

THE RAILWAY FUND.

The Speaker put the motion on the amendment moved by Mr. Grange:

"That the words 'after That, be struck out, and the following words be substituted therefor, 'considering that the sum of one and a half million dollars has been already set apart from the Fund of this Province in aid of Railways under the Act of last Session, and considering that the Dominion of Canada, of which we form no inconsiderable part, have invested in Railways about forty-seven million dollars, and have given a pledge of one hundred million dollars for the proposed Pacific Railway; and whereas many of the Counties, while large contributors to the Exchequer, will not in the least derive any benefit from any allotment, and considering the fact that many of the Counties believe that any further distribution of the surplus should be made equitably among the Counties, based either on assessment or population, to be used by them either in payment of their present indebtedness for the erection of public buildings, or for making good macadamized thoroughfares leading from the back country, due provision may be taken for the application of the money, and provision being made that the allotment to any county indebted to the Municipal Loan Fund should be applied on account of said indebtedness; and in view of these facts this House cannot at present entertain any further appropriation of the public funds of this Province in aid of Railways.'"

The amendment was seconded by Mr. Tooley.

The House divided on the amendment, when the numbers were yeas 7, nays 57.

YEAS—Guest, Lauder, McCallum, Monk, Prince, Rykert, Fooley.

The amendment was therefore lost.

Mr. McCuaig did not think it was right to burden the country with an annual charge of \$100,000. He was, however, willing to vote any necessary sum for aiding enterprise, provided it could be shown that the country could spare the money without falling back upon direct taxation. He thought that the finances of the country were not in a condition to justify the course proposed by the Government. If railway enterprise should be developed to the extent which the Government anticipated by asking these additional appropriations, he made calculations which showed that the enormous sum of \$32,000,000 of capital would be required, involving a charge on account of simple interest alone of over two millions a year. He maintained that there was no real surplus in view of the liabilities of the Province, and moved an amendment to the effect that it was inexpedient to make any further appropriation for the railway fund, beyond the amount already appropriated of a million and a half, until the award between the Provinces should be settled.

Hon. Mr. Cameron was not opposed in any way to granting aid to railways; the ground on which he opposed the resolutions was that the Government had not shown that the million and a half already appropriated was insufficient for the purpose. As a matter of fact he believed there were only six or seven railways which were entitled to claim on that fund at present. The amendment which had been moved was of too sweeping a character; but he warned the hon. gentlemen on the Treasury benches that if they allowed money to slip through their hands in the struggle they had commenced, they would soon leave the country with no further income than the subsidy of eight cents a head.

The House divided on the amendment when the numbers were, yeas 10, nays 56.

YEAS—Cumberland, Giffard, Lauder, McCall, McCallum, McCuaig, Monk, Richards, Rykert, Wilson.—10.

The amendment was therefore lost.

Mr. Rykert protested against crippling the resources of the country for the next twenty years, and moved an amendment to the effect that it was not desirable, in view of the claims of older counties, to appropriate any further sum to the railway fund, unless the amount already appropriated were insufficient.

The House divided on the amendment, when the numbers were, yeas 19, nays 51.

YEAS—Boulton, Cameron, Code, Cook, Cumberland, Giffard, Guest, Lauder, McCall, McCuaig, Macdonald (Leeds), McManus, Merrick, Monk, Richards, Rykert, Tooley, Wilson.—19.

The amendment was therefore lost.

Mr. Rykert moved as an amendment that it be an instruction to the Committee to strike out clauses 3, 4, 5, 6, 7, 8 providing for the Railway Subsidy Fund of \$100,000 annually for twenty years.

Mr. McCallum supported the amendment.

Mr. Lauder would vote steadily against the proposed additional subsidy, for the Government had not shown that the present fund was in any way insufficient. He did not believe that the people would approve of this large addition to the million and a half.

Mr. Ferguson said that the Government were asking for an addition to the railway fund, while they well knew that there was no possibility that the existing fund could be appropriated before the next Parliament. He could only characterize such a policy as the most outrageous thing he had ever heard of.

The House took the usual recess.

After Recess.

PRIVATE BILLS.

The House went into Committee on the Bill to authorize the construction of a railway from the village of Wardville, and of a dam on the River Thames, and Raceways in the said village, Mr. Prince in the chair. The Bill was passed through Committee, and report ordered to be received on Monday.

The Bill to incorporate the Toronto Dairy Company was read a third time and passed.

The following Bills were read a third time and passed:—

Bill to amend the Act to incorporate the Port Whitby and Port Perry Railway Company.

Bill to affirm the validity of certain by-laws passed in aid of the extension of the Midland Railway.

The Bill to incorporate the Town of Tilsonburgh and to define the limits thereof, was passed through Committee, and ordered to be read a third time to-morrow.

THE RAILWAY FUND.

The debate on the motion that the House do go into Committee on the resolutions, was continued by

Mr. Cameron, who pointed out the inconsistent conduct of hon. gentlemen who maintained when in opposition that not a dollar of the public money should be spent without a statement explaining where the money was to go; yet now they were in office they asked the House to

authorize them to appropriate a sum exceeding two millions without having shown that there was any necessity for an additional sum beyond the million and a half already set apart. Unless that million and a half were shown to be insufficient for the claims of railways entitled to aid before the next Session of Parliament, the Government had no right to come down to the House and ask for more. Where were the guards and protections which hon. gentlemen used to talk about throwing round the people's money, and which they now seemed to have completely forgotten.

Hon. Mr. Blake said he did not blame the late Government for limiting the fund to a million and a half, but the Opposition now admitted that an increase of that fund was necessary by basing their opposition upon the additional yearly subsidy which was proposed by these resolutions.

