesitatingly that no railway company that comes to Parliament and gets a charter to construct another line between them, south of the northern line and north of the southern line, ought to get one dollar of money from the public exchequer, or one dollar of guarantee. I saw it would be an outrage upon the people of Canada. After that country is beginning to be peopled, after a traffic exists in a rich country like that, if a company gets

a charter, let it go in and build a railway with its own means and on its own financial strength, and not a farthing should pass from the treasury of this country in aid of its construction. If another railway was considered to be needed, it is the government that should put it there, if they are going to spend any money in railway construction at all. Now I have reasons for thinking that that cannot be so, and I will tell you why. I find this in the preamble:

Whereas, by reason of the growth in population and the rapid development in the productivity and trade of Canada, and especially of the western part thereof, and with a view to the opening up of new territory available for settlement,

Now you see lying at the very threshold of this whole measure is this solemn declaration that the object for which these enormous responsibilities are to be assumed is to open up new territory which is now unsettled. Then it must be beyond the reach and scope of the present settlements in that country, and so this question fairly arises: I want to know, you want to know, and the country will want to know, what is the extent of the country that needs to be served by railroads, and which is still unpeopled? What is the extent of that country, what are its capabilities in the way of attracting and retaining settlers, and how many years will it be before there will be need of their travelling further north in order to find places for settlement? That is information that we have not got, and yet it is vital for a proper and judicious consideration of this whole question. Now not only does the preamble of the Bill contain language which I think is open to the interpretation that I give it, but the contract does also. Let me read some lines of it. And I ask you if it does not mean exactly what I state:

Whereas, having regard to the growth of population and the rapid development of the production and trade of Manitoba and the North-west Territories, and to the great area of fertile and productive land in all the provinces and territories as yet without railway facilities,

Now that is clear. So we have got to go outside the range of the country which is supplied with railway service, and where will that take us? I think that is a simple question. Easy of solution—it must take us north of the Canadian Northern, after you get out of Manitoba, and perhaps before. As I say, when you run that road from Gilder Plains through to Edmonton you cut through an unpeopled country, you have to go north of that again, and where are you as to the needs? Where are you as to the requirements of a railway? Where is the evidence of a need for another railway traversing that country, as the Bill itself declares?

Now there are some reasons which I think ought to influence this government or any government when a question of this kind arises for solution. You have a great unpeopled country in our western domain. Statesmanship requires that the government should exercise a guiding influence in the direction of settlement, so that it may take place in the best way for itself, that it may be located in the best interests of the country and of the people who are to settle

there. In other words, it is the business of the government to see that when people go into that country they should not be encouraged to scatter in isolated settlements far apart from each other. They ought to be brought together as closely as conditions will warrant. Many reasons require that they should not be scattered too far apart. The social conditions call for it, the comforts of life demand it, municipal organization and municipal government all call for the same thing. The educational needs of these people require imperatively that they should be settled as closely together as convenient; and when they begin to spread out, and fresh settlers come in, then further portions of the country can be opened up. But to build two or three different railways at one time through an unsettled country, and drop down the people here and there, 10, 50 or 100 miles apart, and continue that policy for a long period of years, when they must remain for an indefinite time without the advantage of roads, and schools, and the ordinary conveniences of life, is to my mind a great mistake, not only in the interest of that country, but in the interest of the settlers themselves; it is to make a serious blunder which will greatly injure the prospects of our western country. Therefore, when you are building another road in the west in addition to the one you are sanctioning this year, you are contributing to bring about these undesirable results; and I say the government should hesitate, if there was no other reason. They should pause before going further. They should be able to tell us what are the prospects, what are the reasons which have induced them to ask us to legislate in the proposed direction, and under the conditions as they exist to-day.

Now, in brief, my objections to the building of the prairie section are these: First, it is premature. I say it is premature because I have taken some pains to ascertain the facts. My own mind has been led to this conclusion because I have taken some pains to gather by conversations with people who ought to know something about this subject and who are familiar with the western country, some facts relating to it. The first fact which seems to be evidential is the fact that there is no settlement north of the Canadian Northern Railway, which we have authorized to be constructed during the present year. I have asked the question of a number of people from that part of the country: What are the capabilities of receiving settlers in the country between the two railways; that is, between the Canadian Northern Railway and the Canadian Pacific Railway? How many people can go there and find suitable land, can find desirable settlements within the area before settlement begins to overflow and spread farther north? The lowest estimate that has been given me by any one individual to whom I have addressed the question has been five millions of people. I do not know whether that is right or wrong. I am giving it to the House frankly, just as it has been given to me. I have asked the question and the reply given to me is that five millions of people can be comfortably located within the area in that western country which these two railways, the Canadian Northern Railway on the north and the Canadian Pacific Railway main line, can provide railway facilities for. If that is not true, I should

think it would be capable of being very easily answered authoritatively and officially just what the capabilities of this section of the country for settlement are. If that statement is anything like the truth, then it is unreasonable to say that with room for five millions more to-day within that belt there can be no occasion for us to spend more money in order to provide for settlement much further north at the present time. At the rate of 100,000 a year, as they are now going in, how many years will it take to settle that country? Double that, and you have over 25 years before you get your five millions of people in there. I hope it may be doubled, and I hope it will still further increase beyond that, but at all events, many years must elapse before you will be required, it appears to me from what I can gather, to lay down any more railways in that particular section of the country for the accommodation of the settlers who will be going in. We have been told that settlers are teeming into this district. They may be teeming into a part of the country forty, fifty, seventy or eighty miles away from this railway; they may be teeming into another part of the country altogether. We are told that this country, which was once the home of the buffalo and wild tribes, is teeming with activity. If this activity is in another section of the North-west and not giving any evidence of its existence in the particular section of the country through which this railway is to run, why build the railway now? It appears to me that our duty is plain now. Why are we rushing into this thing with such speed as if our very life depended upon it, as if the very existence of Canada depended upon it? I want to ask, is there any dark cloud overshadowing us that the realization of this contract will immediately lift. If there is, I do not know it. Is there a well-grounded fear that the Grand Trunk Railway Company will not allow us, two or three years, hence, to build and make them a present of this line, that they will not accept it? Is there any well-grounded justification for that fear? I think not. I think we will find them in just as receptive a frame of mind two or three years hence as that in which they are to-day. Is there any congestion away up in this country which requires a railway to be built? Is there any depression in business? We hear about the employment of the toiling thousands in the workshops and fields of Canada. They are, happily, now all employed, but is that a reason why we should start now to build another railway? I think not. There is not a cogent reason. I do not hear that labourers are seeking employment in vain, nor do I hear that there is any depression in the manufacturing industries of the country. I could understand that, if the conditions were entirely different, it might be desirable for the government to undertake a work a little in advance of the time that it was required to relieve, if possible, such a depressed condition in order that people might be occupied, but I never heard yet of a government feeling that they were in duty bound, when everything is booming, when times are prosperous and when men are employed, when wages are high and when conditions are as favourable as they ever have been or can be, to expend a large amount of money for such a purpose as

this. Why not wait and be sure? If this is a wise policy, it will be wise two or three years hence; if it is a defensible policy, it will be easily defensible then. Then, it may be that one of those cycles which come about in all countries will appear, when business will become less active, when depressed conditions will occur, when the public exchequer may well be opened and when great works may be undertaken for the purpose I suggested a moment ago of helping to tide over the period of bad times until better times should appear. But I am told by one of the leading organs of public opinion in this country, which seems to be most extremely anxious to see this project go through, that we must build this road now or never. Now or never? What does this mean? Is it really a fact, now or never? What are the conditions which exist now which may not exist five, ten or fifteen years hence? Then, it says further that it matters not how we have drifted or have been drawn into it, we are face to face with a grave crisis. 'At the time this announcement was made by this leading organ, I thought it was striking, and I took it to ponder over, and I have pondered over it. 'It matters not how we have drifted.' If we had drifted we would not have moved with such celerity. We have more than drifted. We have been drawn into it. This editorial article says that we are face to face with a grave crisis, and therefore this railway should be built. It must be built from the east to the west, from ocean to ocean, even if \$150,000,000 has to be expended upon it, because we are face to face with a grave crisis. I would like some one to tell me where or what the crisis is. Where is it located? Surely if there is a crisis we would all like to know about it. If it is a tangible thing, we would like to feel it. Let somebody who does know locate it. If somebody has it in his pocket let him produce it. But, Sir, we have been left in helpless ignorance down to this very moment, that we were in the midst of any crisis. Somebody did try to make a little political crisis out of the recent changes in the Department of Railways and Canals, but that is a very small thing. This one we are speaking of, we are told, is a grave crisis; it is a grave crisis that we are called on to face, and because it is a grave crisis we must build this railway. I do not wonder, Sir, that such strained advocacy as this could find expression in one of the leading organs of opinion in this country, and that it ever could be considered as carrying any weight or impressing people successfully into the support of this project. I think, Sir, that the crisis ought to be disclosed. If there is a crisis we should know the truth. If it does not exist now, but if it is impending, it would be well to warn us. If it is a crisis of such grave character as it is said to be, and if it is liable to be attended with such disastrous results to the interests of Canada, then I for one, and I am quite sure the general body of this House will be prepared even to support a proposition of this character, if it is going to relieve us from such direful consequences, rather than have that calamitous crisis come upon us.

