

Attorney General MACDONALD explained that the Government intended to consider the position of the companies, and then it would say what amount of aid should be granted. If the road was carried out then the company would receive the aid stated; but if they refused to give aid, in consequence of the road not complying with the requirements of the grant, although the promoters might insist that it did this, then the road would be notified of it before it commenced its operations. Of course if a road was dissatisfied, there was a remedy. It could come to this House, and if its promoters were satisfied of the justice of their position, they could go on with their operations, feeling confident that the House would support their equitable claims. He had no doubt that many of the undertakings which were now before the public would not be constructed, notwithstanding the urgent manner in which their claims were urged by their promoters. He found on referring to the railway legislation of the past thirty years that but one in thirty of the schemes had been carried out. (Hear, hear.) This might happen in the present case. They proposed to leave the list open and hold out the bait so long as any enterprise responded to it. The list would be kept open until the House should find railway enterprise dead, and then it might set aside the fund to any other purpose. The mode proposed was not a novel one, and the Government claimed the same confidence at the hands of the members and the country as had been accorded to them for their acts in the past, in regard to the distribution of the large sums of money which had been placed at their disposal, or in the selection of sites for public institutions. They did not expect to please the whole country, but he claimed that they had discharged their duty in this matter with justice and fidelity to the country. With regard to the next resolution, which provided:—

"That no Railway Company shall be entitled to such aid, until they shall furnish proof to the satisfaction of the Lieutenant-Governor in Council:—1st. That their railway charter authorize the construction of a road, in the direction of our Free Grant Territory, or pointing to our inland waters. 2nd. That the bona fide subscribed capital, together with any bonuses or loans by Municipal Corporations, and from the proceeds of bonds to be issued or authorized by such charter, leaves no reasonable doubt that such road shall be commenced and completed, including sidings and station houses, at least so as to be ready for the rolling stock, within the period mentioned in such charter, provided that no Railway Company shall be held to be entitled to such aid for any portion of their road for the construction of which a contract has been entered into prior to day of 1870." The Government had in view in the latter clause of this resolution those companies who had entered into contracts, and it held that contracts which had been entered into previously to the 7th of December, 1870—the date of the Lieutenant-Governor's speech—should not be eligible for aid, but that beyond that time lines for which contracts had been entered into—as well in respect of the lines now in course of construction, running towards the free grant district or inland lakes, as to the new lines in respect to which no movement had yet been made—would be eligible for Government aid. He took it that parties might have entered into engagements since the date of the Lieutenant Governor's message, relying upon the strength of the Government, and he was not disposed to betray their confidence with regard to the fifth clause, which provided "that the sum to be granted to any railway company coming under any of the classes hereinbefore mentioned, and authorized by order of the Lieutenant-Governor in Council to be entitled to receive the same, shall not be less than \_\_\_\_\_, or more per mile." After mature deliberation, the Government had come to the conclusion that \$2,000 should be fixed as the minimum, and that \$4,000 should be the maximum. This last sum would only be paid to any company which, promoted as a feeder to existing lines, should run into the free grant territory; but he did not apprehend that there would be any great extension of the roads in this direction. Then there was the case of a line which ran partly through a well-settled country which was able to contribute by bonuses, and partly through more thinly settled districts. The Government proposed that in such a case the grant should be \$2,000 for the district which was well settled, and from \$2,500 to \$3,000 for those parts which were less settled. The settlement of this question must be left to the Government, and which would be giving this increased encourage-

ment to roads through districts either thinly settled or consisting of wild lands, he aiding powerfully to ensure the settlement of such districts. The sixth resolution read:—"That before any part of the said Railway fund shall be paid to any company, the commissioner shall report, for the information of His Excellency in Council, that such company has completed their road, in accordance with the conditions and requirements contained in the 4th preceding resolution."

Mr. SINCLAIR said, before the Attorney-General proceeded to discuss this clause, that he would like to know whether the contract referred to in the preceding resolution meant the contract entered into by the municipality with the railway company, or that entered into by the contractor with the company? There were several municipalities which had given bonuses to companies, on condition that the road should run a certain distance; and he would like to know whether the grant was to aid the companies or the municipalities which had granted the bonuses before these resolutions were spoken of?

Atty.-Gen. MACDONALD did not consider that it would come within the province of the Government to enquire what bonuses had been granted to a company. This was a matter for the company and the municipalities. The Government would not be mixed up in the disputes which would arise from this question; but would pay the grant to the company which completed the road. They thought that municipalities would not grant bonuses unless it were for certain objects, the securing of which was their compensation. The gratuity would be as an encouragement to the road, and to secure its earlier completion. Of course, a company might come to some terms with the municipalities interested in its district, either in the way of remitting so much of the bonus or otherwise; but the Government would not enter into the squabble, nor interject any terms of its own.

Mr. GOW—Do I understand that the date referred to in these resolutions is the date of the contract with the company to construct the road, and not that of the company with the municipality?

