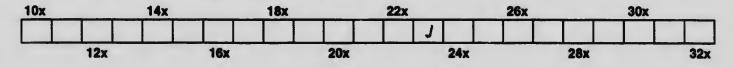
CIHM **ICMH** Microfiche **Collection de** Series microfiches (Monographs) (monographies) 0 -Canadian Institute for Historical Microreproductions / Institut canadien de microreproductions historiques 997

Technical and Bibliographic Notes / Notes techniques et bibliographiques

The Institute has attempted to obtain the best original copy available for filming. Features of this copy which may be bibliographically unique, which may alter any of the Images in the reproduction, or which may significantly change the usual method of filming are checked below. L'Institut a microfilmé le meilleur exemplaire qu'il lui a été possible de se procurer. Les détails de cet exemplaire qui sont peut-être uniques du point de vue bibliographique, qui peuvent modifier une image reproduite, ou qui peuvent exiger une modification dans la méthode normale de filmage sont indiqués ci-dessous.

	Coloured covers /	Coloured pages / Pages de couleur
	Couverture de couleur	
		Pages damaged / Pages endommagées
	Covers damaged /	
	Couverture endommagée	Pages restored and/or laminated /
		Pages restaurées et/ou pelliculées
	Covers restored and/or laminated /	
	Couverture restaurée et/ou pelliculée	Pages discoloured, stained or foxed /
		V Pages décolorées, tachetées ou piquées
	Cover title missing / Le titre de couverture manque	
		Pages detached / Pages détachées
	Coloured maps / Cartes géographiques en couleur	
		Showthrough / Transparence
	Coloured ink (i.e. other than blue or black) /	
	Encre de couleur (i.e. autre que bleue ou noire)	Quality of print varies /
		Qualité inégale de l'impression
	Coloured plates and/or illustrations /	
	Planches et/ou illustrations en couleur	Includes supplementary material /
	Fidicites evou musitations en couleur	Comprend du matériel supplémentaire
	Bound with other material /	
	Relié avec d'autres documents	Bases whelly as partially checking hy amote alian
	nelle avec d'autres documents	Pages wholly or partially obscured by errata slips,
	Only edition available /	tissues, etc., have been refilmed to ensure the best
	Seule édition disponible	possible image / Les pages totalement ou
	Seule edition disponible	partiellement obscurcies par un feuillet d'errata, une
	Tinks blading many service also device an distantion also a	pelure, etc., ont été filmées à nouveau de façon à
	Tight binding may cause shadows or distortion along	obtenir la meilleure image possible.
	interior margin / La reliure serrée peut causer de	
	l'ombre ou de la distorsion le long de la marge	Opposing pages with varying colouration or
	intérieure.	discolourations are filmed twice to ensure the best
<u> </u>	D	possible image / Les pages s'opposant ayant des
	Blank leaves added during restorations may appear	colorations variables ou des décolorations sont
ب	within the text. Whenever possible, these have been	filmées deux fois afin d'obtenir la meilleure image
	omitted from filming / II se peut que certaines pages	possible.
	blanches ajoutées lors d'une restauration	
	apparaissent dans le texte, mals, lorsque cela était	
	possible, ces pages n'ont pas été filmées.	
	Additional comments /	
لسبا	Commentaires supplémentaires:	

This item is filmed at the reduction ratio checked below / Ce document est filmé au taux de réduction indiqué ci-dessous.



The copy filmad here has been reproduced thanks to the generosity of:

National Library of Canada

The images appearing here ere the best quality possible considering the condition and legibility of the original copy and in keeping with the fliming contract specifications.

Original copies in printed paper covers are filmed beginning with the front cover and anding on the last page with a printed or illustrated impression, or the back cover when appropriate. All other original copies are filmed beginning on the first page with a printed or illustrated impression, and anding on the last page with a printed or illustrated impression.