Some hon. MEMBERS. Hear, hear.
Hear Mr. BLAIR. We are further told from the same quarter that we have got to decide 'now,' whether we will go into the undertaking.

Mark you; we have now to decide, or it will slip away from us to our inestimable and irreparable loss. Well, Sir, I have heard expressions of that kind used in some of the auction shops, but I cannot imagine how anyone can think that such kind of arguing will impress the mass of the intelligent people of this country. One would think that the credit of Canada at the present moment was such that we could incur a liability of this kind, but if we did not incur it at this very moment, or if we allowed a year or two to pass by so that we might obtain information to enable us to proceed understandingly with this project, we would then be in a position to carry it out. Well, that kind of reasoning is futile. To my mind, Sir, Canada will be all the stronger in the estimation of the financial men of the world, if before entering into a proposal of this character, Canada shows that she is moving in it with judgment and discretion.

Now, Sir, I come to a question which has something of a new character; something rather which is an appendage to the original proposition, and which concerns more directly the department of government in which I had been serving. I refer to the extension of this railway from Quebec to Moncton. Let me say, that while I do not profess to know anything with regard to these other things and can only conjecture as to what would be the result of them, I do profess to know something about the extension of the railway from Quebec to Moncton, and I do profess to know something about its effect upon the public interest in relation to the Intercolonial Railway. My objection to this railway being constructed to Moncton has been stated in general terms in my letter to the premier, in which I stated that it was paralleling the Intercolonial Railway. I trust that no person who read that statement in my letter imagined that I meant the word 'paralleling' as used in the sense that having got away from the Intercolonial Railway for a short distance it maintained an equal distance from the Intercolonial Railway all the way through. What I meant was that in its broadest sense it duplicated the Intercolonial. I meant that it was proposing to take away the traffic, the through traffic, the largest portion of the traffic which the Intercolonial would have, and which would be calculated to carry. I meant that it was going to be a competitor and a rival for much the same business as the Intercolonial Railway does. I meant that the government was setting up another railway, building out of its own means a railway whereby the present great Intercolonial Railway would be dismantled, and would be practically destroyed, and that all the prospects of the Intercolonial Railway, and all its hopes, and all the interests which naturally centred around it, would be materially prejudiced and impaired. That is what I meant, and that is what I think I can establish to the conclusive satisfaction of any person who may care to hear me. I am not going to say that the Intercolonial Railway ought not to have competition in any form, because it has always had competition, and new connecting lines have been chartered by parliament and subsidized by parliament from time to time, much to its

injury. All that has been done I presume in the interest of the people, and therefore nothing can be said, I assume and believe that in every case in which any little line or branch line diverting traffic from the Intercolonial Railway was authorized, there was reason behind it, or otherwise it would not have been done. But, Sir, I maintain that in respect to this duplication of the Intercolonial Railway by the extension from Quebec to Moncton, there is no necessity, there is no reason, there is no justification, there is no object, good, bad or indifferent, to be attained.

Some hon. MEMBERS. Hear, hear.

Hon. Mr. BLAIR. Yes; it is absolutely useless. It is a total and absolute waste of the public money. It is not only a destruction of the Intercolonial Railway, but it is a sheer unjustifiable squandering of the public money.

Some hon. MEMBERS. Hear, hear.

Hon. Mr. BLAIR. I cannot speak less strongly because I feel strongly with regard to this. I feel strongly because I can realize as no gentleman in this House can realize the efforts which have been made during the past few years to improve the character of that railway, to give it a better standing and a better foothold, and to promote its earning capacity as it never had been promoted before.

An hon. MEMBER. What do the Conservatives say to that?

Some hon. MEMBERS. Hear, hear.

Mr. GOURLEY. You fellows are trying to kill it.

Hon. Mr. BLAIR. We have expended upon that railway \$70,000,000 of money, and now the government proposes to spend \$15,000,000 more in order to make our expenditure on the Intercolonial Railway less valuable, and less effective, and in order to injure materially the people who live along that line.

Some hon. MEMBERS. Hear, hear.

Hon. Mr. BLAIR. Yes, Mr. Speaker, I say in order to materially injure these people, because I take it that it is a matter worthy of some little consideration that the people who have been living on the line of the Intercolonial Railway, who have been enjoying the advantages of the service it affords, and it has been a good service—these people have built upon the line of railway at different points in expectation that this condition of things would continue; but now the prospect is held out to them, that for the purpose of carrying out an idea, the origin of which I do not absolutely know and the purpose of which I have not been able to discover up to this moment; these people are to be deprived of those advantages and to be put, as it were, on a back street and on a local road, and deprived of these facilities on account of which they have invested their money in the expectation that they would always be permitted to enjoy the same consideration and advantages. And now, Sir, the people who live along the Intercolonial Railway are to be deprived of these advantages without rhyme and without reason, without a particle of justification and without a particle of warrant, and while the government is doing this, they are at the same time wasting a vast amount of public money in order to do it.

You will notice, Sir, that the Intercolonial

Railway has greatly improved its business in the last few years. Seven years ago the total amount of business done on the Intercolonial Railway was about \$3,000,000, and to-day, if my memory serves me right, it is nearly \$7,000,000. The Intercolonial railway came to Montreal to get business; it extended its line to secure through-traffic, and we expended a large amount of money and assumed considerable obligations in connection with that extension. We have expended \$15,000,000 at least in extensions and improvements, in the betterment of the Intercolonial, in the modernizing of the Intercolonial. It has been the policy continued for seven years, constantly, without variation, uniformly, without a doubt expressed on this side of the House as to the wisdom of that policy until to-day. My hon. friend the leader of the opposition said the other night that we were reversing the policy which we had pursued during all these years. I go further; I say we are doing more; we are condemning that policy. We are not only condemning it, but we are writing our own condemnation in letters which will never be obliterated. We are saying that we did not know what we were doing—that we did not care what we were doing. It suits our purpose now to destroy entirely what we have done, and to belittle all that has been the result of our past policy. That is what is being proposed in this policy to-day. I protest against it. I think I can show this House that a little thought and consideration would have led to the staying of the hands of my colleagues who were determined that this thing should be carried out.

Now, Mr. Speaker, it is a curious question as to the origin of this idea. We had this grand, from-ocean-to-ocean, transcontinental, all-Canadian line; we had all that; we were told about that, and the newspapers were advised that the Grand Trunk Railway Company was going to make this application. When the transcontinental scheme from Quebec to the Pacific ocean was in contemplation, we had discussed it for a long time before we heard of the idea of this Moncton extension. When did we first hear of it? We first heard of it when the session was half through. It was first mooted when the Grand Trunk Pacific Bill came before the House. I am told by those who profess to know—I do not know myself, and if it is not true it can be contradicted—that the reason why the Moncton extension was proposed was that when the Grand Trunk Pacific Bill was going through the Railway Committee, it was thought by those opposed to that Bill that it could be defeated by a proposition of that kind, because nobody would swallow it, and the whole Bill would be thrown out. That is what I have been told. What is the fact? The fact is that the proposition first appeared on a motion to amend the Bill by requiring that the line should be extended to Moncton, and the further proposition that construction should commence on that section at the same time as on the other portions of the road. A few days, possibly a few weeks—I did not count the time—are all that are necessary to pass a proposition to have this Moncton extension as an essential element in a grand transcontinental, all-Canadian line—something that was never thought of before. What would have become of this scheme if the

Moncton addition had not been made to it, I do not know. It would certainly have been wanting in what is now regarded as a most essential element in the whole scheme—the all-Canadian idea of it; and probably it was in this connection that the right hon. member of the government found warrant for his fear of the withdrawal of the bonding privilege. So that idea was given birth to only after the session had been pretty well advanced, and within two or three weeks after that it is adopted solemnly and seriously by the government of this country as a part of their transcontinental scheme. Whatever time or thought may have been devoted, in quiet or in secret, to the character of the scheme generally, certainly before that time no thought was devoted to this feature; and we have this element of it determined upon within the short period which elapsed down to the present from the moment when it was first introduced in the Railway Committee.