Atty.-Gen. MACDONALD—Yes. He believed the Government would receive the confidence of the House in this matter, and that both it and any Government which might succeed it would exercise the same degree of watchfulness as had been done in the past over the expenditure of the public funds. He had now disposed of the questions involved in the resolutions, and wished to say a word or two on another matter. It had been urged that a portion of the surplus ought to be appropriated to purposes other than those proposed. There were, no doubt, a number of other things which were worthy of consideration. With regard to the position of the Municipal Loan Fund, it might be regarded as having been but two months in their pockets, and the Government had not had sufficient time to consider and deal with so important a question. The hon. Treasurer had, in conversation with himself (the Atty.-Gen.) indicated a scheme whereby it could be treated on principles of equity and justice to all parties. As to the other questions which hon. members, in the interests of their respective constituencies, had brought under the attention of the House, while he admired their zeal, they must not hope that the Government would be in a position this year to deal with these other matters. The feeling of alarm—which would be justifiable if it was proposed to devote the whole of the surplus to aiding railways—had now no real ground, since it was proposed only to deal with a portion of the surplus, and still leave ample means wherewith to treat these other claimants with full liberality, and meet every contingency. There would also be sufficient, should another railway fever set in to assist future enterprises of this character in the way proposed by the resolutions. The Municipal Loan Fund would have to be grappled with, but he appealed to the hon. members not to thwart the present scheme because the Government professed their inability to deal at once with the other moot questions now before the country. He hoped that a "dog in the manger" policy would not be pursued; but that the Province would continue to occupy, under a liberal policy, the grand position it at present filled among the provinces comprising the Dominion of Canada. (Hear.) It was perfectly impossible to locate these roads other than they were in the resolutions, which he hoped the House would accept in the spirit in which they were offered. (Cheers.)

It being nearly six o'clock, the House rose.

After recess,

Hon. Mr. CAMERON presented a return of the approximate interest on the invested and uninvested balances of the Province for the years 1868, 1869, and 1870.

#### COURT OF CHANCERY.

Hon. J. S. MACDONALD moved the third reading of the Bill respecting the Court of Chancery.

The Bill was read a third time and passed.

#### TOWN OF ST. THOMAS

Mr. LUTON moved the third reading of the Bill to extend the limits of the corporation of the town of St. Thomas.

The Bill was read a third time and passed.

#### CHARITABLE AND PROVIDENT ASSOCIATIONS.

Hon. Mr. WOOD moved the second reading of the Bill to amend Chapter 71 of the Consolidated Statutes of Canada, intitled "An Act respecting Charitable, Philanthropic and Provident Associations."

The Bill was read a second time, and referred to a special committee composed of Messrs. Cameron, Blake, Rykert, Pardee and the mover.

#### RESUMPTION OF THE DEBATE ON GOVERNMENT AID TO RAILWAYS.

Mr. BLAKE said he agreed with the hon. Attorney-General that the House and the country were placed in a very novel position in dealing with the question now under discussion, for it was a novelty to them to have to deal with a surplus. He also agreed in the main with some of the hon. gentleman's observations with reference to the great railway development in this Province, and the desirability of encouraging, as far as consistent with prudence and the just rights of the whole country, that species of public improvements in the future. It added, he might say, to the novelty of the position to find the hon. gentleman, who was the traditional opponent of all railway schemes, the astute discoverer of frauds in all schemes—

Hon. Mr. MACDONALD—Bogus schemes.

Mr. BLAKE—They were all bogus in the eyes of the hon. gentleman. It added to the novelty of the position that he should be found now as the exponent of the advantages of railways and the proposer of a scheme to aid in the promotion of railway schemes. He (Mr. Blake) rejoiced at this conversion, and trusted that he should not be found doing or saying anything to interfere with the development of railway facilities. The hon. Attorney-General had adverted to the details of his resolutions, with which he (Mr. Blake) proposed to deal in the first place before pointing out what seemed to him to be the objection lying at the root of the proposal. The hon. gentleman proposed to justify his course, in asking the House to confer on him the powers proposed in these resolutions, by referring to old statutes. He read—he was sure to the amusement of the House—the preambles of these musty documents, entombed in the statute books in days gone by. The hon. gentleman endeavoured to point out—and he (Mr. Blake) thought he signally failed to do so—from these old statute books that as great powers had been conferred on the Governments of the day in those times as these he now proposed. In the first place, he endeavoured to establish what no one wished to deny, that the development of the country forced in times past, as it did to-day, a very large and anxious part of the deliberations of the Legislature of the country. He then went on to say that the acts of former legislatures established a precedent for the present proposal, and he endeavoured to show that, in the Grant Trunk scheme, great powers had been conferred on the Government. But that was a very different case. That scheme, in the first place, had a well-defined object—that was, to construct a grand trunk line through the country. The exact locality through which it was to run, it was true, was not designated. It might be a question whether it would not have been better to have defined that point more clearly. Upon this fact, then, the hon. gentleman founded a justification for leaving it to his Government, or, perhaps, the one to succeed it, what lines should be assisted or not. It was extremely obvious that the cases were not parallel. Before ascertaining whether they were or not, he would endeavour to point out that the experience of old Canada was not such as to satisfy this House that it would be prudent to place too much power in the hands of the Government of the day in the aiding of railway schemes. His hon. friend proposed that a very wide power