

The Province, felt obliged to announce when making a certain grant that this would be the last enterprise aided for the present, and that it might be considered as a closing of the railway aid policy so far as regarded the older sections of the country. The railway policy was no doubt thoroughly in accord with the people so long as it was continued by the Government. One of the reasons that induced a cessation of the railway policy was the amalgamation of what were then the two rival railways, the Great Western and Grand Trunk Companies. No doubt many of the lines projected while the railway policy lasted were based in part on the competition existing between those two lines and on a desire on the part of various municipalities to obtain connection with these lines for the sake of taking advantage of the competition between them. This impetus to railway construction was removed by the amalgamation of the two lines. Another set-back to railway enterprise was the Dominion Act of 1882, under which the Dominion assumed jurisdiction over local railways and removed the control of the Legislature in regard to them. The Dominion Government having taken to themselves the responsibility of aiding local railways, there was no longer any occasion for aid being granted from the Provincial Treasury to such roads. Then the Treasurer proceeded to show how the Dominion railway policy had affected Ontario. Out of the \$3,200 per mile granted by the Dominion it was fair to estimate, he argued, that the Province of Ontario contributed \$2,000 directly. Indirectly it contributed far more than its pro rata, because so small a proportion of its contribution was returned to it in the shape of aid from the Dominion. It was fair to claim that Ontario had paid \$10,000 per mile for every mile that had been aided by the Dominion Government. Altogether, since the inauguration of the Dominion Government's policy in 1882 it had granted in aid of various railway enterprises the sum of twenty-two millions of dollars. Of this amount Ontario had received the sum of four millions of dollars and Quebec twelve millions.

Mr. Meredith—Is that the amount paid or the amount granted?

Mr. Ross replied that that was the amount granted; but it mattered very little which way it was looked at, because the proportion to Ontario and Quebec respectively remained about the same. If Ontario had got out of the \$22,000,000 her just proportion per population she would have received \$10,000,000 instead of \$4,050,000. Taking the \$4,000,000 which Ontario had received at the rate of \$3,200 a mile, they had but 1,200 miles aided by the Dominion Government in Ontario. If the Province had got its just proportion of \$10,000,000, each of those 1,200 miles would have been aided to the extent of \$8,333. He mentioned these facts and figures to show that the policy of the Dominion Government had acted very injuriously so far as the Province was concerned, and that it would have been far more in the interest of the local lines had the Province continued to grant aid in the old manner. Of course the granting of aid in this way by the Dominion Government relieved the Provincial exchequer from direct contributions to railways, but otherwise the Dominion railway policy had been a most ruinous and disastrous policy for Ontario.

The hon. Treasurer here referred incidentally to a statement in the morning papers to the effect that the Dominion Premier had announced, in reply to a deputation asking for railway aid, that the Dominion Government aid to railways was confined to the older sections of the country, and, continuing, argued that everything went to show that it was unnecessary and would be unwise on the part of the Local Government to re-open the policy of granting aid to the older sections of the Province, but that it was necessary, if the newer sections of the country were to be developed, that the Provincial Government should take up again the policy of granting aid to railways projected in those districts.

The hon. gentleman here discussed briefly the amounts paid on account of the grants and made good his contention that, viewed from this standpoint, too, Ontario had received far less than her just share of Dominion patronage in respect to railways.

There had for some time, continued Mr. Ross, been a feeling in favor of the re-opening of the railway policy of the Government so far as it concerned the newer sections of the country. But there were various objections to the policy having been taken up hitherto. One of the reasons for the deferment of the policy which the Government was now reintroducing was the unsettled state of a large section of the country. It could not be expected that the Province would aid railways to be constructed outside of what some contended to be its bounds, nor that it would make grants that would have the effect of enhancing the value of timber and minerals that did not belong to the Province. (Applause.) These objections were now removed, and the Government concluded that the time for the re-introduction of its railway policy had come. There were two of the roads it was proposed to aid which could not have been aided but for the settlement of the dispute in question. One of these was the Ontario & Rainy River railway, part of which ran through the disputed territory, and the other was the Nipissing & James Bay railway, part of which was in the same territory, being north of the Height of Lands.

The scheme the Government proposed was a colonisation scheme. It was introduced for the purpose of bringing into the market and giving railway facilities to some of the newer sections of the Province. The hon. gentleman showed how much could be done by a railway in the way of bringing into the market lumber that but for railways would rot in the forest, by pointing out that the Canada Atlantic railway in five years had brought into the market lumber of that nature to the value of over \$2,000,000. He pointed out that on this basis very large returns might be expected to the Government on account of its present proposed expenditure.