Well, Sir, where is it proposed to locate this line? I understand, from the explanation that was made the other day by the right hon. gentleman, that the road is to run back from Levis across the height of land until it gets somewhere between the United States boundary and the height of land south of the Intercolonial; then it is to run easterly by some route to be hereafter determined until it reaches Edmundston; and from Edmundston it is going to pass by as direct a course as possible through the centre of New Brunswick to Moncton. I know nothing about the section from Levis east to Edmundston. I do not think the government does; that is my impression. I have a suspicion—it is a little more than a suspicion, but I cannot verify it convincingly, though it has taken a strong hold upon my mind—that if my hon. friends proceed with the construction of the railway as they are now contemplating, they will administer to that grand all-Canadian transcontinental line a very black eye before they get through; because I believe it will be found that in order to build a line at all capable of carrying any traffic, they will have to slip into the American territory, run down a bit and come back into Canada, before they get through. That is my impression; it is only my impression; I would not like to give it as absolute verity; but I venture to hazard the prognostication that the railway will not be built by any such route as proposed. In the province of New Brunswick the great body of the population lies either to the north, along the Gulf of St. Lawrence, or to the south, along the Bay of Fundy, and along the valley of the St. John river on the west. So that this railway, in going through the centre of the province, is leaving the population far removed from it on either side. There are a few settlements here and there on the rivers which will be crossed, but these settlements are mostly all reached by railways constructed along these rivers. The country which is to be traversed is largely a wooded country, or has been wooded. Very much of the timber has been cut away. The lumbermen have been forced further back, and there is not much promise of a lumbering business, because lumber would not be taken by the railway, but by the rivers, as it is to-day. You would have, therefore, a railway crossing the river and the height of ground at right angles, and you have

to cross a great watershed which divides the Gulf of St. Lawrence from the St. John river and the other waters on the west. You can imagine what the difficulties will be in constructing a railway under those circumstances. You can imagine what is likely to be the expense, the character of the grades, and the disadvantages under which such construction will labour.

My hon. friend mentioned to us the other day that a survey has been made by a Mr. Davey, and he said that a very considerable saving in the distance could be made. I have only this to say with regard to Mr. Davey's survey. I think he made the survey for a private company, desirous of obtaining aid from the government, and whether a survey, under those circumstances, would be quite as certain to be as accurate and careful a survey, showing all the disadvantages under which the route will labour, as if it had been made by a government engineer, I leave the people to judge for themselves. I would be inclined to give the preference myself very strongly to a survey made by independent engineers, who had no interest in connection with any company that was seeking government aid. I do not therefore, without any disrespect to Mr. Davey, place quite the same value on his survey as I would on the work of a government engineer. Moreover, I think very little of that work which was done by Mr. Davey himself. However, if his report be read, as I read it, you will not be able to conclude that this survey shows a saving of from 120 to 140 miles. I do not find that any such saving will be effected. Mr. Davey tells us that the distance from Moncton to Halifax via the Central New Brunswick road, which he has surveyed, will be 759 miles, and I am giving Mr. Davey the benefit of the ten miles which the right hon. gentleman said he could save. But the mileage from Montreal to Halifax by the Intercolonial Railway is only 836 miles, so that the saving by the New Brunswick Central, according to Mr. Davey, is only 77 miles and not 120 or 140. Mr. Davey's report is available, and if hon. gentlemen think that I have at all erred, my statement is capable of being corrected. Now, I attach no importance to a saving of 77 miles under the circumstances. I would not attach much importance to a saving of greater mileage under the same circumstances. It must not be forgotten—and I wish to emphasize this fact—that the Intercolonial Railway has such exceptionally favourable grades, is so well laid, and is such an exceptionally favourable road for traffic, running along the coast line, that it can haul heavier trains 259 miles further than the Canadian Pacific Railway in shorter time. You can therefore see how small a figure 77 miles would cut under such circumstances. I venture the opinion, without fear of successful contradiction, that there is no new railway which can be laid out in the province of New Brunswick that can reach St. John under as favourable conditions as the Intercolonial Railway. You may save fifty or sixty miles in distance by building an extensive line, but the more favourable grades on the Intercolonial Railway will make that line very much shorter in its actual operation than this new road.

It is not a question of mileage. It is idle for the government to say: We will ask the people to spend \$15,000,000 to give us a line 77 miles or 120 miles shorter than another line, when you can make better time and carry heavier loads on the longer line. This proposal is absolutely unjustifiable, and the people of this country will not stand it. Not all the influence which the Grand Trunk Pacific Railway can bring to bear on the electorate will justify the outrage proposed to be perpetrated. The new line will have heavy grades, and besides will go through an unsettled country, and we know how important an element local traffic is to a railway. How long will it then be before this government will have this railway thrown back on its hands and be told that it has made a needless expenditure which cannot be made productive, and whose only effect is to sacrifice the road we already possess. I say that a saving of 77 miles or 120 miles counts for nothing. There will have to be more intelligent reasons given to justify the government in pressing through this feature of the scheme. I regret that the Intercolonial Railway, which is the people's own road, has not a friend in the whole ministerial ranks. I propose at all events to stand by it while I remain in public life, and knowing what I do of that road, I will not permit its character and quality and services to be minimized or depreciated without entering my protest. I do not know why we should have this new road. Who wants it? We have had a resolution passed by the city council of Moncton. They think that they want it. But if I know anything about the possibilities and probabilities of the future, they will yet say that they wished they had never got it. Running another railway will not do them any good. There will not be another pound of traffic passing through that city which would not pass through it if the Grand Trunk Pacific Railway were never built. But, there will be this result. Moncton is now a great railway centre. Arrangements were in contemplation, in fact the buildings were in progress, for the manufacture of cars and locomotives and other plant required on the Intercolonial Railway, in that town. All the machinery that would be required has either been furnished or contracted for. What for? In order that we might employ the labour of our own people in providing cars and locomotives required for the Intercolonial Railway. But you are going to dismantle those works as a necessary consequence of this new scheme.

Some hon. MEMBERS. Oh, oh.

Hon. Mr. BLAIR. My hon. friends laugh. Don't you make any mistake; if this Grand Trunk Pacific is not going to be a total failure, you will have to do it. It is one or the other, one or the other of these is to be sacrificed. And will the government sacrifice its own infant? I do not think it is going to see its own well-beloved strangled. It is going to stand up for it, and the poor Intercolonial has got to suffer the penalty; there is no manner of doubt about that. I say that if you take away the through-traffic, as you would do, from that road, and leave it a local road, you make necessary the dismissal of a very large proportion—I would say half—of the men employed in the workshops in Moncton. My hon. friends laugh.

There are many things that have occurred in this whole matter that would provoke laughter, but not laughter such as that of my hon. friends. There is the laughter which suggests the want of knowledge of facts. And I say that want of knowledge exists. I appeal to my hon. friends every one of them, to know whether they ever took a single employee of the Intercolonial into their confidence, whether they advised with a single man of them as to what would be the effect of the construction of this line upon the business and interests and condition of that Intercolonial Railway. This whole matter was decided upon without a single Intercolonial official being called into conference and asked to say, calmly and of his knowledge, what would be the probable effect upon the Intercolonial of the adoption of such a policy as this. That is the conviction of the officials of the Intercolonial, and I think they ought to know. It is my conviction that it will dismantle the road, it will cut off its business, it will reduce the number of men employed. There would be no Grand Trunk Pacific shops in that locality. The people of Moncton ought to wake up to a knowledge of the facts that if they favour, as they appear to favour, the construction of this railway, they favour a policy which would be most injurious to their interest and which, under no circumstances, can possibly be of the slightest advantage to them.