The last racorded frame on each microfiche shall contain the symbol \longrightarrow (meaning "CON-TINUED"), or the symbol ∇ (meaning "END"), whichever epplies.

Maps, plates, charts, etc., may be filmed at different reduction ratios. Those too large to be entirely included in one exposure ere filmed beginning in the upper left hand corner, left to right and top to bottom, as meny frames as required. The following diagrams illustrate the method:

|--|

1	2
4	5

L'exemplaire filmé fut reproduit grâce à la générosité de:

Bibliothèque nationale du Canada

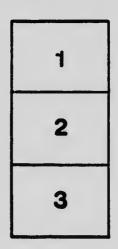
Les images suivantes ont été reproduites avec le plus grand soin, compte tenu de la condition et de le netteté de l'exemplaire filmé, et en conformité avec les conditions du contret de filmege.

Les exempleires origineux dont le couverture en papier est imprimée sont filmés en commençant par le premier plat et en terminant soit par la dernière page qui comporte une empreinte d'impreseion ou d'illustration, soit par le second plat, selon le cas. Tous les autres exempleires originaux sont filmés en commençant par la premiére page qui comporte une empreinte d'impression ou d'illustration et en terminent per la dernière page qui comporte une telle empreinte.

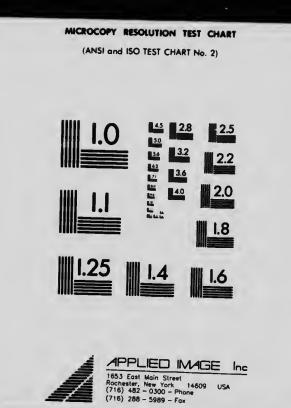
Un des symboles sulvants apperaîtra sur le dernlére imege de chaque microfiche, selon le cas: le symbole —> signifie "A SUIVRE", le symbole V signifie "FIN".

Les certes, plenches, tableeux, etc., peuvent être filmés à des taux de réduction différents. Lorsque le document est trop grand pour être reproduit en un seul cilché, il est filmé à pertir de l'angle supérieur gauche, de gauche à droite, et de heut en bas, en prenant le nombre d'imagea nécesseire. Les diagremmes suivants illustrent la méthode.





2	3
5	6



æ

COST OF GRAND TRUNK PACIFIC.

NATIONAL LIDEARY CANADA STREATHFOUE NATIONALE

AN APPALLING CHARGE O" THE COUNTRY.

Government Pledges of 1903, and Government Statements To-day—Show that the People of Canada were shamefully deceived.

The character of the Laurier Government as a business administration is beautifully illustrated by a comparison of the present estimated cost of the Grand Trunk Pacific with the statements made by Ministers when the contract was carried through the House, and with the declarations of the Premier and his supporters in the election campaign of 1904.

The Transcontinental Railway programme was the chief issue on which the Government appealed to the people in the last election. These declarations of Ministers, made in the most emphatic and authoritative way, were a pledge to the people of Canada as to the amount of obligation and outlays involved. The campaign literature of the Government party was based on the statements of Ministers. Electors who supported the Government undoubtedly gave full weight to these solemn undertakings.

\$13,000,000 WOULD PAY FOR ...LL.

What were these pledges?

The Premier's emphatic statement in Parliament, many times repeated on the platform was that:

The sum total of the money to be paid by the Government for the construction of the ine from Moncton to the Pacific will be in the neighborhood of \$12,000,000 or \$13,000,000 and not a cent more. (Hansard, 1903, page 7691.)

The campaign pamphlet on the subject had for its head line:

"A Transcontinental Railway for \$13,000,000," and in the text this authorized publication said: "It is an actual fact, an indisputable fact, that \$13,000,000 will cover every cent of the Country's expenditure in connection with the railway."

Mr. Fielding in Parliament quoted the Premier's statement and dcclared that it was substantially correct as to the \$13,000,000.

MULTIPLIED BY THREE.

