

# ONTARIO LEGISLATURE.

THIRD PARLIAMENT---SECOND SESSION.

THURSDAY, Feb. 22,

The Speaker took the chair at 3 p.m.  
RETURN.

Mr. Wood presented a return of all fees and emoluments received by the Registrars of Ontario in 1876.

## PEOPLE'S GAS COMPANY.

The Bill to incorporate the People's Gas Company was read the third time.

## RAILWAY AID.

Mr. PARDEE said that in moving that to-morrow the House go into Committee of the Whole to consider certain resolutions in reference to railway aid it would be proper for him to explain the railways which it was proposed to aid, the amounts to be given to each, and the principle or plan upon which the money was to be granted. He supposed that since the House had adopted the system of granting aid to railways up to the present time, no more important matter had engaged the attention of the Legislature than the one of granting Provincial aid to stimulate the construction of railways. Since the first one and one-half millions had been granted for this purpose it would be very difficult to calculate the amount of good that had been accomplished in this way. In dealing with this question of the granting of aid to railways, and in endeavouring to explain the financial basis of the various roads, he was well aware that he was dealing with a subject that was not easily dealt with in a popular way; but it was due to the House that he should explain the financial standing of the various roads, in order that hon. members might judge as to whether or not the companies would be able, after the Government aid was granted in addition to their present financial standing, to complete the road. The first road which it was proposed to aid was the Kingston and Pembroke Railway from Kingston through the back country, and connecting with what was known as the Canada Central. It would be proper for him to give a short history of that road. At the present time it was virtually completed to the Mississippi River; for there was so little to be done over that distance that for the purposes of argument it might be assumed to be completed to the point he had named—a distance of sixty miles. The cost of completing it from Kingston to the Mississippi River had been \$1,091,875. The amount of aid it had received if the Government grant was included was as follows:—Municipal bonuses, \$475,000; contributed by shareholders (including \$106,000 in bonds), \$225,000; Government aid, \$211,000, making in all \$911,875 from these sources. There was to be provided by bonds of the Company \$180,000; present bonds on 60 miles, \$106,000. The road was, therefore, indebted to the amount of about \$286,000, or in other words, had a bonded debt of \$4,766 per mile. The portion proposed to be aided was from the Mississippi River to the Madawaska River, a distance of about 30 miles. As hon. gentlemen were aware, this road ran through a section of country which was comparatively unsettled, or at all events a very sparsely settled area; and it was proposed, for the purpose of enabling it to be built from the Mississippi to the Madawaska, to aid it to the amount of \$8,000 per mile. After the road reached the Madawaska River there was only some seven-teen miles to complete in order to reach its original objective point, a junction with the Canada Central. It would be proper for him to state that the aid which was proposed to be given by the Government this session to the various railways was to be given on what was called the railway subsidy principle. They did not propose to pay any amount of money in cash on the completion of the road, but to pay an annual subsidy for twenty years which would be equal when paid—in the case of this part of the Kingston and Pembroke—to a sum of \$8,000 per mile. The thirty miles that was to be built from the Mississippi to the Madawaska was estimated to cost, including rolling stock, \$18,000 per mile, making a total of \$540,000, which was proposed to be raised as follows:—Government aid, \$240,000; bonds, at \$3,000 per mile, \$270,000, making a total of \$510,000. This would fall short of the amount requir-

ed to build it by \$30,000. This road had been originally aided over the whole extent of its line from Kingston to where it joined the Canada Central to the amount of \$364,000 under various Orders in Council, exclusive of the amount granted last year. The Government aid upon the portion of the road so far constructed was \$211,875, leaving to the credit of the road the unexpended balance of \$152,925. Deducting this balance of former aid from the \$240,000 which it was now proposed to grant, and it left as the amount actually to be granted this session of Parliament a sum of something like \$100,000.

An HON. MEMBER—What about that portion of the road between the Madawaska and where it joins the Canada Central.

Mr. PARDEE said it would be time enough to consider that part of the line after the road had been built to the Madawaska. The Company had shown a great amount of ability and energy in completing the road so far as it had been completed. The gentlemen connected with it had put in a large amount of capital, exclusive of what they had got from the Government and the municipalities; and having succeeded as they had in constructing the road to the Mississippi River, he had little doubt that after reaching the Madawaska they would be able, with what assistance might be given them, to complete it to the point originally intended. The annual amount required to subsidize the thirty miles of the Kingston and Pembroke Railway would be \$692 63 per mile. The next road proposed to be aided was the Whitby and Port Perry Railway. That road, as they were doubtless aware, had been completed, and ran from Port Perry to Port Whitby. It was proposed to extend it from Port Perry to Lindsay, a distance of about twenty five miles. The Government proposed to aid that road to the extent of \$2,000 per mile, or \$173 04 per mile per annum. The distance was 25 miles, and the total cost would be \$10,000 per mile. Nothing was included for rolling stock, as the Company had this already on the portion of the road completed. The financial basis of the Company would be as follows:—Municipal bonuses to the amount of \$125,000; the contractors had agreed to take in bonds \$50,000; Government aid, \$50,000; and four of the promoters, Messrs. Austin, Fulton, Michie, and Holden, had contracted to loan the balance, \$25,000. The road was under contract, with 25 miles graded and 13½ laid with iron, while the bridges were completed on the whole line. He thought it would be said that the road had a good financial basis, and if it received from the Government the amount proposed, it would be able to be completed. The next road proposed was the Prince Arthur's Landing and Kamistiquia River Railway Company; forming a connection between Prince Arthur's Landing and Fort William, a distance of six miles. The cost was estimated at \$15,000 per mile, or a total of \$90,000. Their municipal bonds amounted to \$35,000, for which they would realize \$29,500; stock subscribed, \$20,000; Government bonus, \$12,000; bonds at \$5,000 per mile, less discount, \$24,000, equal to a total of \$85,400, or only \$4,500 from being on a complete financial basis. It was well known that the section of country traversed by the line had largely contributed to the revenue of the Province, and it was not asking too much to give it \$2,000 per mile, in order to enable the company to complete their contract. The road was under contract, the bridges were completed, and the Government aid would ensure the completion of the line. The aid would be from the Railway Subsidy Fund. The annual subsidy per mile required to pay this amount would be \$173 04 per mile. He now came to a road that had been the cause of a good deal of excitement, viz, the Credit Valley Railway, which many people thought should not have been built at all. He did not propose to discuss that question. This railway commences at Toronto, and it was intended to aid it as far as Ingersoll, and also on its branches from Streetsville to Alton, and from Cataract to Elora. The whole distance covered by Government aid would be 152½ miles. It had previously received aid to the extent of \$2,000 per mile, and it was proposed to give it an additional \$1,000 per mile. The road was supposed to cost, inclusive of rolling stock, about \$3,012,937, or without rolling stock, \$19,895 per mile. The amount already expended was \$934,379, which amount was realized from municipal bonuses to the extent of \$665,379, and money raised by the company from other sources to the extent of \$279,000. This would leave \$2,078,379 to be provided,