Now, as to Halifax, I do not know what the attitude of Halifax is upon this subject. This much I do know—that nobody has better wishes for Halifax than I have, and nobody more wishes to see the traffic of the Intercolonial increase, and increase under such conditions that Halifax will get a fair share of that traffic. But I fail to see how the interests of Halifax can be in the slightest degree subserved by the policy proposed in these resolutions. There is not going to be more traffic over the two lines than there would be over one. I will show, before I sit down, why I say that. The conditions will be exactly the same as they are to-day as respects all the possibilities of traffic carried over the government railway. Now, you talk about the distances, and about the building of transcontinental railway. My hon. friend has said in his opening address on the introduction of this Bill, the great object they had in view was to get a railway which would give to the whole Canadian people the shortest and cheapest route between ocean and ocean. I want to know, if that is the object and the design with which this great undertaking has been promoted, why he has not followed it out and effected the object to the fullest possible extent in his power. Why is it he builds the railway to Moncton, if his object is to get to the ocean by the nearest way? What is he proposing to do with St. John? St. John is a port, I apprehend of some importance, and doing a very considerable business under existing circumstances, and capable of doing any amount more if increased business should offer. The harbour is open all the year round. No man questions the advantages of St. John as an ocean port. It is free from fog in the winter, a great source of trouble to many other ports. And it has also this great advantage, that there is a staple product which is always available to make up the balance of a

cargo if required. You can always make up the balance of a cargo with lumber, if you cannot get other things. This is an advantage which St. John possesses in a greater degree than any other port on the Atlantic coast. Why is St. John passed over? If the shortest line is the object why do you go 100 miles out of the way? St. John is only 428 miles from Montreal by way of Levis, Riviere du Loup and that St. John valley. Buy that road if you want to get to the ocean, or expropriate it if you cannot buy. According to the shortest statement of Mr. Devey's, the distance is 150 miles longer by the centre line, but it is really 170 miles, as I shall show you. Why do you want to travel 170 miles further than is necessary? There is no necessity for it in any business interest. St. John is passed by. The distance from St. John to Levis by the line I have spoken of is, as I have said, 428 miles. From Levis to St. John by the Intercolonial it is 578 miles. By the Devey's line, taking his own figures to be correct, it is 501 miles. And from Levis to Halifax by the Moncton and centre of New Brunswick line, is 597 miles. You have, therefore, 96 miles, by the best possible figuring you can make, by the Moncton and centre of New Brunswick line—96 miles further there is any necessity for going or any justification for going. You are telling the western people: We are giving you the shortest and speediest route to the sea. Why tell them this, if you do not intend to give it to them? If you do not mean to give them the shortest route, do not tell them you are giving it to them, do not spread it out in your Bill or announce it your policy, but tell them the truth: It is not a commercial line we are building, it is a political line. I do not object so much to these hon. gentlemen doing that if they think it proper, and if they think they are going to make friends in Nova Scotia by doing it. But let them not pretend to the people that they are giving them the shortest line and then withhold it from them by their own will and determination.

At six o'clock, House took recess.

AFTER RECESS.

House resumed at eight o'clock.

Hon. Mr. BLAIR. Mr. Speaker, as part of the new line which the government is proposing to construct from Levis to Moncton, a portion of it, as the House understands, is to be built to the south of the Intercolonial Railway, between what might be described as the mountain range, if it is a mountain range, and the American boundary. On a portion of that line, I have been given to understand, though I do not speak from positive knowledge, there are considerable settlements, and a good deal of business could be done along that section, at all events railroad accommodation would be afforded to a number of persons who are now without it. It does not appear to me that in order to give railway facilities to the people in that section it is at all necessary to proceed with the extended line down to the centre of New Brunswick, because the people who would be served by such a portion of the line are people who would look altogether either to Quebec or to Montreal for their connections, and who would desire to reach these points to transact the business which would ordinarily call them in that direction. All the government would need

to do, and to that I apprehend there would be no objection in Parliament, would be to give such assistance to a railway, chartered for the purpose of building through that district of the province, such aid as is usual and customary, and which railway would serve, if it was part of a longer line or a portion of a transcontinental line, to the fullest necessary extent the people living in that section. I think, therefore, no argument can be used in this House for an extension of this line beyond the points to which this settlement extends.

I have stated to the House what was Mr. Daveys' estimate of the length of the road, and the number of miles that would be saved by the construction of that line through the centre of the province of New Brunswick to Moncton. I have taken the trouble to look up information upon that subject, which I think is available to everybody, and which perhaps some members of the House have already seen. It will be remembered that Sir Sanford Fleming and a corps or several corps of engineers were employed, under instructions of the government at Ottawa before confederation, to make numerous surveys to the centre of the province before the Intercolonial Railway was located through New Brunswick, in order to ascertain what would be the shortest and most desirable route for the railway to follow. Sir Sanford has furnished in his reports, and they have become parliamentary records, full and complete statements with respect to these different surveys. I desire to call the attention of the House to the records which there appear, and which will more than confirm my estimate as to what, under the best possible circumstances, can be saved in mileage by the effect of this new construction. I quote from page 44, Sessional Papers No. 8, for the year 1868, referring to what he calls line No. 10:

This is unquestionably one of the most direct lines between Halifax and Riviere du Loup and possibly it may be found practicable throughout; but it is impossible to speak with certainty without more information than is at present possessed.

Turning to page 49, I add these facts: That in 1864 no less than 10 different surveys of 40 different lines were made by the engineers down through the centre of New Brunswick, in order to find a route; and the result of all these surveys shows that, according to Sir Sanford Fleming, line No. 10 was the best line, and gave the shortest mileage. He says, at the page I have just named, that line No. 10 showed a total length from Riviere du Loup to Halifax of 496 miles. Now if that be a correct statement of the mileage on that route, and I take it, there can be no reason to doubt that statement after he had made so complete an engineering investigation of the capabilities of the central routes in New Brunswick from a railroad point of view, it appeared that he did not find anything better than 496 miles, which would add 14 miles on to the mileage or take 14 miles off the number of miles alleged to be saved according to the statement of Mr. Daveys. You would have, therefore, taking that line No. 10, a total of 63 miles difference between the mileage of the Intercolonial Railway, around a circuitous route as it is alleged, and the mile-

age down through the centre of the province. Now that is a very trifling saving indeed. You take the 115 miles off, which is the distance between Riviere du Loup and Lewis, and compare the result with the figures which Mr. Daveys has given. That still further reduces the advantages which the reduction in mileage would make, and it goes to show that any speculative statement as to 120 or 140 miles being saved, is quite unsustained, and is directly opposed to the result of all these investigations which were made by Sir Sanford Fleming. He gives the mileage of all these ten routes as running from 496 to 502, 502, 536, 538, 552, 566, 572, 592, 574 and 616. From these figures I draw the conclusion that an engineer of the capabilities and standing of Sir Sanford Fleming, supported as he was by some of the best men that could be secured for the purpose of surveying that line of road, has given us the most favourable estimate which could be made of the mileage that could be saved between the proposed route and that of the Intercolonial Railway.

Now, Sir, this proposition, taken in connection with the operation of the Intercolonial Railway, is one which I think it will be impossible to defend or to justify. Both these lines after they are built will have to be maintained, both of these lines will undoubtedly continue to be a very heavy charge upon the exchequer of the country, because of the revenues of the Intercolonial Railway are not sufficient to pay the cost of operation, and the balance falls upon the exchequer. So in the case of this new railway, the maintenance of that road must necessarily be expensive, according to these grades there will be a loss, and whatever the loss is it will fall directly upon the exchequer of the country. The interest upon the money which is expended upon it by the government will not in all probability, be paid when the road is being operated under the disadvantages which this road will suffer from.

In so far as the Intercolonial Railway itself is concerned, farther there is no earthly necessity for having another railway through that country. The Intercolonial Railway has been fully competent to take all the traffic that has been offered up to this date. The officials who are in charge of the Intercolonial Railway, and whom I have consulted upon this subject, while the improvements and extensions have been going on, having advised me that without having a double track, except at one or two minor points, the Intercolonial Railway can carry four times the amount of traffic that it is carrying to-day. Therefore, from the standpoint of the capacity to handle the traffic, that question is absolutely settled, and settled according to the judgment of men who are most competent to form an opinion upon it. You will have both of these lines operating and struggling one against another. Whatever business one may take it will take it away from the other. You will have the government in the anomalous position of owning both roads, of operating one and of being practically interested in the successful operation of the other, going in and destroying its own property, impairing the value of its own property, whether it be one or the other.

Such a spectacle I do not think has ever been presented to the knowledge or observation of any human being since the world began.

