

pleted a portion of its road, in respect of 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 Act relating to the company, or such other period as may by any other Act be fixed for such purpose.

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

(4.) After a company has complied with the conditions necessary, and the Commissioner has reported as aforesaid, scrip or certificates may be issued for and in respect of the said grant; and when signed by the Treasurer of this Province and the Accountant in his Department, and countersigned by the Auditor, every such certificate shall be valid and binding on the Province, according to its tenor and effect; and it shall not be necessary for any transferee, in good faith, of such certificate to enquire into, or obtain proof of, any facts stated therein, all of which shall be deemed conclusive as against the Province in favour of such transferee.

(5.) The conditions contained in section twenty-six of chapter one hundred and sixty-six of the "Revised Statutes of Ontario" shall also apply to all companies receiving aid under this resolution.

(6.) Each of the said companies shall furnish such information of the progress of the works on the railway of the company as may from time to time be required by the Commissioner of Public Works, and also such statistical or other details, accounts, and information as from time to time may be required from them by the Commissioner after completion of the railway.

(7.) The location, grades, the widths and slopes of cuttings and embankments, the plans of bridges, culverts, buildings, and other structures, the weight and section of iron rails, and other details of proposed construction of the colonization railways hereinafter mentioned shall be subject to inspection and approval by the Government Engineer before the commencement of the works, as well as after completion.

(8.) In order to secure the continuous running of the railways aided by this Act the iron or steel rails laid from time to time by any of the said railways are not to be removed by the company, or by the authority of the company, without the consent of the Lieutenant-Governor in Council, obtained on the recommendation of the Commissioner of Public Works.

In making the motion he said that the Government's policy this session, in regard to aiding railways, was a very limited one, and only involved the expenditure of a small amount. The first railway to be aided was the Hamilton and North-western Railway—that portion of the road lying between Jarvis and Port Dover—a distance of ten miles. The House had previously recognized the importance of that road, and had granted it a very considerable sum to assist in its construction from Jarvis to Barrie. The cost of the section of road from Jarvis to Port Dover would be, according to the Engineer's certificate, \$125,000, or \$12,500 per mile. The Company had already expended on that section of the road no less than \$91,845, and this sum was raised by municipal bonuses and pledging the Company's bonds. The entire amount of bonus raised was \$20,000 from the township of Woodhouse, and \$71,845 00 was borrowed on the Company's bonds, making a total of \$91,845 00. The cost of work yet to be completed was \$35,426. The way the Company proposed to raise that sum was thus:—The Government will give \$2,000 a mile for the ten miles, or a total of \$20,000, leaving \$15,426 00 to be financed for. To raise this there can be no difficulty. The next road to be aided was the Port Stanley, Strathroy, and Port Franks Railway. This road runs from Port Stanley, through the counties of Elgin and Middlesex to Strathroy, and thence through Lambton to Port Franks, a distance of seventy-eight miles. At the session of the Legislature last year, the Company received power from the Legislature to build the road in sections; and they had decided to construct the road from Strathroy to its intersection with the Canada Southern somewhere in the township of Ekfrid, a distance of about ten miles. These ten miles will cost as estimated by the Company's engineer \$91,640; and according to that the road would cost \$9,160 per mile. But the Government, feeling that the estimated cost was too low, sent Mr. Moiesworth, their engineer, to make out the cost, and he estimated it at \$98,360—some \$7,000 more. He (Mr. Pardee) therefore took the report of the Government's engineer as the basis upon which to act. The financial basis to be presented was as follows:—Municipal bonuses from the town of Strathroy, \$25,000; from the township of Caradoc, \$10,000; a total of \$35,000 for bonuses.

Mr. MEREDITH—Has that sum been voted?

Mr. PARDEE replied that the sum had already been voted to be expended on that section of the road. The municipal bonds will sell at ninety cents on the dollar, and realize \$31,500. The Company had in actual paid-up stock about \$20,000. This sum he knew was accurate, for it was already deposited in a bank at Strathroy.

Mr. MEREDITH—Is it paid in for this section of the road?

Mr. PARDEE stated that it was. The Government proposed to aid the road at the rate of \$2,000 per mile for the ten miles, making a total vote of \$20,000 on account of that road. The Company proposed to issue bonds at \$3,531 per mile, which they estimated to sell at seventy-five per cent per mile, and realize \$2,860, making a total of \$98,360, the sum required to construct the road. That, he submitted, was a fair financial basis, and was sufficient justification for the Government in asking the Government to aid that road.

Mr. MEREDITH asked whether the Canada Southern Railway Company were not going to run the road.

Mr. PARDEE had received no information to that effect. Such might be the case, as in similar instances of roads intersecting like this the larger Company ran the road; and he had yet to learn that anything prejudicial to the interests of the Province had resulted from such an arrangement. The third railway to be aided was the North Simcoe Railway. The scheme had been before the country for a long time, and the Government had been asked previously to grant it assistance, but they had always refused because they were not satisfied with the financial basis. That objection had now been removed, and he would submit to the House such a financial basis as could not fail to give satisfaction. Already \$56,082 91 had been expended on the road, being equal to \$1,700 per mile; \$50,000 of that sum was voted as a bonus from the township of Tiny. The two engineers had made a careful estimate, and placed the cost of construction at \$316,763, or an equivalent of about \$9,600 per mile on the thirty-three miles of the road running from Penetanguishene to the Northern Railway at Barrie. It was proposed to raise the \$316,763 as follows:—The Northern Railway has issued debentures under security of a loan to the amount of \$6,000 per mile, or a total of \$198,000, and they expect to realize on the sale of the bonds, at 85 cents, the sum of \$168,300. Municipal bonuses amount to \$30,000, viz., \$25,000 from the township of Flos, and \$5,000 from Penetanguishene; and the debentures sold at eighty cents on the dollar will realize \$24,000. The stock subscriptions, the balance of which is yet to be called, amount to \$18,000. The Government propose to aid the road to the extent of \$2,500 per mile, or a total of \$82,800. This makes the financial basis equal to \$892,800; leaving \$23,963 to be raised. The sum is so insignificant that the Company will experience no difficulty in making it up. He believed that the Company would be able to construct the road for that amount, and that in a very short time it would be in operation from Penetanguishene to Barrie. Not only will the construction of this road be of infinite benefit to a section of country not as yet served by a railway, but it would be useful to the Province in other respects. It would be useful to the Provincial Reformatory there. It cost more to run the institution now there was no railway there than it would if there were a railway constructed. The Superintendent of the Reformatory estimated that the construction of this road would effect an annual saving of three thousand dollars to the Province. (Hear, hear.) That saving would be effected in reducing the cost of transporting the boys there, and of sending them away; also in the cost of carrying supplies. It also would have the desirable effect of placing the institution nearer the public inspection. The place will be easier of access than heretofore.

Mr. MACDOUGALL (Simcoe)—The boys will have greater facility in getting away?

Mr. PARDEE—Yes. As my hon. friend remarks, after the boys are discharged they can be sent away with greater facility. (Laughter.)