In the session of 1908 the Minister of Pulways and the Minister of Finance made new statements in the light of their present knowleare, giving the cost to the people of Canada of this railway, on the same basis is the \$13,000,000 statement of 1903 and 1904.

But so great has been the increase of cost over the estimates of four and five years before that instead of \$12,000,000 or \$13,000,000, Mr. Graham now makes the ultimate cost to the people on this basis \$38,263,976. (Hansard, 1908, page 12,675.) FCSS3 R3

C67 Mr. Fielding, in the same discussion, endorses this announcement. But 1908 in Mr. Fielding's statement of 1903 he included in the charge the interest on four-ninths of the cost of the Quebec Bridge. In 1905 he left that out, thus reducing his estimate of the interest charge by more than a million.

Here we have the two estimates on the same basis, made by the same Ministry, in a period of five years, one of \$13,000,000, and one of \$38,000,000, or, adding the Bridge, between \$39,000,000 and \$40,000,000.

Yet the section to be built by the Government is probably not a quarter completed, and a large part of it was only placed under contract in July, 1908, while the Mountain section is only partially located. What will the estimate be when the road approaches completion?

THE REAL OBLIGATION.

Turning now from the frivolous and misleading \$13,000,000 statements, we take up the actual cost and obligation which the people of Canada are to pay and assume in respect of this undertaking. They were set forth by Mr. Borden in a statement made in the House, July 7th, 1908, and recorded in Hansard, page 12,243. Before giving this, it would be well to print the return of the Minister of Railways, upon which Mr. Borden's statement is based. This is found in a sessional paper brought down by Mr. Graham, and recorded in Hansard, on pages 12,238 to 12,242:

1 203 55 miles	
Length of the road from Moncton to Winnipeg 1,803.55 miles	
Watimated cost per mile	
Transcontinental share of the cost of Moncton shops 750,000	
Transcontinental share of the cost of Moncton shops	
Terminals at Quebec 2,000,000	
Terminals at Quebec	
Winnipeg shops	
Winnipeg terminais, joint arrangement with Canadian Northern-	
winnipeg terminars, joint attangenter the offer miles	
Prairie section	
Mountain section 839 miles	
Mountain section	
Estimated cost of Mountain section	

Take now Mr. Borden's statement of the outlay and obligations of Canada in connection with this road, as based upon the Minister's latest statement:

EA.LERN DIVISION.

Construction of Railway from Moncton to Winnipeg, 1,803.65 miles, at estimated cost of \$63,427 per mile. Allowing five years for period of construction, there will be an average of 2½ years simple interest at	\$114,393,765
3½ per cent. during construction, or \$4,003,781 67 per year for 2½ years	10,009,454
Cost of Eastern Division at completion will thus be To this must be added 7 years interest at 3 per cent. (not compounded) after completion, during which	
G. T. P. is to pay no rent	20,124,070
during which no rent is collectable unless earnings are sufficient	11,196,290
	\$161,724,185

QUEBEC BRIDGE.

Cost of Quebec Bridge up to March 1st, 1907 (Govern-	
ment return) \$0,222,235 Estimated cost of completion \$0,000,000	
	14,422,238

TERMINALS.

2

Estimated cost of our share of terminals at Quebec, Winnipeg and Moncton, and shops east of Winnipeg 5,470,000

MOUNTAIN SECTION.

Cost of Mountain Section (839 miles) as stated in return brought down	
And the Government agrees to pay without recourse the interest on bonds so guaranteed for 7 years, which at 3½ per cent. amounts to	
RECAPITULATION OF CASH EXPENDITURE	
Total cash expenditure and interest in respect of Eastern Division as above	124,403,219
(not compound) after completion, during which G. T. P. is to pay no rent	
Also interest at 3 per cent. for three years additional during which no rent is collectable unless earnings	
are sufficient	11,196,290
Cost of Quebec Bridge as estimated	14,422,238
Cost of terminals at Moncton, Quebec and Winnipeg	
and shops east of Winnipeg	5,470,000
Interest to be paid by the Government without re- course on Mountain section	11,304,300
Totai cash expenditure	\$192,920,723

BOND GUARANTEE.