It might be a fair matter for consideration: Where is this going to land the government of the country? What will be the consequences of such a step, which undoubtedly is going to entail an annual burden upon the exchequer of the Dominion? Will anybody be able to look forward with any hope or expectation of the Intercolonial Railway being able to pay its working expenses? We will relapse into the period of large deficits, because the heavier the opposition which is brought to bear against us by this new road the larger will be the deficits that they will have to face on the Intercolonial Railway. It requires no stretch of the imagination to conceive of the possibility and of the extreme probability of the government and the people being called upon to make good these deficits to the extent of half million or three-quarters of a million a year as the result of carrying out the policy which is now outlined and adopted; and of course, upon this new line they will be running a very great and very probable risk of not being able to pay the interest. I do not care whether it is at an early period or not; it certainly would be at a remote period, if at all, that they were able to pay interest. Owing to the difficulties of operating a railway through that country, where there is no local business for it to do, winter being the only portion of the year when they will have any grain business at all to do, and with the disadvantages which it appears to me to possess from every point of view, put this question how you will, turn it over, turn it back, examine it right and left, inside and outside, it fails to present to me—I do not know how it may appear to other hon. gentlemen in this House—a single redeeming feature in any phase of it from beginning to end. I have yet to hear of the first man in the province of New Brunswick asking that this road shall be constructed. I do not mean to say that since it became the declared policy of the government people are not willing to have it constructed, but I say that prior to the time that this declaration was made I never heard of a single individual asking for its construction. We know that there has been a feeling—I do not know whether it continues to exist—in the province of Nova Scotia that they would like to have a shorter line of railway, and that they would be very glad if perhaps the shortening of that line, even by the construction of another railway, would bring that province closer to the western country. But when they have studied the situation, and when they have come to realize that there can be nothing done in the way of new construction that will give them better conditions than they have by virtue of the operation of the Intercolonial Railway, I think that if there is any enthusiasm over this project, it will rapidly abate, because there is no railway that can be constructed that can give Nova Scotia, or the port of Halifax, the same thorough, complete and advantageous service which they are getting and will get from the Intercolonial Railway, if left without this keen and destructive com-

petition. You might go down to my own province of New Brunswick, where there are many men who are perfectly able to take advantage of such an opportunity, and I believe it would be utterly impossible to find one single individual who would be willing to invest one dollar in this enterprise if it were put forward in any shape and with any reasonable assistance that the government could give it as a commercial enterprise. They know there is nothing in it. They have never asked for it; yet we are told in some of the newspaper press that this railway will be a gift from the rest of Canada to New Brunswick. I disclaim the gift. I think I speak the sentiments of the great majority of the right thinking people, of people who are considerate and upright in my own province, when I say that we do not ask for any such gift at the hands of the people of Canada. When we do ask for something, we will ask for something that has merit in it, for something that can be justified upon its merits. If we want a railway, we will ask for a railway which will serve the people, and which will not duplicate and destroy the roads there are. We have existing roads which are possessed and operated by the government, and therefore I have no thanks to offer to those people who say that we are getting this as a gift from the people of Canada. If I expressed my own mind, I would say: I decline the gift with thanks. We were also assured by the same authority that not a mile of the Intercolonial Railway will be disused or discredited if the new line is built. I answer: Disused, perhaps not; discredited, unquestionably. No doubt the road will continue to be used, no doubt the people living along the line will continue to be served, but with a much reduced and inferior efficiency, and therefore the railway will be operated and maintained, but that the road will not be discredited cannot be said by any one who has studied the situation or who knows the facts as they exist. We are told again, and I shall make one or two more references to the journal in question, that:

The proposed trunk scheme will tend to benefit the Intercolonial Railway and all other railways by promoting the development of the provinces, increasing its population and infusing new hope into the whole community.

I would be very glad indeed if any such condition of things was brought about. I would be glad to see the province further developed, I would be glad to see its population increased, and I would like to see new hope infused into the community, but if we have to wait for this improvement in the condition of the province, in the hopes of the community and in the development of the province until that road is constructed, or until that road is able to bring about these ends, we will have to wait until the crack of doom. Then we come to the last assurance, which certainly is interesting to all those who have read it, but I think it will appear to be the product of some one who does not really know anything about the situation whatever. It is this:

On this through-line through New Bruns-

wick there. I be both through trains and local trains in almost embarrassing abundance.

That is an illustration of the flimsy argument, of a stretch of poetic fancy that is relied upon in support of great propositions such as this before us, of great measures supposed to be promoted for the advancement of the country generally, that this line through an unsettled country, with its heavy grades, with its many disadvantages, and only expected to be operated at a time when you cannot have access to the sea shorter than to cross through the province, is going to be furnished with trains both local and through in almost embarrassing abundance.

Mr. CLARKE. What paper is that from?

Hon. Mr. BLAIR. Well, I do not like to single out one paper more than another—

Hon. Mr. ROSS (Victoria, N.S.). What paper is it?

Hon. Mr. BLAIR. Well, it is the Toronto 'Globe,' if you wish to know.

Some hon. MEMBERS. Hear, hear.

Hon. Mr. BLAIR. But there is a final, and to my mind a conclusive answer to this whole proposition; one which was well within the power of the government, and one which was well known to all who were concerned in promoting this enterprise. In the course of the correspondence which I had with the Prime Minister, I called attention to the consideration I am now about to speak of; I did more, at an earlier stage when this question was first mooted I took occasion in the Railway Committee of the House to express the strongest and most decided objection to this enterprise being carried down through the center of New Brunswick to Moncton, and I stated there was no occasion for it, because whatever traffic there would be brought over the Grand Trunk Pacific Railway to Quebec which was seeking an outlet by our Atlantic ports, there was a simple and easy, and prudent method by which that object could be attained, and I was satisfied that there would be no difficulty whatever in arranging with the Grand Trunk Pacific Railway, if it came to that, the making of an agreement between the Intercolonial Railway and the Grand Trunk Pacific Railway for a simple exchange of traffic. It is possible and more than probable; it is absolutely certain that such a thing could be arranged. When this question was being discussed in the Railway Committee and when I was stating my objection to it, I took occasion to ask Mr. Hays, the manager of the Grand Trunk Railway, whether in his opinion there would be the slightest difficulty on his part or on the part of the Grand Trunk Pacific Railway Company in making a fair, and reasonable, and just arrangement with the Intercolonial Railway for the carriage of all traffic they might have to handle from Quebec to Halifax and St. John, and Mr. Hays's answer was: not the slightest difficulty in the world. Now, Sir, under that arrangement the traffic could be carried as advantageously for the Intercolonial Railway and as beneficially for all concerned; nay, more advantageously and more beneficially than it could be carried by any new railway that could possibly be constructed or by

any other means than that of the Intercolonial Railway itself. There is no manner of doubt at all, that the Intercolonial Railway with its present splendid equipment, and with its officers and every form of machinery adapted for the purpose, could transfer this freight down at rates lower than is possible under any other new system, I do not care what it may be. If the interests of the country required that this traffic should be carried at cost, why, Sir, infinitely better is it to take the sum which might be required for that purpose out of the exchequer of the country, than to load us up with \$15,000,000 or \$17,000,000 of debt in order to build another railway. If you wanted to enforce the idea of the utilization of the Canadian ports in the winter season as an outlet for western traffic, why not do it in that way by a subsidy, rather than by spending your money wholesale in a useless and unjustifiable manner. I believe, Sir, that an arrangement could be made without difficulty whereby a fair profit could be had, perhaps, upon such business as did offer. I am not so sanguine about business to any extent offering in that way, but if it did offer the Intercolonial Railway would be able to take it. It would increase the management of the Intercolonial Railway, increase its receipts, utilize its machinery which is available for the purpose and you would have no question of any responsibility in connection with such an outside undertaking as is now to be forced upon us by the policy of the government. I venture to say that that suggestion has not been made to the Grand Trunk Pacific Railway. I do not think it has ever been made to Mr. Hays other than as I made it in the Railway Committee of the House of Commons. I think that if it had been made to him he would have readily availed of it; he would have gladly accepted some such plan as that so as not to be compelled under lease or otherwise, to operate this line of railway which is now projected. All that would be necessary to do would be to embody a clause in this Bill, or if you like you could come to an agreement before you committed the government irrevocably to the undertaking; you could have come to an agreement with the Grand Trunk Pacific Railway and have the matter settled finally and definitely for all time.

I think it would have been well—and this is all that I shall say on this branch of the subject—if the government were impressed as they appear to have been impressed with the possibility of operating a railway to advantage to carry western traffic to the ports of St. John and Halifax, it would have been well for the government to have come to such an arrangement as I have suggested rather than to decide on the proposition which is now before the House. My right hon. friend in the course of his speech told us that commercial considerations were not to be taken into account entirely. Let me use his very words so as to avoid the possibility of misquoting him. The right hon. gentleman said:

But before I proceed any further, let me say that the conception which we have of this work which we are now contemplating is very different from the conception entertained of it by

some of our critics. Most of our critics look upon the scheme simply as a commercial venture to be judged by the only rule of profit and loss. We look upon it as a work of a national character necessitated by the status of Canada in the year 1903.