Mr. Ross then proceeded to discuss other points in the proposed policy, first taking that which proposes "that inasmuch as the construction of colonisation railways will promote the settlement and increase the value of certain unsettled lands of the Province; and inasmuch as it is desirable that a portion of the said lands should be set apart and sold for the

purpose of forming a fund to recoup the Province in respect of moneys expended in aiding railways; a tract of land is, therefore, set apart for the purpose of being sold, and the proceeds thereof applied to form the fund aforesaid, that is to say, a tract of land at least ten miles in width on each side of the present projected lines of railways to which aid is granted as aforesaid, or on each side of the lines of the said railways as the same may be hereafter finally located and established.

That the said lands so set apart shall be sold at such price not less than two dollars per acre, and on such terms and conditions otherwise, as the Lieutenant-Governor may from time to time determine.

That the moneys arising from the sale of the lands so set apart shall constitute a fund to be called "The Railway Subsidy Fund, 1889," and a separate account of the same shall be kept by the Treasurer of the Province."

Mr. Ross said he thought no one would doubt that the Government would be able to sell the lands included in this ten-mile reserve at the rate of two dollars per acre, for people would rather settle on land in the immediate vicinity of a railway at two dollars an acre than go on free grant land for nothing. Concerning the policy of land subsidies Mr. Ross pointed out that for many years past that policy had been popular in the United States and also in Canada, but experience had shown that such a policy was not the wisest, and so the Government had determined to keep these lands in question entirely under its own control in the manner described above. This policy was approved of in 1877 when, in connection with the Victoria railway, similar resolutions to this were proposed. The railway ran, in some cases, through a good deal of swamp lands, and these of course were useless so far as settlement was concerned, but they were very valuable—more valuable than agricultural land ever would be, on account of their timber, and he felt confident that it would be taken up at \$2 an acre. Mr. Ross pointed out that the resolutions propose further that in lieu of the cash subsidy the Lieutenant-Governor in Council may at his option direct that payment shall be made semi-annually to the said railways for a period of forty years, semi-annual payments of sixty-nine dollars and ninety-six cents per mile. If the latter arrangement were adopted the railways under the resolutions would simply be paid for the construction actually completed. Continuing, Mr. Ross said it was not for him to tell of the hardships to which the settlers in new regions were subjected, nor their privations consequent upon the absence of railway communication. There were others, some of them in the House at the present time, who could better speak of these things than he. There were, he said, other lives worthy of consideration in the outlying districts, but the Government could not assume the responsibility of dealing with them at the present time.

#### MR. BALFOUR'S OPPOSITION.

##### A GOVERNMENT SUPPORTER OPPOSES THE RAILWAY POLICY.

There was a lull of some minutes after the Speaker had read the motion of the Treasurer in favor of going into committee. Then Mr. Balfour rose and with some nervous hesitation and a striking absence of his usual vehemence of manner expressed his dissent from the resolutions submitted. He had been, he said, a loyal and constant supporter of the Government for years, but he could not support them in this matter. The hon. gentleman then read to the House a list of the grants paid by the Provincial Government to the various counties of the Province. This also showed, according to his reading, that the only three counties in the Province that did not receive railway aid are Essex, Lennox and Prescott. They have therefore been left out in the cold while others have been in receipts of large grants. Essex, with its population of 50,000, if treated fairly ought to have received at least railway grants amounting to \$235,000. It is all nonsense to tell the people of Essex that they do not require or deserve a railway, because the farmers then feel that their future depends on railway construction. Mr. Balfour then said that all other counties are satisfied because they were simply aided. The Ministers of the Crown represented counties that received large railway grants:—Simcoe, \$450,000; Huron, \$277,000; Oxford, \$186,000; Middlesex, \$125,000; Leeds & Grenville, 213,000; Wentworth, 151,000. Mr. Balfour then related at some length his relation to his constituency. He was elected on the distinct understanding that he should prevail upon the Government to grant aid for rail-

way construction in his county. At the last general election he gave a distinct pledge that in the event of the Government reopening its railway policy he would vote against their policy if Essex were not included in the scheme. As an honest man he had no other course but to place himself in opposition to the Government and consult his constituents as to whether they desire to be represented by a supporter or opponent of the Government.

