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THE CANADA PACIFIC RAILWAY.

SPEECH OF MR. JOHN McLENNAN, M.P., FOR GLENGARRY.

A terse, vigorous, and convincing address.

"Fanciful Estimates" disposed of.

Adjectives that have lost their force because they have been too familiarly used.

The Minister of Deficits and the Pasquino of Debate.

A Contract that affords no opening for Log-rolling.

In the House of Commons, on the 21st December, speaking to the railway resolutions, Mr. John McLennan, M.P. for Glengarry, said:

Mr. McLennan.—What I desire to say on the subject of the resolution, I shall endeavor to put in as few words as may be consistent with the importance of the subject, and the magnitude of the interests that are involved. I think the House will agree with me that it is impossible for us to over-estimate the importance of this subject. It is one that concerns an extent of country, of which we can only form a very vague conception, and the probable future, in their material and social interests, of a multitude that no man can number. The importance of the subject is established by the fact that for several years it has been before this and the preceding Parliaments in various forms of settlement. It comes before us, to-day, a stage forward, by the right hon. leader of the Government and his colleagues presenting it to us in a form so fair for solution, that it becomes our duty to give it our best consideration. I think, Sir, it becomes our duty to deal with it with all the wisdom, the common sense, and the highest patriotism we can apply. The contract that is before the Committee is not a contract for building a house or a sewer, or even a short line of railway, every factor and condition in relation to which we can fully comprehend and provide for in the terms of the written contract, which we can fully estimate and fully guard against. On the first reading of this contract we notice the absence of such ordinary guarantees and conditions, but upon reading it again we discover that the subject is one to which such ordinary guarantees and conditions will not apply, that its features are upon such a scale that these guarantees can only be supplied by the higher guarantees of a firm, mutual interest, and dependence of the contracting parties. Without such conditions it is quite evident that no progress could be made on either side. Bearing in mind these considerations, I shall not trouble myself to consider the questions of lines, barleycorns and inches of gradient and curve, nor of fractions or cents in rates of toll. Nor shall I, on the other hand, undertake to formulate fanciful estimates of the value of the land which forms a consideration to the builders of this road. The value of that land has been stated at various figures up to, I believe four dollars an acre, and a very formidable amount of money has been stated as the sum that the construction of the railway was to cost. My idea is that, in dealing with this subject, we must deal with the lands in the North West in the way in which they have been dealt with under corresponding circumstances in the United States. I find there that by common consent the general purpose for which land grants are made is to facilitate settlement and advance the general prosperity, rather than to make the lands a source of revenue. With this understanding I believe that, to this day, the public lands of the United States are held and sold to settlers at $1.25 an acre. But if we undertake to establish fanciful estimates of the value of land, I do not know why we should not say $40, as well as $4. It is impossible for us to say what the land is worth. Land is not like the food in our larder, or the raiment upon our back, or the creation of our handiwork, that perish with use. We might as well undertake to put a price upon the light of the sun, upon the rain that falls from the clouds; we might as well undertake to set a price upon the liberty which is our birthright, upon the privilege of using our energies, and our faculties, as freemen. The value of the land is in its use by the husbandman, and its developement and occupation by a free, industrious and well governed and contented people. Again, the question arises in connection with this contract, as to the advantages of the other party to it, and the possibility of their acquiring great wealth. I think this Committee will agree with me that no men of substance or character could be found to undertake such a contract without, in the first place, freedom of action, freedom from those ordinary conditions and restrictions to which I have referred, and with the further prospect of a very great reward. In coming to the discussion of this question, we must not be dismayed by the flowers of rhetoric to which this contract has been subjected in its introduction to this House. We are familiar with such terms, terms that have lost their force here, at all events. such terms as madness, insanity, incapacity, national ruin, suicide. The adjectives have lost their force to us, they are too familiar. They have been applied for the last two years to a subject which, I think, is a fair demonstration of what I say. There is not one of those adjectives that has not been repeated over and over again, in application to the National Policy from the Opposition side. Well I am glad