The right hon. gentleman here announces that most of his critics look upon this scheme as a commercial adventure, and are judging it differently from the way in which the government are judging it, as the government look upon it from a national point of view. The right hon. gentleman dismisses to a very great extent, if not entirely, the commercial idea from consideration altogether. Let me tell the right hon. gentleman that it is absolutely impossible for him to dismiss the commercial idea from the consideration of this measure. If it is not to be founded upon business principles and on a commercial basis it will not stand at all. If it is not to be tested as to the results of profit and loss, how is it going to work out successfully? Are not the people who are going to use it going to judge on the question of profit and loss? Are not the western people going to judge whether or not they can use this road to advantage by the question of cost? Are they not told by the declaration in this contract and in this Bill and by the assurance already given in the declaration of the hon. gentleman, that it is not only an all-Canadian route, but the speediest and the cheapest route? If it is, then the question of dollars and cents, the question of profit and loss is necessarily bound up in the enterprise. If the government wanted to spend \$15,000,000—and this portion of the road will cost that much, as I will show before I conclude—as a set-off to the maritime provinces against the enormous expenditures which are to be made in other provinces, I could suggest to my hon. friends ways and directions in which the money could be expended to some advantage to the maritime provinces directly, and indirectly to the whole of Canada. I could have pointed out to my hon. friend that he could have taken a portion of that money and improved one or two of the grades on the Intercolonial Railway, which would have made some difference in the matter of time, and would have made it somewhat easier than it is now for that railway to carry heavy loads. He could have taken a portion of that money to the harbours of Halifax and St. John and could have equipped those harbours so that they could have handled the traffic coming there for ocean shipment. He would have done some good with the money in that way. He will do no good with it now, except the temporary good that may be done while the money is in the course of expenditure. I say it was the bounden duty of the government, if they were impressed with the idea that \$15,000,000 or any lesser sum should be expended in the maritime provinces, to take council as to how the people would most desire that money to be laid out, and as to the best results to be achieved by the expenditure. We know that in the port of St. John, and perhaps to a less extent in the port of Halifax, though to that port the same remark can be applied, the people have expended of their own means,

have imposed obligations upon themselves, have contracted debts through their city councils for the purpose of making those ports suitable for the handling of ocean freights and the transaction of ocean business. They ought not to have been compelled to do it, but they had to do it or go without the business and the progress they were anticipating or desiring. But the government do not make that proposition; therefore, they fail, it seems to me, in grasping the needs of the situation, and are giving the people something they have not asked for, and something they do not need and do not want, and are denying to them what they could with advantage receive and the improvements which they could make with that money if it were at their disposal.

I come now to the financial aspects of this scheme. On these I will not dwell at great length; but I would like to present to the House what my view of that branch of the question is. First, I take the question of the cost of the line from Levis to Moncton. I make that mileage 425 miles. If the road is ever built, which I very much doubt, that mileage will not be found to be excessive, but a reasonable estimate. The government estimate is made that it will cost \$30,000 per mile. From what I can learn, the cost of building the line through a considerable section of the province of Quebec, before it reaches Edmundston, will be very great. For a portion of the distance it will have to cross mountains, gulleys and rivers, and I believe it will cost more than \$30,000 per mile; I would not be surprised if it cost \$40,000 to construct that portion of the railway. But I am going to take an average between the two, and I think I am on safe ground when I calculate on \$35,000 per mile. That will represent an expenditure of \$15,000,000.

I next take the section between Quebec and Winnipeg. We are told that it is 1,400 miles, some say 1,500 miles. I will take the lesser mileage. The estimate is that that will cost \$30,000 per mile. I have made some inquiry as to what the cost of that portion of the Canadian Pacific Railway north of Lake Superior was. That portion of the railway, as everybody knows, is quite accessible from the lake; and yet, its cost, apart from terminals, rolling stock and equipment, was \$50,000 per mile. How can anybody say what this railway is going to cost 150 or 200 miles north of Lake Superior, where it is very much more inaccessible and probably therefore very much more difficult of construction than the Canadian Pacific Railway, and built at a time when wages are high, and when materials generally, with the exception perhaps of rails, are more costly than they were then? What is going to be the cost of getting into that country and building this railway under these conditions? It may possibly fall short of \$50,000. No man knows. We have not the information, it is not laid before us, and we must take this leap in the dark. We will call it, if you will, \$35,000 per mile. You see, I am only adding \$5,000 to the present estimate, a very moderate computation, which makes the cost of those 1,400 miles \$19,000,000.

Now, 1,825 miles from Moncton to Win-

nlpeg, or to some point north of Winnipeg wherever the line may be supposed to run to, will cost this country \$65,000,000 upon the calculations which I have made. That may be somewhat in excess of the actual result; but no man can say that the cost may not exceed the figures I have given, and it is a question which this House and this country may well pause, and consider, whether such an obligation, incurred in the absence of information which I have tried to point out is so essential in arriving at a wise judgment on a question of this character, should be undertaken, and whether we can take the hazard of impairing the financial strength of Canada, to some extent at any rate, by undertaking an enterprise which may saddle us with an addition to our debt of \$65,000,000.

The prairie section, we are told, will cost the country \$13,000 per mile of guarantee. Then we have 600 miles of mountain section, which it is said, will cost \$30,000 per mile. Nobody, I think, is informed sufficiently to say whether that is very much of an underestimate, or whether it is an ample estimate. We know very well that mountain railway construction is expensive construction, although there are good reasons for supposing that this line can be built through one of those passes at substantially less cost than the mountains can be crossed at any point to the south of where it is proposed that this railway shall pass to the coast. I figure that \$35,000 would not be out of the way. I figure that to make a fair and reasonable calculation. That means \$24,000,000 of guarantee for the prairie section and \$18,000,000 of guarantee in respect of the 600 miles through the mountain section. When we once have started on this enterprise, when we have got into it—

An hon. MEMBER. We do not guarantee the whole of the cost.

Hon. Mr. BLAIR. My hon. friend says we do not guarantee the whole of the cost. That is quite true, I am going to make my statement covering that point and my hon. friend need not be in the least concerned. We have to see this undertaking through, when we once embark into it, even though it should cost a great deal more than is estimated.

Hon. Mr. ROSS (Victoria, N.S.). We will go through with it.

Hon. Mr. BLAIR. We will go through with it, says my hon. friend beside me. I have no doubt the country can do it, but you do not convince anybody by a statement of that kind unless you can show good and sufficient ground for calling upon the country to make this draft upon its resources. It is all very well to say the country can stand it. I have as much faith and confidence in the capabilities of Canada as any of my hon. friends, but I say that when you are incurring large obligations you should see that you are incurring them in the true interests of Canada.

I want now to examine for a moment clause 54 of this contract:

Inasmuch as the bonds to be guaranteed by the government only made provision for a part of the cost of construction of the western division, the company hereby agree that the Grand Trunk Railway of Canada shall guar-

antee bonds of the company for the balance required for the construction of the said western division, exclusive of the said \$20,000,000 required for first equipment, which the company is required to provide under paragraph 22 of this agreement.

There is a plain intimation, a plain expression of opinion by the government that the proceeds which would be supposed to be available ordinarily out of the stock and those which would be covered by the government guarantee, are not going to be sufficient to complete the undertaking on the basis of \$30,000 per mile. The government estimates \$30,000 per mile for the mountain section. \$22,500 per mile of this is to be covered by the government guarantee and \$7,500 per mile to be provided by the company. The company therefore puts up \$4,500,000 in respect of such 600 miles. That disposes of the mountain section. Then we come to the prairie section, the estimated cost of which is \$13,000 per mile. Of that amount the government guarantees \$9,750 and the Grand Trunk Railway \$3,250. Therefore the company puts up \$3,250,000 for one thousand miles or \$7,750,000 for both sections. This leads to the very proper and legitimate inquiry. What are the company's resources outside of the government's guarantee? Well, they have \$20,000,000 preference stock which is to be used for equipment, with the exception of \$5,000,000 which is to be put up as a deposit to secure the carrying out of the contract. If you look at section 13 of the contract you will see this:

The government shall return the said deposit to the company on the completion of the construction of the western division and the first equipment of the whole line of railway, according to the terms hereof.

So, that you see the return of the deposit of \$5,000,000 is provided, and it comes out of the \$20,000,000 which is all the company engages to expend on equipment. I have pointed out that the \$20,000,000 of preference stock goes to equipment, what else have we? We have \$25,000,000 of common stock. Now the borrowing capacity on the Grand Trunk Railway guarantee, recognized by clause 34 of the contract, is necessary to furnish the balance over the government guarantee. One would naturally suppose that the \$25,000,000 common stock in the treasury, in respect of which, if the company be prosperous, dividends would be expected to be paid, would have a value as an asset of the company, available for the purposes of building its line or for any other necessary purposes connected with the undertaking. But turn to clause 27, and what do we find? We find:

The company undertakes that the Grand Trunk Railway of Canada shall acquire and take the said common stock to the amount of \$25,000,000, except shares held by directors, not exceeding 1,000 shares, and to hold the same during the term of the said lease, and so long as any of the bonds guaranteed by the government under the terms of this agreement shall remain outstanding and unpaid.

