

Hon. Mr. MOWAT.—The matter referred to in this question is still under consideration.

#### VICTORIA RAILWAY.

Mr. McCALL moved for copies of all papers, documents, and communications had or passed between the promoters of the Victoria Railway with any one or other of the Ministers or Departments of the Government. In doing so, he pointed to the large sums spent for the purpose of aiding the various railway enterprises of the Province, to the fact that besides private capital, large municipal grants were continually being made for railway purposes, and also to the circumstances in this connection, which compelled the Government to relinquish a large proportion of the municipal indebtedness. He pointed to American railways, and the large grants of land which had been made to some of them, and showed that from the failure of one firm in New York, which was brought about by its connection with these railways, had arisen one of the greatest commercial panics that had ever swept over this country. No doubt many of those who were now investing their capital in railway enterprises were much more careful than they formerly were, but this case showed the necessity there was for being very careful in such matters. He thought it was a question for very serious consideration how far we could encourage such enterprises as the Victoria Railway, and asserted that there was a very strong feeling in the minds of a large portion of the people against placing large grants of land in the hands of corporations. But, on the other hand, if it could be shown that such corporations had the true interests of the country at heart, if their operations were likely to favour the settlement of free grant lands and provide labour for immigrants, it put a very different complexion upon the matter. All these points should be taken into consideration in dealing with this question, and he had therefore much pleasure in moving for the papers named.

Mr. BOULTBEE said if he understood the position taken by the promoters of this railway scheme, they asked for a large money subsidy and a considerable grant of land. In dealing with this subject, it would be necessary for the House not to shut its eyes to the fact that the large money surplus left by the old Government had been pretty nearly dissipated and in consequence they must consider with care and prudence what they were about. They all knew the general desire which existed to aid by every means in our power railway enterprises, and they all knew how much the country had been advanced in its best interests by these enterprises. Nothing showed the wonderful wisdom of the old Government more than the provision they had made to meet the demands of those enterprises, but we must take care not to advance too fast. As he understood the matter, there was not much more than a million and a half of the surplus left; there were still many public works to be carried out, and many railways to be aided, and they must not be carried away by the importance of any work which was not a provincial necessity, so far as to make any grant to it which would involve any great expenditure of money. With regard to grants of land, that was a matter which could be dealt with more easily. He understood the idea of the promoters of the railway in question was to leave Toronto or some point near it to the east, and running in the direction of Lindsay, Peterborough, Fenelon Falls, and far into the north-east country, finally touch the Ottawa River. This road, it was at once apparent, must be considered in a different light from most other roads. He had looked cursorily over the route proposed as it appeared upon the map, and could see at once that its hopes of success depended upon its getting a grant of land. He was of opinion that where there was a large section of uninhabited country which could be opened up by means of such a grant, and would otherwise remain uncultivated and unsettled, the grant ought to be made. The section of country through which the proposed railway would pass was equal to about one-fourth of the size of Ontario, and unless a railway were built, there would be no means of reaching it for, perhaps, the next hundred years; unless we brought it into speedy communication with the front by means of railways, there was, in fact, no means of opening it up at all. There were in it vast agricultural, mineral, and timber resources which could not be reached for scores of years, whose value, if developed by means of a railway, would be incalculable to the Province, and especially to such portions of the coun-

try as would be connected with it by means of railway communication. But this road would be a valuable provincial undertaking for another reason. It was intended to reach the Ottawa river, and that, too, at a place where considerable lumbering operations were at present being carried on, and which constituted the very centre of these operations. It was unnecessary for him to point out to the business men in the House the importance of reaching that district, where operations of such a valuable character were being carried on. A large quantity of provisions and other articles was consumed in connection with the lumbering, which the business men of this Province could not supply by any other means than the road proposed. Construct that road, and the trade of the Ottawa, both in articles supplied by our merchants and the produce of the country, would be secured, besides opening up the country for settlement. The advantages would be in favour of the country thus opened up, as well as the trading portion of the Province, for we would be able to supply all the wants of the population in the back country at a much lower rate than they could possibly have them supplied by present sources of communication. If it could be shown to the satisfaction of the Administration that there were no other means than those afforded by such a road as this for opening up that country and securing its trade to this Province within the next 80 or 100 years, it would be worth their while to see that it was done, even if at some little sacrifice to the Treasury. It ought to be remembered that our supply of timber from present sources was rapidly becoming exhausted, and if this railway were constructed a new and rich timber district would be made available. There were large quantities of birch and other hard timber in the districts which would be tributary to this railway. It was well known that timber of this description could not be brought down by water, and as a consequence not a stick of this valuable wood was presently available for manufacturing purposes, and a very considerable proportion of it was being yearly destroyed by the devastating fires which from time to time visited our forests. If, therefore, it was desirable that this valuable district of country should be opened up—and he did not think any one would deny its desirability—there was a good case made out in favour of making some small grant for the purpose of subsidizing it. That proposition conceded, it next became necessary to consider the propriety of making a grant of land. As to how much land should be granted, that would be a matter which would more properly come under the consideration, and be subject to the recommendation, of the Executive. Of course a simple land grant would not be sufficient to enable a Company to build a road of this description, and the matter of a money subsidy would have to be dealt with very carefully. The time was come, in his opinion, or at any rate rapidly coming, when we would not be able to give any direct money subsidy to railways; but it would be worth while for the Government, the House, and the country to consider whether railways could not be aided in another form, that was, by guaranteeing interest upon a certain amount of their bonds. This was merely a suggestion, which he made in view of the fact that our surplus was very nearly exhausted, and would not much longer be available for the purpose of direct payments of money. There was also another proposition which he had to make in connection with the road, which he thought it might be well to consider. The country would have a claim upon it far greater than if it were merely aided to the usual amount of \$4 000 a mile, and we would have a right to impose some restrictions upon its working after it was built, so as to make it of the greatest possible advantage to the whole country. He had already been consulted by the property-holders of Peterborough upon this point, and they had discussed with him the propriety of making such regulations with the Company as would enable the towns and localities contiguous to the road to participate in its advantages. The proposed route touched at Fenelon Falls and Peterborough. By extending a road to meet the Victoria line at this point, would have the same advantage as to rates of carriage as if the town were situated upon the line itself. He had discussed this proposal with the promoters, and they seemed to look upon it with favour. The Government should retain within their own hands the power of compelling the Company to carry that idea out in a fair spirit. If they did, they would be conferring a valuable boon upon the country. The principle once con-