to see in the Minister of Finance the smiling condition of a man with a full purse. The anathema in connection with the National Policy was, beyond any other, in the interest of the farmer: but I can safely appeal to every representative of this House as to the condition of the farming community at the present moment. I believe that every hon. gentleman in this House who comes from the country will tell us that if the farmer—one of whose great privileges as a Briton is the privilege of grumbling—is asked at the present moment about his condition, he will generally say that he has nothing to complain of. When the farmer, the inveterate grumbler, has nothing to complain of—I mean no offence to the farmers; I am one of them myself, and can therefore speak with more confidence and freedom—I say when the inveterate grumbler has nothing to complain of, we may be quite sure there is no matter for complaint against the National Policy, so far as he is concerned; it does not pinch him at all events. I believe we might go further, I think there are a great many moderate Reformers who have nothing to complain of, though, at the same time, there is a body of inveterate Reformers whose full barns and larders turn to ashes when they reflect that those terrible Tories are in power. The hon. member for Centre Huron, after exhausting his own vocabulary, offered us a morsel from a London journal, to establish beyond doubt that his statements were true. What was the substance of the quotation? It does not prove quite so much as the hon. gentleman proved himself; but it proved one thing which no one will gainsay, and that is, that a London journalist can follow the descent of a Canadian ex-Minister at a very considerable interval. I think the hon. gentleman has established further, that a gentleman who has entered upon public life in Canada under circumstances and conditions so favorable that I regret very much that there are so few of our public men possessing such advantages, has consigned himself, or will consign himself in the natural tide of time, to that condition in which he shall not merely be known as the Minister of deficits, but as the Pasquino of debate--the sayer of bitter things. I shall endeavour briefly to show that the old ladies of both sexes, who have been very much alarmed by the opening of this debate, may lay down their heads in peace during the holidays—no longer Gorgon heads of terror and despair. In the many phases through which this question has passed, and in the frequent recurrence of these forms, I think nothing has been more fully established in this House and in this country than the general desire that the construction of the Pacific Railway should be carried on by private hands; that the Government of the country should not be responsible for a public work involving so much expenditure and so much action. The little experience that has been had of the Pembina Branch, a line only, I think, about 65 miles long, managed I venture to say, under the direction of a chief who is economical and careful to the last degree—the many complaints that beset members of this House from day to day as to the running of this very small branch line is a slight indication of what might happen if we had 2,600 miles of road in the same position. I believe that the difficulties of such a scheme as that would destroy any Government. At the same time it is quite understood, and I think, most completely admitted by both sides of the House, that this road should be built. It is the only way in which this Dominion can have the railway facilities we require—the only thing which will make us one people, and bring about a real union of this Dominion, so that we shall be something more than the proverbial bundle of sticks. The able leader of the Opposition, in dealing with the subject, in one of those pleasant moods in which he mingles wit and wisdom so charmingly, drew a very nice picture of my right hon. friend looking down upon his subjects—his children one might call them—whirling over that road at the rate of 25 miles an hour. There is a good deal in this of practical use and value, as I have no doubt was fully intended by that hon. gentleman when he drew the picture. I think that whatever the uses of this road in a material or social point of view, they will be much greater with the entire line upon our own soil. When I come to deal with some other questions I think I shall be able to show that in some other connection—the connection with the rates of charges and the question of monopolies which has been started—it is still more important that the line should be built entirely on Canadian soil. Now, it is said by some that there is no difficulty in a Government building and running a railway. It is a well-known fact that railways are run in the southern countries of Europe, in France, Germany and Italy, by the Government, and are kept under effective control. Two things may be said in this connection; in the first place, those are very short roads and very small countries. In the next place, the Governments of those countries are very different from the Government of a free people extending from the Atlantic to the Pacific. Many things can be done in a compact State like France or Germany that cannot be done in our country of more free institutions, with the great freedom