The agreement does not provide the company shall subscribe for these shares, everybody subscribes for shares, but the

may acquire and take them. That is a matter entirely of arrangement between the Grand Trunk Pacific and the Grand Trunk Railway. The Grand Trunk Pacific Railway may hand over these shares for a mere song. The Grand Trunk Railway may put them in their pockets and draw the dividends and keep them there fifty years, in their vaults not available at all toward cost of construction. It will not be compelled to pay anything for this stock because the Grand Trunk Railway and the Grand Trunk Pacific are one and the same red-headed boy. They belong to the same family. We cannot conceive of a great deal of antagonism springing up between them in respect of the terms upon which this common stock will be acquired. They could make a snug comfortable arrangement between themselves.

An hon. MEMBER. Oh.

Hon. Mr. BLAIR. Somebody says Oh. I think that is only human nature. It is what they are invited to do. They are invited to acquire, take and hold, and I am at all events justified in this inference because the government, by this clause 34, has told us that there is no money to come out of the common stock. Every farthing outside of the government guarantee is to be provided for under the bonds of the Grand Trunk Pacific Railway, which are to be guaranteed by the Grand Trunk Railway. That is the language of the contract, and no one can gainsay it. So that we have this very nice little arrangement spread out right before the eye, so clear and plain that any man who runs may read. If there is any explanation of that it should be forthcoming and I shall be glad to hear it because it is a matter that ought to be explained.

Now, I do not make any point of the fact that, so far as the present legislation extends, the Grand Trunk Railway Company has no power to give any of these guarantees or sign any of these obligations assuming liability as a company. They can get that power if their shareholders shall authorize them to do it; that would probably be only a question of time. But it is not capable of being harmonized very well with the declarations that were made at the annual general meeting of Grand Trunk stockholders last June, when the gentlemen who were promoting this enterprise took pains to assure the stockholders, as we know, that there was no responsibility to be assumed by the Grand Trunk Railway as a company, that their attitude was only that of a benevolent assisting party to the enterprise. They may change their minds. But, until they do change their minds, the inference is, and the fact remains, that there is no present authority, so far as we have been able to discover under which the Grand Trunk Railway Company can enter upon such obligations.

Returning to the question of the liabilities which the government assumes, on the eastern section it will assume \$65,000,000. On the prairie section it guarantees \$9,750,000, and on the mountain section \$13,500,000. This will make a total on the three sections of \$88,250,000. To this I add the 3 per cent. interest on the cost, which for ten years on the eastern section would be \$1,950,000 a year. I have taken this at ten years because that is the

expectation of the contracting parties themselves. This is a railway which, for the carriage of western traffic, would only operate through the Moncton end during the winter. So, I think we make no extravagant estimate when we say it would not be likely to pay sufficiently to enable it to pay interest until after the expiry, not of seven, but of ten years. So, we may assume that this interest will run for ten years. This will make a total of \$19,500,000 to be added to the previous sum. Upon the mountain section interest will be borne for seven years, making \$4,050,000 more. The interest on the prairie section for two and one-half years, which would be half the time of construction, would be \$750,000. The interest on the eastern section for half of eight years, or four years, would be \$7,800,000 more. If, as is apparently the expectation of the government, the bonds or obligations to enable the government to carry this large sum, may have to issue at a higher rate than three per cent., at say three and one half per cent., this would add a very large sum to what I have already given as the gross cost of this enterprise to the country. I only infer that it is regarded as possible by my hon. friend the Finance Minister that he may have to go into the market with bonds bearing interest at three and a half per cent. in order to raise moneys he will require. If he has to borrow at that rate and get back three per cent. only he will have to count on one-half per cent. of a deficit during the life of this bargain, which is fifty years, to be added to this accumulated burden. If you add \$18,850,000 on this account, you have a total of \$139,000,000 representing the direct and indirect liabilities which the government assumes in connection with this enterprise. But, even if you strike out this \$18,850,000, I say you have a direct liability of \$121,000,000 which this project represents to the country. That is a large proposition, I think a proposition of such magnitude that we may well think that some have seen visions and others have been dreaming dreams.

Now, we are told that it will be a very great thing to get the Grand Trunk Railway into the western country. I should have had no objection to have the Grand Trunk Railway in the western country long before this. I think that, with its large connections, with its network of railways through the province of Ontario and its railways in other provinces, it would have been very much to the advantage of the Grand Trunk Railway to have got into that western country years ago. But I think it is only fair to make this comment—that, if the Grand Trunk Railway gets in there, it will get in there very much more to its own advantage than to the advantage of the country. I think it is much more to their interest to get there than it is to the interests of the country to have them get there. That country, I say, is well served with railways now. With locomotives and cars in sufficient number the traffic would get in and out, even if the Grand Trunk Railway never laid a rail. Therefore, the need of getting the Grand Trunk Railway in is not so apparent. My hon. friends say: You are getting the Grand Trunk Pacific Railway in, which is a totally different organ-

ization, in a sense. True, the Grand Trunk Railway has the stock, \$25,000,000, it has the voting power, and will control the Grand Trunk Pacific Railway Company. But it would have been infinitely better that the Grand Trunk Railway Company should get in there itself, than that it should get in there indirectly through a company which it controls, which has no financial strength of its own, and which may be thrown aside at any moment, in connection with any portion of the railway, when it suits the purpose of the Grand Trunk Railway to do so. There is no clause which can be written in the contract, as I understand it, which would protect the government against the influence, the natural and ordinary influences which operate upon a government and which are brought to bear by railway companies, not in great things, but in small. We do not want to antagonize companies in respect to points which they think vital, if it can be avoided. Is it rather difficult to suppose that this or the succeeding government will be likely to stand for any close supervision as against the wishes or desires of the Grand Trunk Railway Company in respect to operating the road, as it would be necessary that they should do if they are to be kept up to the mark, and of the assurances which appear to be contained in this contract are going to be realized. Now, I do not know what may be the view which my hon. friend the Minister of Finance may take of the financial question as I have presented it. I have no doubt he has given it careful consideration and I have no doubt he will furnish the House with a full statement of the conclusions he has arrived at in respect to this phase of the question. It seems to me that, as I have stated already and shall repeat again, the government should show that it is imperatively necessary that this undertaking should go on, before we incur this liability. If this is what the country needs, then, the country must bear the burden and carry the responsibility. But I want to get the opinion of the Minister of Finance whether he does or does not feel that adding this large sum to the obligations of Canada, direct and indirect, will, in a measure, perhaps in a large measure, seriously affect Canadian credit on the other side of the water.

I should be sorry to suggest that there was any foundation upon which the strength of our credit could be questioned. But you know how sensitive financial men are, you know how sensitive the financial market is, and you cannot add 120 millions of obligations—because they would aggregate that amount—to the current obligations of the government of Canada without startling financial men on the other side, without leaving them to ask, where is this thing going to end? But of course Canada's position financially is extremely strong to-day. Our revenue is buoyant, but these things are not always going to last. The man who thinks they are going to last is living in a fool's paradise. We will have our reverses. The time will come when our revenue will cease to increase, perhaps will not be maintained; the time will come when the money market will not be as favourable to Canada as it is to-day, when we will have an experience similar to that of the Australian

colonies, which, no doubt, moved by influences similar to those which are now moving this government, added to their obligations to such an extent that they practically destroyed their credit in the money market of the mother country. I do feel that this is a consideration which might well give us pause, which the government ought to consider before they have committed this country to so gigantic an undertaking.

When my right hon. friend introduced this Bill he made a remark which I find it difficult to believe is shared by the members of the cabinet. Is it possible that because they have a surplus of twenty million dollars this year, they assume that they can spend 120 millions? My right hon. friend says this thing is going to cost us but twelve or thirteen millions. Well, that is an extraordinary calculation for him to make. I am sure that the hon. gentleman did not study the financial phases of this question or he could not have reached such a conclusion. We have got to spend at the outset sixty-five millions on the eastern section. Is not that going to cost us money? My hon. friend will say that we have the road. All right, we have the road, but remember that we are adding to our obligations, and I think we would fall short in our duty if we failed to realize the importance of keeping this matter well in mind. There are large obligations which we are incurring for a number of projects this year, and others will be taken up later. All these things go to show that we are in a very generous frame of mind, that we are ready to expend large sums of money for one purpose or another. All this things impose a solemn and serious obligation upon this parliament to consider where they will naturally tend in case of our realizing a change in our conditions, a change to a less buoyant revenue than that which we now receive, and to a corresponding large expenditure increasing year by year.