Mr. Evanturel held that his county was entitled to receive railway aid if any place was, and he must vote against the Government as it was not to receive any such aid.

The debate was continued by Messrs. Hardy, Caldwell, Murray and Meredith. The last-named gentleman moved the following amendment:—

That all words after "that" be struck out and that there be inserted the following:—This House regrets that in opening the question of aiding out of the Provincial funds the building of railways, a more just, equitable and satisfactory scheme has not been considered for its consideration.

It was then moved by Mr. Balfour and seconded by Mr. Evanturel, in amendment to the amendment:—

"That all the words after the the word 'that' in the amendment be struck out and the following substituted therefor:—That this House, while approving the policy of granting liberal aid to deserving colonisation railways, is of the opinion that Provincial aid should also at the same time be granted to deserving railway projects in the older counties, and especially to bona fide projected railways through those counties in which railways have not before received Provincial aid.

The amendment to the amendment was declared lost on the following division:—

YEAS—Balfour, Evanturel, Monk, Robillard—4.

NAYS—Allan, Armstrong, Awrey, Ballantyne, Bishop, Blezard, Blyth, Bronson, Caldwell, Chisholm, Clancy, Clarke, H. E. (Toronto), Clarke (Wellington), Conmee, Craig, Creighton, Cruess, Dack, Dance, Davis, Drury, Fell, Ferguson, Field, Fraser, Freeman, French, Garson, Gibson (Hamilton), Gibson (Huron), Gilmour, Gould, Graham, Guthrie, Hammell, Harcourt, Hardy, Hudson, Ingram, Kerns, Lees, Lyon, McAndrew, McKay, McLaughlin, McMahon, Mack, Marter, Master, Meacham, Meredith, Metcalfe, Miller, Morin, Morgan, Mowat, Murray, O'Connor, Ostrom, Pacaud, Phelps, Preston, Rayside, Rorke, Ross (Huron), Ross (Middlesex), Smith (Frontenac), Smith (York), Snider, Stewart, Sprague, Stratton, Tooley, Waters, Whitney, Willoughby, Wood (Hastings), Wood (Brant), Wylie—79.

Mr. Balfour then rose and moved the following second amendment, which was also seconded by Mr. Evanturel:—"That this House, while approving the policy of granting liberal aid to deserving colonisation railways, is of the opinion that Provincial aid should also at the same time be granted to deserving railway projects in the older counties on condition that at least an equivalent amount is granted out of public funds of the Dominion in aid thereof.

After reading the motion, Mr. Balfour called out, "Lost on the same division," and was so declared.

It was then moved in amendment to the amendment by Mr. Fraser, seconded by Mr. Hardy,

That all words of the amendment after the first word "that" be omitted, and instead thereof there be inserted these words:—

All words of the original question after the word "that" be struck out, and instead thereof the following be inserted:—

"This House, approving of a reasonable amount of Provincial aid being given to needful and desirable colonisation railways within this Province, do forthwith resolve itself into a committee to consider the resolutions relating to railway aid heretofore ordered to be considered in committee of the whole House, and that Mr. Speaker do accordingly now leave the chair."

The amendment to the amendment was then carried on the following division:—

YEAS—Allan, Armstrong, Ballantine, Blezard, Bronson, Caldwell, Chisholm, Clarke (Wellington), Conmee, Cruess, Dack, Dance, Davis, Drury, Fell, Ferguson, Field, Fraser, Freeman, Garson, Gibson (Hamilton), Gibson (Huron), Gilmour, Gould, Graham, Guthrie, Harcourt, Hardy, Lyon, McKay, McLaughlin, McMahon, Mack, Marter, Master, Miller, Morin, Mowat, Murray, O'Connor, Pacaud, Phelps, Phelps, Prestod, Rayside, Ross (Huron), Ross (Middlesex), Smith (Frontenac), Smith (York), Snider, Sprague, Stratton, Waters, Wood (Brant)—54.

NAYS—Balfour, Blyth, Clancy, Clarke, H. E. (Toronto), Craig, Creighton, Evanturel, French, Hammell, Hudson, Ingram, Kerns, Lees, McAndrew, Meacham, Meredith, Metcalfe, Monk, Morgan, Ostrom, Robillard, Rorke, Stewart, Tooley, Whitney, Willoughby, Wood (Hastings), Wylie—28.

The House went into committee and the resolutions were passed.

A bill was afterwards introduced by the Provincial Treasurer to give effect to the same.

The House then adjourned about half past twelve.