of action that prevails; and many things can be done that we should not desire to see done in our country. I shall not be at great pains to reply to the arguments from the Opposition side, and to show that almost every member of the Opposition who has dealt with this subject, has committed himself to the precise terms of this contract. I believe that fact is so clear on the face of it, that I expect, fully, the adhesion of the member for Lambton, whom I am glad to see is in his place, and who, I hope, will support the Bill. I am sorry that the leader of the Opposition is not in his place. I should like to call his attention to the maxim of a great legal authority, which may come in here. Capt. Bunsby says very frequently that "the bearing of this observation lies in the application of it." I should like to call the hon. gentleman's attention to the proposals made in 1874, very similar to the terms of this contract, with this simple difference of the "application" by the gentleman who then led the Government. I find that in 1874 he offered to all the world the sum of $10,000 per mile and 20,000 acres for the whole length of 2,600 miles of railway, without any limitations, or conditions to be applied, to the prairie or any other lands in choice or preference. That was not all; although this sum, a very considerable amount, judged by the arithmetic of to-day, for, valuing this land at the lowest sum they have conceded, $2.00 an acre, we have here $50,000 a mile, for the 2,600 miles, we are not done with the consideration offered by the late Government. Nor can we tell when we are done; for there is lurking in the background of their proposal an invitation to the contractors to say upon what further sum they will take 4 per cent interest; we were to have had the Georgian Bay branch tacked on to the 2,600 or 2,700 miles we are considering to-day, which would still further have increased the amount to be expended. There were some things in the way of safeguards to be attached to their Bill. Two-thirds of this great quantity of land was to be sold at prices to be agreed upon, and the proceeds to be paid to the contractors apart from any charge of administration. If my theory is right—and I maintain it is—that the use of those lands is for settlement—I don't think it would serve that great purpose that the sale of those lands should be hampered by the unnecessary condition of a contractor naming a price for them. Nothing could more seriously interfere with the proper and necessary use of those lands than that condition. Then, again, a question has arisen upon the location of those lands, and I venture to refer to some of those points because they have been made a subject of difficulty in connection with this contract. Among other things the proposal of 1874 provided that the Government should have the right of repurchase, that is, of resumption when this road was built, by paying the contractors 10 per cent in addition to the money expended upon it. I think that one of the merits of the contract of to-day is, that there is no such provision in it for embarrassing the Government with the applications, the persevering and persistent requirements of people that in a change of Government are always asking for favours affecting the great interests of the country. I think it is very much better that a way should not be prepared or left open for any such demands. A question has arisen as to the quantity of lands in the North-West. It has been objected that, with the lands now proposed to be given the Company alienated, no public domain will be left—that all the lands will be taken up for the purpose of the railway. Well, we have a report from one of the most reliable geologists who has examined that country, in the service of the Government, which shows that there are 250,000,000 acres of land in that country available for cultivation or as pasture land, lands that will yield sustenance to man. This contract is precisely similar to the proposal that was made in 1874, in the provision that the lands taken by the railway company, shall be lands of fair average quality for settlement, and hon. gentlemen who have been in that country know very well that there are large tracts of available land there that might not be considered of a fair average value for the settler who is entitled to the settlement of a quarter section of land. The settler, in such a case, has to make his living, he requires arable land, he requires land every acre, every foot of which he can cultivate. There are, on the other hand, sections of country interspersed with lakelets and belts of wood, and presenting among other things a very fine landscape, very desirable for residences of men who are not bound, as closely to the soil, and very well adapted for the purposes of grazing, and for a variety of purposes that cannot be reached by an ordinary settler who requires 160 acres of land from which to make his living. There is a difference between the provision in this contract, and that in the proposal of 1874, in respect to the selection and the quantity of land offered, and its position in regard to the main or branch lines of railway. In the proposal of 1874, the offer was made broadcast that this quantity of land would be given to any extension or any branch that might be projected from the main line. There