Now, Sir, there is one other clause in this contract which I desire to call attention to, and I think that will pretty nearly cover all the references I propose to make to the contract or the Bill. Clause 42 says:

It is hereby declared and agreed between the parties to this agreement that the aid herein provided for is granted by the Government of Canada for the express purpose of encouraging the development of Canadian trade and the transportation of goods through Canadian channels. The company accepts the aid on these conditions, and agrees that all freight originating on the line of the railway or its branches, not specifically routed otherwise by the shipper, shall, when destined for points in Canada, be carried entirely on Canadian territory, or between Canadian inland ports.

Now, a little study of that clause might be usefully given, as well as to the following clause. I think some deductions can be drawn from them, which will not support the conclusions which have been drawn by my hon. friends. It is said that goods not otherwise routed should be carried over Canadian lines, on Canadian territory, to Canadian seaports. Let me point out that if the company fail to do it you have not provided any penalties where-

by they are going to be made to suffer for it. Why, you are simply trusting to the Grand Trunk Pacific to do what they say they will do. Well, I have no doubt that the gentlemen who are to-day associated with that enterprise would feel in honour bound to carry out this obligation. But, Sir, as time goes on, the feeling with regard to this clause will stale in recollection, and how long will it be before you will find that you cannot get this railway company to do anything more than you can compel them to do, and penalize them in case they fail to do it? There are no penal clauses or sanctions of any kind which would force them to an observance of these conditions. Then they refer to traffic that is not otherwise routed. Well, Mr. Hays very frankly stated to the Railway Committee when this subject was under discussion, that you cannot control the traffic of a railway, that people have a right to route it as they please. He frankly and openly made that statement. Now, I can imagine, and I need not attribute any improper conduct to the Grand Trunk Pacific Company either, I do not wish to make any unfair reflection upon anybody in this connection; but I can well imagine that while the Grand Trunk Pacific Company might be willing, as the result of a pious resolve, to adhere to this contract, the Grand Trunk would still have its agents at work in the western country routing this traffic. How? Not by Quebec, not by the seaports of the maritime provinces, but by North Bay and the Grand Trunk to Portland, and you could not stop them under any circumstances. You have only got an agreement saying that this shall be done, but the Grand Trunk Pacific is still in the hands of the Grand Trunk Company, and the Grand Trunk Company do not obligate themselves to do it, and there is no way of enforcing the obligation. And you are getting one step further away from the possibility of reaching the parties in the matter when you realize that this Grand Trunk Pacific Company are the people that have made this agreement. Now, let the Grand Trunk Company, as I have suggested, send their agents and solicitors for freight into that country, and what could withstand the pressure they would bring?

What is going to prevent them from exercising that pressure. I have had some little experience in connection with that important question on the Intercolonial Railway when we had our difficulties with the Canadian Pacific Railway. They sent their solicitors all over the territory which their agreement covered. They went after everything, freight as well as passengers. They threw their hands right and left upon everything. You could not stop them. People were routing as the Canadian Pacific Railway desired. They are a wealthy corporation and perhaps they could offer some inducements to these people. We could not do as another railway might do; we could not do anything of that kind in an underhand or concealed manner. But, we had this experience. You will have it over again with the result that the traffic which reaches the Atlantic will be outpouring itself at Portland and Boston and not at the two Canadian ports. Of course the Grand Trunk Pacific Com-

pany agree that they will not in any manner encourage the transportation of such trade by routes other than those provided. Of course, they agree to that and very possibly will adhere to the agreement as far as that is concerned. But they will say: We do not encourage the diversion of traffic. We have adhered to the letter of our contract. Whatever others may have done we have not done anything contrary to our agreement. These people have routed this traffic in that way and in that way it must go and I repeat you have the frank acknowledgment of Mr. Hays, that he would not undertake to control any traffic which would be routed in any other direction. All this, I think, points very clearly in one direction and one direction only that it emphasizes to my mind in a sense the position which I have taken for some time past and which I took in my opening remarks this afternoon in respect to this measure. It shows that if it were so important that we should spend \$120,000,000 to try and get the western traffic to find its outlet through Canadian ports, then, it is vital that the government should not only own but operate the railway, because in no other way can you guarantee that the traffic will go through a Canadian outlet. We are spending the money and we are getting nothing for it. I know whereof I speak in this regard. I am satisfied that the position I take is sound and cannot be controverted. There is just one way of accomplishing this. Contracts will not bind. Contracts may be evaded, ingenuity can be set at work, influences can be brought to bear, but with a government and you are safe and sure. The interest of the government is paramount, the interest of the government will carry out and he sure that the arrangement is carried out according to the wishes of the people whom they govern. I think that if we had all this money to spend there is another way in which we could spend it. If we want to spend it at once we could not spend it more usefully than to have it ensured that the inland ports in our great lakes should be so improved, so equipped and so provided with all the necessary facilities as to enable us to take the very best advantage of our canals and St. Lawrence system of navigation. Anybody who has examined the statistics and studied the facts knows that the business has increased very much within the year through the canals. That business will go on increasing, in proportion as the canals are less expensive, more attractive and better equipped.

If you do spend millions, as I have said it is the intention to spend millions, you should make this expenditure for the purpose of equipping and improving the canals and the different harbours and points where grain and the other products of the west are received and handled and you should continue this work of improvement until you can present a route possessing advantages surpassing those of the route in the United States, so as to secure the traffic which you can secure by expending money for that purpose. You might go still further and improve the navigation of the St. Lawrence and the aids to navigation in the way of lighting which some people say is entirely complete as yet. I know that it is quite

a little opinion in the country which would favour your making free the two great ports of the St. Lawrence and the two great ports on the Atlantic seaboard. That may be a proper position in regard to which there are different opinions, but if the object which is professed to be sought after in this resolution is worthy of this effort, that object can be more largely attained now by making an expenditure for the purpose and in the direction which I suggest.

I will now bring my long, and I fear tedious observations to a close. I have endeavoured to put my position before the House as fairly as I could in defence and in justification of my own action in retiring from the administration upon this measure. I realize, and I regret that I do realize it, that as far as I may have made a strong presentation of the case against the government's policy just so far and to that extent what I have said will operate against and prejudice the status of many of my hon. friends on this side of the House. That I regret extremely. I wish it could have been avoided, but it was absolutely unavoidable. I had to justify myself and I have endeavoured to do so with no feeling of bitterness or of acrimony but with the determination to put the case as it has presented itself to my own mind and I am prepared, Mr. Speaker, to take the consequences of my action.

Some hon. MEMBERS. Oh, oh.

Hon. Mr. BLAIR. Some hon. members behind me make sneering references to the course I have pursued on this important question, but I have this to say, that I, at all events, have the satisfaction in my own mind and conscience that I have simply done that what I consider to be my duty. I would be glad if any appeal which I might make would reach the ears of those who have to deal with this matter, because, in their own interest, I believe it would

be well if they would pause before they press this measure farther. I would like to ask them to consider, for their own sakes, if not for the sake of others, what will likely be the consequences of their persistent determination to press this matter through parliament and to press it upon the country, and I would appeal to them on behalf of the party with which during my whole life I have been actively allied.

Some hon. MEMBERS. Oh, oh.

Hon. Mr. BLAIR. My hon. friends may sneer. I understand the meaning of that sneer and I return it to them. I would like to have my record in public life compared with the record of some of these hon. gentlemen. I know my motives will be misconstrued, I know that no man ever gets credit from a certain source for acting from a sense of public duty and I expect to have these aspersions cast upon me, but I have the consciousness of having done my duty. There are many on this side of the House of them who respect me and my action and whose opinions are not very far removed from those which I have expressed to-day and who will appreciate my attitude in this matter. And Sir, I would hope that they might bring to bear the great influence which they possess, to persuade the government not further to prosecute this Bill. I am satisfied that I have done my duty, and I leave the matter in the hands of the parliament and the people of the country. I do feel that every man in this parliament is just as answerable for the course which he himself takes as I am, and I am just as answerable as he is. Neither of us can shift upon other shoulders or cast upon the government the burden of responsibility which attaches to himself in our reception of a project of this character. I leave every man to act as his best judgment and his conscience dictates; and I claim the same privilege for myself.

