

and it was not so much their anxiety to get the road opened north of Lindsay, as it was with a view of trying to get the people of South Victoria to believe that if a Conservative Government had been in power a different course would have been pursued. (Hear, hear) He had the satisfaction of knowing that his friends in South Victoria did not ask him to do anything inconsistent with his position as a member of the Government, and that they acknowledged that the Victoria road beyond Kinmount was not one upon which they could justly ask for aid.

The clause was carried, as was the following:—

That the period for the completion of the said railways, or any portion thereof, to be aided under the foregoing resolutions, or heretofore aided under Order in Council duly ratified, shall be extended to the first day of January, 1878.

The Committee reported the resolutions, which were referred to the Bill.

Mr. CROOKS, in moving the second reading of the Bill respecting aid to certain railways and for other purposes, said that as he had fully explained the policy of the Government on the first reading he would not now make any observations further than to say that there was not the slightest foundation for the remark that the hands of the Government were in any way tied with regard to the provisional agreement.

Mr. HODGINS referred to the previous action of the Legislature in reference to railway aid. He contended that aid had been granted to railways which had no sufficient financial basis, as about \$800,000 of the amount granted by Order in Council had not been demanded. Why should that sum be locked up, and why should the Government propose a new scheme to aid railways? He saw no reason why the Government should not aid the roads which were entitled to assistance out of the present Aid Fund. There was also a balance in the Subsidy Fund, and altogether there was an amount to the credit of the Railway Fund amply sufficient to meet the claims of the railways that it was now proposed to aid. Since 1872 this Legislature had granted for railway purposes \$3,668,648. He did not say that the amount was too large. He thought the grants had been small in amount, but he thought the House had made those grants on a wrong basis. The true basis should be the amount of paid-up stock. The Wellington, Grey, and Bruce, the Toronto, Grey, and Bruce, the Toronto and Nipissing, and perhaps the Canada Southern Railways, had been successful, while their grants from the Government were less than the capital derived from other sources. He found that the capital of the Belleville and North Hastings amounted to only \$2,500 per mile; of the Credit Valley, to \$3,164 per mile; Hamilton and North-Western, \$4,615; Norfolk, \$4,080; North Simcoe, \$1,470; Port Dover and Lake Huron, \$4,166; Victoria, \$5,770; and Prince Edward—the only railway that seemed to have a strong financial basis in regard to the stock—\$21,875. He found on the other hand, with regard to the railways chartered by the Dominion, that the Grand Junction had a capital equal to \$11,628 per mile; the Kingston and Pembroke, \$9,260; and the Montreal and Ottawa, \$13,636; which showed that the Dominion Parliament had not gone on the hap-hazard system of chartering railways which this Legislature seemed to have adopted. The paid-up capital of the Belleville and North Hastings Railway was \$17,000. In regard to the Credit Valley and the Hamilton and North-Western no amount was stated. The Norfolk railway had \$25,000; the North Simcoe, \$2,500; the Port Dover and Lake Huron, which was about the best, \$94,500; the Prince Edward, \$10,000; the Victoria, \$15,000; and the Lake Simcoe Junction, \$3,500. Of the roads chartered under Dominion Acts, the Grand Junction had a paid-up stock of \$30,000, the Kingston and Pembroke \$75,270, and the Montreal and City of Ottawa \$43,000. Not only were there these inconsistencies, but this Legislature had given these companies power to issue bonds to the amount in some cases of \$4,000 a mile, in others \$9,000, \$10,000, and \$12,000 a mile, in one \$15,000, and in another without any limit whatever. But in their hap-hazard legislation they had actually attempted to alter or repeal Dominion statutes. One railway obtained a charter in 1853, but in 1870 it obtained a new charter from the Dominion Parliament; the next year the Legislature altered that Act in regard to the direction, and in 1874 this Legislature attempted to repeal the Dominion Charter, but actually repealed an Act of our own relating to a private corporation. This

year again they had sought by their Act to extend the time limited by the Dominion Parliament. They had no power to pass these measures, but they had crept into our legislation, and they were adding in this way and by legalizing by laws and grouping townships to the confusion affecting railway legislation. He thought the true policy was to grant aid liberally, but on some general and clearly defined principle which could be defended, and which was in accordance with the rules they had laid down in regard to other interests. In the school system the Government grant was equal to the amount contributed from local sources, and in regard to railways a similar rule should apply, or at least fully one-half the amount should be contributed. This rule was adopted in regard to aiding municipalities in building roads, and in reference to agriculture. They were now proposing to grant this money by an Act instead of by Orders in Council, which were revocable, and the result would be that if the roads were not completed before the expiration of the time allowed the companies would claim an extension of time. He did not see why the Orders in Council which had been passed should not be revoked within a limited time so far as the unexpended money was concerned, and why that money should not be used before any fresh sums were voted. We have \$800,000 of the Railway Aid and \$70,000 a year of Subsidy Fund locked up in these Orders, which should be now available for the new grants. He concluded by pointing out that this Bill conflicted with Dominion Acts in reference to the limit of time for the completion of the roads chartered by the Federal Parliament.

Mr. PATTERSON (Essex) said he was disappointed in the Bill. The policy of Mr. Sandfield Macdonald was one tending to encourage immigration and develop the back country, and not to encourage competing lines as the present Government were doing. A railway to receive aid should be either a feeder to some other line or the opening up a new portion of the country. In all these schemes his section of the country had been ignored, and the people there felt that injustice had been done to them by this Government and every Government. (Hear, hear)

Mr. BOULTER said that the Belleville and North Hastings Railway was one of the best and most important roads in the country, and it had a most satisfactory financial basis.

Mr. GRANGE said that the effect of aiding the Grand Junction Railway would be to catch five Tories (laughter), and the whole grant had been so nicely distributed that the Bill would receive the support of a majority of members. (Laughter) The revenue was falling off year by year the expense of Government was necessarily increasing; and he thought the railway appropriations would be considerably in excess of the prospective revenue for next year. New railways would be continually asking for aid, and the result would be a continual drain upon the resources of the Province. He claimed that altogether too many railway lines were being chartered by the Government, and it would be unwise to assist those which would injure existing lines.

Mr. GOW said the members of the Opposition seemed to agree on no particular line of attack. The member for East Toronto had thought the Government had not gone far enough, while the last speaker had considered they had gone too far. Mr. Sandfield Macdonald had proposed to expend a large amount of money without even consulting the House, yet, though this Government took the House into its confidence, and asked its consideration and ratification in reference to these railways, the hon. member for South Simcoe complained that the House was a mere ratifying body. The Government were far more likely to propose a wise scheme, one acceptable to the country at large, when they were obliged to submit it for the ratification of the House, than if they granted the aid arbitrarily and merely by an Order in Council. He thought the scheme now submitted was one that should receive the support of both sides of the House. He particularly approved of it so far as it concerned the construction of a link to connect the Georgian Bay branch with the Ontario system of railways. A point had been attempted against the Provincial Secretary, but its object was plain and evident, and at the same time very unworthy. Hon. members opposite were counting on the