is no such provision in the contract before us to-day. The contractor may select, subject to the approval of the Governor in Council, to the extent of 25,000,000 acres in all, but the grant of land is confined absolutely to the limit of 25,000,000 acres. I state this, particularly, because I have heard the question proposed, and I have seen it stated with such persistence by parties opposed to the undertaking, that I find it is desirable to explain so simple a matter as this. Disposing then of this land question, therefore, we find that the limit is 25,000,000 acres, which, upon any computation of the length and breadth of that country, is but a very small portion of the lands there, that are available for use in some form or other. Leaving for the present the question of lands, we come to the question of the money, that the land is to cost us. That, in its entirety, is the sum of $53,000,000. This is really what we have to deal with, upon which we can put money value, because I maintain that whatever we may call the nominal value of the lands, they really do not enter into the question in computing the cost to us of this railway. I maintain that they are elements apart, connected with the settlement of the country, which we cannot reduce to figures in estimating the cost of the railway. The amount of money then in question is $53,000,000. About $18,000,000 of the grant has already been expended or provided, leaving the sum of $35,000,000 to be provided, or a charge upon the country, at 4 per cent, of $1,400,000 per year. Why, it is a sum that is no greater than one of those deficits of the previous Government, which we have paid so easily under the influence of our National Policy. If we get increased receipts from our present Tariff, I think we can see where this money is to come from, leaving us a surplus to be applied to other and more general uses. I think I can show in a very few minutes where we may expect to get this money without any reference to the present financial aspect of the country. I do not count on lands in this estimate, because, as I have said before, I do not take this into question; but, in 1879, the receipts from Customs, Excise and Stamps amounted to $18,470,000. Now, there is a little uncertainty as to when this railway may be completed, when we shall require these $35,000,000. It may be in five years or it may be in ten years, but I do not think it requires great stretch of imagination to suppose that in these five years, we shall have a million of additional people in this Dominion, through the settlement of the North-west; and if you add 25 per cent. to these collections you will find, not merely the $1,400,000 that we require, but a sum of about $4,000,000. I do not think that this subject requires to be dwelt upon. I think it is clear that it will satisfy every candid member of this House and every reasonable man in the country at large. Well, here are some other objections made to the contract, and I shall not detain the House long but I shall refer to a few of them. One of these is, the freedom from duty of certain things that are to be brought in for the construction of this road, and I call attention to the fact, that that freedom is limited absolutely to the material required for the construction of the road. And that in this special exemption are not included steel rails, which are not manufactured in the country, but the smaller articles which are required, such as nuts, bolts and fish plates, a good many of which, I believe, are manufactured in the country, and that the policy of the Government would require that imported goods of these descriptions should be subject to the duty imposed upon them in the Tariff. But hon. gentlemen should bear in mind that this is a contract between two parties, and that the contractors who are to build this road were not responsible for the National Policy. On the contrary, they may be Free Traders for all I know, and it is rather difficult for men coming from England, where the Free Trade system prevails, to appreciate the conditions that make the National Policy a good one for us. I can, therefore, very easily understand that these gentlemen should adhere tenaciously to their Free Trade policy, and I think it would have been a weakness in the Government to spoil the prospect of this contract upon so small a condition, and I believe the country will sustain them in this concession. Objection has been made to the standard adopted by this road, and we have heard a good deal about the dangers of locomotion on the Union Pacific Railway, when cars first began to run upon it. Well, it is well known that cars are used upon all roads during the process of construction and before their completion. The course of the Union Pacific Railway was no different from this, and I believe there are gentlemen in this House, as well as my hon. friend the Minister of Railways, who are tolerably conversant with the history of the Union Pacific Railway, and who are well apprised of the fact that the Union Pacific Railway, when constructed, became a good, substantial road, as it is at this day. As to the objection to freedom from taxation of the roadbed and stations of the Company, it should be remembered that this road will be the great highway of this Dominion, and I would ask any gentleman in this House what the