

farther in a northerly direction, to unite finally, when their financial position was better secured, with the Georgian Bay Branch of the Pacific Railway. So with regard to the Victoria Railway, it was proposed to encourage it to extend to Kilmount. The first class of roads which they proposed aiding were those in which the granting of a moderate amount of aid would enable them to complete their projects. They had the Lake Simcoe Junction Railway, which started from Stouffville, a point on the Toronto and Nipissing, and ran northerly to Jackson's Point on Lake Simcoe, a distance of 26½ miles. They proposed to aid this road to the extent of \$2,000 per mile. It would appear from the papers in reference to this road that large amounts of municipal bonuses had been contributed, and *bona fide* stock subscribed, and they had every reasonable guarantee that the road was one that would be constructed. The Belleville and North Hastings Railway was a new road, involving a distance of 22 miles, and they proposed aiding it to the extent of \$3,000 per mile. By reference to the maps and plans it would be seen that this was a line running in the direction of the mineral territories of Hastings, and it was very important that roads of that character, leading to these lands which, if developed, would be a source of great wealth, should receive some assistance. The chief resources of this road were derived from individual proprietors, there being no less than \$170,000 stock in the road. The gentlemen who had invested in the road were interested in the iron mines which it would open up, and had come forward very liberally. The municipal bonuses in the case of this line were not very large, as it passed for a considerable way through unsettled districts. The \$3,000 per mile which they proposed to give this line would, he believed, along with its other resources, enable the Company to complete it from the junction with the Grand Junction Road to Stirling, and so be able to obtain the benefit of the fifteen or eighteen miles now constructed. The third road under this division was the Cobourg, Peterboro', and Marmora Road, which they proposed aiding for thirteen miles at the rate of \$2,000 per mile. The claims of this road had been before the Legislature and the Government some years ago, and it had been considered a line entitled to aid. Owing, however, to the depression in everything connected with the iron trade it had been unable to raise the means of establishing the continuous line they had desired. At the link was a most important one—opening up a complete line from Cobourg to Chemung Lake, via Peterboro'—it was a road which the Government had considered deserving of aid. The construction of this road would involve the erection of an expensive bridge and embankments on Rice Lake, and the grant was conditional on the opening of this line from Cobourg to Chemung Lake, along with the construction of the work he had mentioned. The present position of the Company was such that, with the amount of the Government funds which they proposed giving, they would be enabled to complete the entire line. Hon. members would understand that the position of the Company was perfectly safe so far as granting this assistance was concerned, because the work had to be completed and subjected to the inspection of the Engineer of Public Works before payment was made. The Credit Valley Railway line might be said to consist of three divisions. The first division ran from Toronto to Ingersoll, a total distance of 95 miles; the intention having been under the original scheme to run the road to St. Thomas. Of this distance 42½ miles, extending from Toronto to Brock road, had been already aided, leaving in that division 52½ miles unaided. Of this, total distance, 64½ miles was bridged and graded, leaving 30½ miles yet to be done. It was proposed to extend to this 52½ miles aid at the same rate of \$2,000 per mile as had been given to the 42½ miles already aided. At the time that the original Credit Valley scheme was submitted to them they had found it had a larger financial basis than any of the other roads to which they are granting assistance. The city of Toronto had given it a bonus of \$100,000; the county of Peel, \$70,000; Halton, \$75,000; Oxford, \$200,000; Waterloo, \$110,000; Wellington, \$135,000; Brantford, \$20,000; Milton, \$30,000; Streetsville, \$20,000; or a total of bonuses voted upon of \$760,000. This, taken along with some other advantages with regard to the right of way to Ingersoll, and expected

bonuses, made a total of \$1,012,000; or \$5,500 per mile. There had been in addition stock to the extent of \$3,540 per mile, and bonds to the amount of \$12,000 per mile. Hon. members would find that the proposed amount to be raised on the securities of the road had been \$12,000 per mile, but the present application was based on the assumption that they would not be able to raise more than \$9,000 per mile, so that the real position of the road seems worse than it had been before, except in so far as regarded the depreciation of all railway securities. It was a reasonable expectation that if they were able to sell their bonds at \$12,000 per mile, they would be able to complete the road. They now proposed to realize on them \$9,000 per mile. The securities under the present proposal, if railway securities were saleable at all, would certainly be negotiable. He went on to refer to the rates which the Wellington, Grey, and Bruce, the Toronto, Grey, and Bruce, the Midland, and other roads had been able to realize upon their securities, saying that he mentioned these rates to show by comparison the financial foundation of the Credit Valley Company. They merely proposed to regard this in exactly the same light, and with neither more nor less favour than others similarly situated. The principle they had observed in distributing the aid was that the minimum amount should be given to those lines which might be termed local in their benefits, and which could not point to any large amount of benefit they were likely to confer on the Province at large. The amount they proposed to give on the 52½ miles he had referred to as being in the first division of the Credit Valley scheme was \$2,000 per mile. They proposed also to aid at the same rate of \$2,000 per mile 27½ miles coming under the third division of the road, from Cataract Junction to Elora, this portion being included in the second class of railways in the plan they had followed in apportioning the aid, viz., those in which additional amounts were given. The other division of the road they did not propose to aid at all, as they had already aided it to the extent of \$2,000 per mile. They came now to the Stratford and Lake Huron Road, the financial scheme of which was a very satisfactory one indeed. He might say that the proposed line was practically an extension of the line from Port Dover to Stratford. It was a line with reference to which the county of Perth had a considerable interest, it having passed a by-law granting \$120,000 to it. The object of this by-law was to secure the extension of the line not only to Stratford but its continuance to the northern limits of the county, \$80,000 being intended to secure its completion from Stratford northwards. There had been municipal bonuses voted to the amount of \$110,000; to be voted, \$90,000; stock, \$43,870; bonds, \$139,500. The bonds were taken at the low rate of \$5,000 per mile, and they had arranged to sell them at 90 cents on the dollar. They proposed allowing the road aid on 25 miles to Lindsay, at the rate of \$2,000 per mile, which would make its resources \$438,000. The standing of the road was such that there was every probability of the road being built, and it was one that would very materially benefit the section of country through which it passed. They now came to the Victoria Railway, which belonged to the second class, or those which, or portions of which, had been already aided. It was proposed to increase the grant to this road from Lindsay to Kilmount, a distance of 33 miles, by \$1,000 per mile, in addition to the \$3,000 per mile formerly granted. This was one of those roads which opened up the unsettled parts of the country, and was, therefore, entitled to special consideration. He referred at some length to the financial basis of the road, which he said hon. members would find in the sessional papers of September, 1874. This was equivalent to the amount given to a similar road (the Northern) from Orillia to Washago, thence to Gravenhurst. This was also the plan which had been followed with the Kingston and Pembroke as it approached the unsettled portions of the country, it having received \$3,250 per mile. The next road under the second class was the Montreal and City of Ottawa, one of very great importance, as it bisected the county of Glengarry and others surrounding it. It would pass through a territory which was in no way served by railways except in so far as the Grand Trunk ran along the southern part of that territory. It was one much needed by the locality through which it passed, affording, as it did, a much easier communication across the country than by the present Prescott and