

seven hundred and fifty dollars per mile.

Some delay here took place in consequence of the absence of the leaders of the Opposition. On their taking their seats, the following passed:—

That all of the said grants of aid are respectively subject to the following conditions:—

1. The Lieutenant-Governor in Council may require any railway company so aided to enter into an agreement or agreements with any other railway company or companies containing such terms and details as the Lieutenant-Governor in Council may approve of, in order to secure running powers or rights of user to such company or companies over the line or portion of line of railway of the company aided under this Act, or under former Acts, in the discretion of the Lieutenant-Governor in Council, for the haulage thereover of the cars and traffic of such other company or companies upon such terms as, in default of agreement between the respective companies, may be settled upon by the Lieutenant-Governor in Council.

2. No payment shall be made to any of the above-named companies in respect of the said grants of aid for any portion of their railway until the Commissioner of Public Works shall have reported to the Lieutenant-Governor in Council that such company has completed such portion of its road in respect to which payment is to be made, including such sidings and station houses as the Commissioner may think necessary for the accommodation of the public, within the period for completing the railway or portion thereof named in the Acts relating to the company.

3. Payment may be made as portions of the railway, not less than twenty continuous miles, are completed, and in cases where the whole distance aided is less, then for such distance.

4. The increased grants of aid to the Grand Junction Railway Company and Kingston and Pembroke Railway Company respectively are to be paid out of the appropriations heretofore made out of the Railway Aid Fund by Orders in Council in favour of said companies respectively, so far as the respective amounts may be sufficient, and are payable for portions of the respective railways not yet completed, and which extend beyond the portions for which increased aid is granted under this Act.

On the proposition to pass the following resolution:— That the Lieutenant-Governor in Council may also grant such bonus, subsidy, or annual payment to any company now or hereafter to be incorporated not in excess of a present payment of \$8,000 per mile, in such mode and according to such terms and conditions as will secure the construction of a line of railway extending from a point in the District of Muskoka as far north as Gravenhurst, so as to connect the Ontario system of railways with the proposed line of the Canadian Pacific Railway (Georgian Bay branch) at some point west thereof of the eastern end of Lake Nipissing; the grant of such bonus, subsidy, or annual payment to any company shall be provisional until sanctioned by resolution of the Legislative Assembly, and shall only be upon proper conditions for securing full running powers and other rights of user for other railways, and upon such other conditions for securing the due application of the grant, and the construction of the railway, as the Lieutenant-Governor in Council may require; and no agreement in the premises shall be operative until ratified by resolution of the Legislative Assembly.

Mr. MACDOUGALL asked what the Government would do if the Georgian Bay Branch was not constructed. He had no objection to aiding a colonization road, but he would prefer to have it postponed for another session. He heartily approved of the action of the Government in refusing to grant the land for the line of Mr. Foster's, which would be inimical to Ontario if it were carried out; but it seemed to him that the action of this Government had killed that scheme.

Mr. CROOKS said this only gave the Government power to enter into a provisional agreement with a company to connect the Ontario system of railways with the Georgian Bay branch of the Pacific Railway. The proposition was based only on the supposition that the Georgian Bay branch would be built. If it were not built it would be necessary to adopt a different policy. The Dominion Government could still comply with the terms of the contract with Mr. Foster, as they could grant lands in the North-west or wherever they saw fit. The Government had not seen fit

to grant lands, which would have been equivalent to a large expenditure, in aid of a railway which, whatever its benefit to the Dominion, Ontario was not in any way liable for.

Mr. MILLER said he should be sorry to see this grant fettered by any conditions which would prevent the immediate construction of this connecting link, but he had no doubt that the Georgian Bay branch would be constructed. He believed that branch would be found to be much longer than was expected, and he did not think those who lived in the southern part of Ontario need fear that the trade of the West would be carried over the Georgian Bay branch.

Mr. SCOTT objected to the House binding itself beforehand to the construction of this connecting link, especially as he believed there would be no trade from the West to be reached. It would be a mere colonization road, and there were other roads which derived aid more than this, such as the Victoria, and the Belleville, and North Hastings.

Mr. WOOD pointed out that Sandfield Macdonald had asked power to grant aid to all railways without the consent of the House. As to the Victoria Road, he pointed out that it passed through nine townships belonging to the English Land Company, and the House would not agree to subsidize a line benefiting the land of that Company. There was no doubt that this extension road would be a large expense at a colonization road, and as such it was well worth \$8,000 a mile to the country.

Mr. CAMPBELL said the English Land Company had done a great deal to settle the country, but had been injured by the action of the Government in making free grants of land adjoining the land of the Company. If the Government entered into a provisional contract with any Company under this measure it would bind the country. He contended that the provision was too loose, as it did not state what length the line was to be, or what side of the lakes it was to pass. He had no doubt that this measure would pass through, however, as the country, or rather the House, had so much confidence in hon. gentlemen that they would allow them to do anything. (Hear, hear.)

Mr. PARDEE contended that the plan adopted by the Government was substantially the same as that which had been pursued in the past with regard to the railways.

Mr. MACDOUGALL contended that the hands of the Legislature would be bound with regard to this provisional arrangement, as they were giving their previous consent. It was merely a ratification by the Legislature of that which they had previously authorized the Government to do. The company would take the matter as a positive agreement on the part of the Government. It was unfair that English capitalists who invested their money in these settlements should be treated differently from Canadians who settled there. They were certainly entitled to the same consideration as our own settlers. The Provincial Secretary should have insisted on the Victoria road being aided, so that it might be pushed through to these settlements. He perfectly agreed with the suggestion that lands along colonization roads should not come within the operations of the Free Grant system. He believed that these English land-owners would be willing to grant large bonuses to help a road through that section.

Mr. HODGINS said the provision of the Bill as to the ratification of the contract was narrower than the one adopted in the English Parliament, but he believed that notwithstanding they had the power of either accepting or rejecting the agreement. He cited precedents to show that the contract in such cases had been held subject to the ratification of Parliament.

Mr. WOOD said that, as a member of the Government, he was bound not to consider the interests of localities but those of the whole Province, and he was convinced that as a member of the Government he would not be doing his duty to the Province if he had acted as the hon. member for South Simcoe had stated he should have acted. (Hear, hear.) He was also convinced that if he had told his colleagues that he insisted on aid being given to the Victoria road northwards, or else he would resign, they would at once have told him to resign. The reason the people of the older parts of the Province were willing to give this money was that it passed through tracts of land belonging to the Province. The object of the speeches which had come from the Opposition on this subject had their purpose,