result would be of an application to any or all of the municipalities into which that great extent of country will be divided for freedom from taxation of such a highway. Why, there can be but one answer. No municipality or community would tax a highway of inestimable benefit to themselves, and the very point in this matter, it seems to me, is that this question is disposed of once for all in the contract, instead of being relegated to the hands of the different municipalities with which the company would have to deal, and involving great labor, expense and delay, with no different result from what we have in the contract. Then we are told, and it has been repeated over and over again, that we shall have no control over this road to guard against exorbitant tolls and charges, and instances have been given to us of railway companies charging exorbitant rates. These instances are of railways in the United States, and we are told in the same breath that if we were only making connection with the railways in the United States, we should be able to guard against the monopolies. I think Sir, it does not require much logic, to show that we should be subject to the monopolies several times over. We have also a very complete general Railway Act upon the Statute-book to provide against these excessive charges. I was rather surprised to hear the hon. leader of the Opposition read the other night the distinct provisions of that Act to protect the prices of tolls and rates to the effect that no toll should be levied or taken until approved of by the Governor in Council, nor until after two weekly publications in the *Canada Gazette* of the by-law establishing and of the Order in Council confirming it. It is true the hon. gentleman gave it as his opinion that that law was nugatory; the expression is his own. I do not know exactly what it means, but my impression as a layman is that if we enact a law in this House, and it is placed on the Statute-book, it is applicable and remains in force. I do not know what would happen if the hon. leader of the Opposition were the administrator of the law. Perhaps he means that he would not put it in force; but we have a very efficient provision for the enforcement of this law. I believe every gentleman in this House recognizes the great energy of my hon friend the Minister of Railways, and I believe that, under this Act, as well as under the General Act, one part of his duty would be to see that this law is carried out. I believe this corporation would be under his particular care, and, I think, we may be satisfied that, under the present arrangement, it will receive his care, as he will have time to devote to it. He will be relieved of the enormous strain and burden which have been put upon him by this very project, leaving him with scarcely any time to devote to the other great interests of his department. I make this statement in justice to the Minister of Railways, because I believe this House and the country have scarcely appreciated the labor which that hon. gentleman has been compelled to assume in the present condition of this undertaking. Then we have been told, in very expressive language, that the North-West country is handed over as a perpetual monopoly to this great corporation. Well, the hon. leader of the Opposition the other day told us in his loftiest style, that modern commerce knows no such limitations, his idea being that no should have competition for the carrying trade of the North-West. Well Sir, I believe he was right; I agree with him. Modern commerce has always found the means of overriding anything in the form of a monopoly, and if there were no provision in this Bill to guard the public interests, I think the consideration of mutual interest, and interdependence of the interests of the corporation in having the country settled and in providing every facility for carrying traffic, would of themselves be a safeguard in this respect. A great point is made in this connection of what the contractors might possibly do in holding lands for advanced price and then charging high rates of freight. Well, I think the statement made the other night effectually meets that objection. We were told that there were instances on the railway that crosses Minnesota of cultivated land, from which a revenue equal to $4 an acre was derived by the railway company in the way of freight. That is an excessive case, but the best proof that there is much done in that way is the well-known fact that the company has returned purchase money to the extent of $2.50 per acre to the farmer after the lands were in a state of cultivation. I do not think it would injure the comparison if we took the land as yielding one dollar to the acre to the company to show that it will not be in the interest of a land holder to keep his land tied up for ten or twenty years without cultivation. But this Company will not be without competitors in the North-West. There are already existing charters for important lines of railways which cannot be interfered with by this contract. One of these lines will open a road to the coal fields of the South-West, and I believe the Government which made the arrangement for granting land to this great corporation retains power to reserve coal fields or any other lands that it may be desirable in the public interests to reserve.