In addition to the above cash expenditure the Govern- ment incurs the following obligations on its guar- antee of bonds:	
Guarantee on Bond issue on Mountain Section as above	46.140.000
Guara: tee on Bond issue on Prairie Section, 916 miles	
at \$13,000 per mile	11,908,000
Ci s *	
B : 58,048,000	
Totai	

ADMITS \$230,000,000.

After Mr. Borden made this statement, Mr. Graham and Mr. Fielding took four days to study it over and then made their criticisms. Mr. Graham, ventured to dispute only three items. Onc was the charge for terminals at Winnipeg, concerning which the Minister's own statement had been ambiguous. Assuming his objections to be correct, there would be a reduction of \$878,750. The Minister also objected to the inclusion of the Quebec Bridge in the statement, though the bridge will be part of the G. T. P., and Mr. Ficlding himself, in 1903, stated that four-ninths of the cost should be charged to the Transcontinental. The only other item to which Mr. Graham objected was the \$11,196,290 interest on the cost of the Eastern section for the three years during which no rent is collectable unless the earnings are Mr. Graham believed that the earnings would be sufficient, and sufficient. Mr. Fielding contended that the amount would in any case be charged against the Company. Anyone who believes that the G. T. P. Company will admit

3

that it earns sufficient to pay this rental may strike out \$11,196,290. Even then, if only the share of the Quebec Bridge which Mr. Fielding wished to include in 1903 is allowed, the costs and obligations will still exceed \$230,000,000.

A FEW COMPARISONS.

Take now the statement of construction cost as made by Ministers in 1903 and 1908.

In 1903 Mr. Fielding made an elaborate statement, said by him to be on high authority, and repeated in 1904. He declared that the road from Moneton to Winnipeg would be built for \$51,300,000. (Hansard, page 8584.)

Mr. Graham, Minister of Railways, now places the cost at \$114,393,765.

In 1903 Mr. Fielding computed the interest during construction at \$3,309,676.

Mr. Graham now says that this interest will amount to \$10,009,754.

In 1903 Mr. Fielding estimated the seven years' interest at \$11,468,030.

Mr. Graham now admits that this interest will be \$26,124,676.

In 1903 Mr. Fielding declared that the guarantee by the Government on the Mountain section "cannot exceed \$14,400,000."

Mr. Graham now gives the cost of the Mountain section at \$61,520,000, and makes the Government guarantee \$46,140,000.

Mr. Fielding and all the other M. isters in their calculations of 1903 and 1904 left out the cost of urminals in the Eastern division, which they now estimate between \$4,000,000 and \$5,000,000.

In 1903 Mr. Fielding gave the cost of the Quebec Bridge at \$4,500,000.

The Government is already liable for more than \$6,000,000 in respect to this enterprise, and the bridge is yet to be built.

In 1903 the Ministers estimated the cost of the road from Quebec to Winnipeg at \$28,000 per mile.

They now admit it will cost \$63,000 pcr mile.

The Ministers procured official statements that the road from Quebec to Moncton would cost only \$25,000 a mile, and only be 400 miles in length.

The Transcontinental Commission now estimates the cost of one division at \$32,573, one at \$42,000, one at \$45,000, one at \$51,000, one at \$65,000, one at \$83,000, and one at \$110,000. The distance is increased to 456 miles, and over part of the distance there is a "pusner grade," requiring an extra engine to push the train up.

The total estimated cost in 1903 of the Quebec to Moncton section was \$10,000,000.

On the present estimate the cost will be in the neighborhood of \$25,000,000.

Such were the pledges on which the Government secured the assent of Parliament and the consent of the Country to the Grand Trunk Pacific contract.

Such are the admissions which the Ministers now make of the absolute worthlessness of these pledges and declarations.