Hon. Mr. Macdonald said he had been accused of promised aid to roads here and there throughout the country, but that accusation had only been got up by the President of the Council in order to strengthen his own position in asking for the additional four hundred thousand dollars. There was a railway proposed to unite Toronto with Ottawa and the North Shore in order to punish the Grand Trunk; was it to carry out that scheme that the Government was making this attempt to get hold of two millions? Surely there were independent members enough in that House to compel the Government to bring down some explanation of what they were going to do with the money before giving them authority to appropriate it. If the country was not prepared to hand over such enormous sums of money to hon. gentlemen who had not shown that they were in any way capable of taking due charge of the public funds.

Mr. Robinson said he was elected to oppose the railway policy of the late Government, and he had done so, and was not sorry for it.

Dr. Boulton looked upon the resolutions as an extension of the policy of the late Government, and should therefore support them, believing that the people desired to see the back country opened up by railways.

Mr. McManus was perfectly satisfied to vote for the addition of \$400,000 to the railway fund, but could not see any necessity for mortgaging the country to an annual grant for twenty years.

Mr. McCall had opposed the formation of a railway fund on the ground that it would tend to throw the Legislature under the control of railway speculators. He had never for a moment anticipated that the present Government would call upon the House this session to increase that fund. It was a duty which the Government owed to the people to point out clearly the purposes for which they wanted the money. These resolutions had taken the country by surprise, and he thought they would raise a popular feeling in the country which would check the growth of railway enterprise. A large surplus had been talked about, but he believed if the liabilities of the Province were discharged there would be a very small surplus indeed. He considered these resolutions a wide departure from the principles laid down by the President of the Council.

Mr. Corby, as an advocate for railways, would support the resolution with respect to the \$400,000, but was not so well satisfied about the annual subsidy; however, sooner than run the risk of the resolutions being lost he would vote for the whole.

Mr. Boulton would support the Government in appropriating the additional \$400,000, but he thought his constituency and the other constituencies in the Province would not approve of the two millions subsidy, for which the Government had offered no reason whatever. There was no doubt that aiding railways was a meritorious work, but that was no reason why it should be done with other people's money; the older counties which found so much of the surplus was entitled to a fair share of it. Then

if the country was to be pledged in the way proposed for twenty years, how could they tell whether the revenue would not have to be reinforced by direct taxation. He did not think they had any business to be liquidating twenty years in advance; let the Legislature, year by year, if the money were needed, grant what might be required. The prosperity of the moment might be unreal and fictitious, and the day might come when the people would look upon that House as having legislated in advance of its times. The late Premier had used the railway fund with such economy that he never gained a supporter by it; but he could not say the same of the present Premier, who had certainly gained a large amount of support in that House by holding up that large sum as a bait to the railway men. And the House was so much under the control of the railway interest that any Order in Council which the Government might choose to bring down would be carried by a sweeping majority. But it would not be by the voice of the country, but by the voice of the railway interests.

Mr. Deroche believed the country would support the resolutions.

Mr. Cumberland thought it strange the House had had no explanations from the Treasurer as to these proposals which so closely concerned his department. If the liabilities of the Province were discharged there was no surplus at all, but a debt of two million dollars; and if their resources were to be mortgaged in the way proposed, it would be found necessary to resort to direct taxation. He would ask the House to be prudent about incurring this liability. From the remarks made by the Premier on the previous evening, it appears to be the intention of the Government to allow railway companies to issue scrip, representing the subsidy, along with their debentures in anticipation of the commencements of their works, and he would ask the hon. Treasurer if that was so?

Hon. Mr. Mackenzie refused to be cross-examined by the hon. gentleman. They (the Government) were not there for political chicanery. (Oh! oh!) The money would be expended in accordance

with the will of parliament.

Mr. McCuaig maintained that, including the Trust Fund, the Province had a surplus of only \$1,550,000. That was entirely independent of the Municipal Loan Fund. He was willing cheerfully to vote five millions for aid to railways if it could be shown that the country had the money to spare.

Hon. Mr. Wood made some explanations with respect to the Municipal Loan Fund.

Mr. Grange supported the amendment.

The House divided on Mr. Rykert's amendment (which was seconded by Mr. McCallum) when the numbers were, yeas 21; nays, 43.

YEAS—Messrs. Adagh, Boulton, Cameron, Code, Cook, Cumberland, Ferguson, Lauder, McCall, McCallum, McCuaig, Macdonald (Cornwall), Macdonald (Leeds), McManus, Merrick, Monk, Prince, Richards, Rykert, Webb, Wilson.

NAYS—Messrs. Barber, Baxter, Bethune, Blake, Boulton, Calvin, Clarke (Norfolk), Clarke (Wellington), Clemens, Corby, Craig (Glengarry), Clarke (Russell), Crooks, Crosby, Deacon, Deroche, Fairbairn, Farewell, Finlayson, Fitzsimmons, Galbraith, Gibbons, Gieson, Gow, Graham, Hamilton, Harrington, Hodgins, McKellar, McRae, Olfert, Paxton, Perry, Reid, Robinson, Scott (Ottawa), Sexton, Sinclair, Smith, Springer, Williams (Durham), Williams (Hamilton), Wood (Brant).

Messrs. Carling, Grange, and Scott (Grey), voting yea, paired respectively with Messrs. Mackenzie, Wood (Victoria), and Guest.

The amendment was declared to be lost.

The House went into Committee of the Whole on the Resolutions, and the report was ordered to be received to-morrow.

The House adjourned at a quarter past one, to this day (Saturday) at one o'clock.