But we have something more in the North West, and the Providence that has given us such a vast extent of valuable land has not left it without a fair supply of water. There is reasonable provisions for communication by water in the North-West. I do not mean to say that there are mere water stretches, I do not mean to refer to anything so futile as the policy of the preceeding Government, but there are water stretches as wide as the Atlantic, and giving to the North-West communication to the great Hudson's Bay. We have been told lately by Prof. Bell, who has been employed by the Government, that there are five or five and a half months navigation in the Hudson's Bay. We shall probably have the report before long, but if there are five and a half months navigation to Port Nelson, I think we are secure in the competition that will protect us against any monoply of carrying to or within the North-West. It is well known that there are charters for two companies to extend from Winnipeg to Hudson's Bay, and if gentlemen will look at the map they will discover that the distance from Winnipeg to the settlement of Prince Albert, near the forks of of the Saskatchewan, is about the same distance as from Winnipeg to Port Nelson, that is about the same distance from this central point where there is a considerable settlement in the great fertile belt upon the Saskatchewan. If gentlemen will consider that here we have a sea-board brought to this great fertile belt, brought within the distance of Winnipeg, that there are two charters in existance to connect the base of this triangle, that is, from Winnipeg to Port Nelson; that there is water communication for half the distance, requiring the construction of only 250 miles of railway to form an independent connection with Winnipeg; that there is the same facility for independent connection with the fertile lands north of the Saskatchewan, making communication and stretching away into the great Peace River; I think we may relieve our minds of any apprehension of a monopoly, of which we have been warned in such emphatic terms. Some gentlemen may doubt whether the sort of competition to which I have referred is a sufficient safeguard. I do not think we need to look beyond the St. Lawrence to establish that fact. We have here one of the best routes of communication with the great Province of Ontario and deriving supplies of freight from the great North-West as well, and upon terms that enable us, as the trade of the port of Montreal for the last year will fully establish, to compete fully and successfully with the great Atlantic ports of the United States; to compete with them in the face of all their advantage of large lines of vessels controlled by wealthy merchants and enormous capital, that have a great deal to do with the direction of the traffic and its control; that in the face of that competition, the route of the St. Lawrence has been established and improved from year to year. And why? Because this water way is open to all the world, and although it is closed for six months in the year, the facilities are sufficient to enable the carriers and dealers in this great merchandise that travels over the country, to resist monopoly and to establish freedom of action and such guarantees as are necessary. I need not dilate upon this point: every man who has paid the slightest attention to the great water-ways of the country, knows it perfectly. If it were not for this it would be impossible that the great lines of steamers, owned, controlled and run by Canadians, should be kept upon this route in the face of the smaller business of our own country with four millions of people only to compete with forty millions, and with the smaller capital we have to control the direction of trade, and with a smaller importation of goods, as compared with the Atlantic ports of the United States. I think if we consider these points, and if we consider that Port Nelson is 60 or 80 miles nearer to Liverpool than the port of New York, and that it is as near to the great wheat fields of the Saskatchewan as Winnipeg, I think we need not be afraid that the monopoly of the freight of the products of that country creeping for 1000 or 1500 miles over a railway is going to destroy the power of the producer to carry them to the sea. Now we have heard a good deal about what these contractors might do. They might gobble up these lands, they might put them in their pockets, they might sell them and go to the world's end, and spend the money, and all this kind of thing. I am glad to say that in this contract I see the hand of my right hon. friend and his colleagues in their best form. They have dealt with this question in the true spirit of statesmanship. They have assumed that men would act fairly and honorably. They have assumed, that under ordinary circumstances or under extraordinary circumstances as the case may be, the interests of the contractors would keep them right in connection with this work, and that men, whoever they may be, who have the energy and the ability to carry on this work, will have wisdom enough to discover their great interest in acting in common with the interests of this country, by which means alone their project can be made profitable to themselves as well as valuable to this country. I think it is to the credit of my right hon. friend that he has exhibited his practical knowledge of this method of dealing, that he has not distrusted or doubted, but has left the splitting of hairs to the dreamers and speculators who ascend to the clouds or descend to the depths. I have no doubt that the House will justify the course taken by my right hon. friend. I believe the contract has been made in the interest of Canada, and that it will secure the settlement and development of our great North-West, and that that achievement will be added to the many public services rendered to the country, by the leader of the present Government. I believe this so fully in every respect that, discarding all these little doubts and difficulties and fears, I have no hesitation in saying that I shall give the resolution my firm support.