

way, who denied emphatically that special trains had been run on that line to or from Deseronto on the last or any election day, or that Conservatives or any others had been refused passage, or that the railway had in the slightest degree influenced, or attempted to influence, their employees in regard to their right to vote as they pleased. Mr. Whitney's statements that Conservatives were denied conveyance was, the letter stated, preposterous.

The clause carried on division.

Manitoba Railway Bills.

On the motion to go into Committee of Supply, Mr. Carscallen (East Hamilton) rose to call attention to the position of Ontario with regard to the Manitoba railway agreements now before the Dominion House for ratification. One of the lines concerned in the agreements was the Ontario & Rainy River Railway. This line had been subsidized by the Province of Ontario to the total amount of \$615,000. These subsidies had been granted upon the condition that the company should not amalgamate with any other railway without the sanction of the Lieutenant-Governor in Council being obtained. The bill before Parliament at Ottawa provided for the amalgamation of the Ontario & Rainy River with the Canadian Northern. The first question was, Had the Lieutenant-Governor given his assent to the amalgamation of those roads? The amalgamation would carry with it consequences, because the Rainy River line had become a Dominion railway; the Canadian Northern had been incorporated under special act of the Dominion Parliament. If that amalgamation was ratified without Ontario's interests being safeguarded it would be an extraordinary state of affairs. The Government of Manitoba would then fix the rates over a railway in Ontario which Ontario had subsidized. If the amalgamation once takes place the rights of Ontario would be very severely prejudiced, and we would have no security in regard to any right to fix the rates for that portion of the railway. It should remain exclusively under the jurisdiction of the Railway Committee at Ottawa.

Might Hurt Ontario.

"Business men, merchants and others in Manitoba," Mr. Carscallen said, "will desire to see Manitoba grow and prosper, and it might be to their interest even that there should be some discriminating rates against Ontario. It is not a local matter at all. The whole Dominion is interested in this particular matter. It seems to me that it is high time to take action and see that we are not overreached by the Province of Manitoba or any other interest that may be served by this bill becoming law. I have no objection to the Canadian Northern. I would rather give them encouragement and assistance. But when it comes to a question of transportation, and where we can have a say with regard to railway rates, and where a sister Province seeks to dictate rates that may be very detrimental to the people of this Province, the Government cannot be too alert in entering their protest at Ottawa, and

in taking the necessary steps to see that the Province is protected and its interests safeguarded and proper agreement entered into. Now is the time to act." (Applause.)

Government on the Alert.

The Premier said:—The Government have given their attention to the question raised by my hon. friend (Mr. Carscallen). We noticed that legislation was being asked to confirm the agreements, and we are on the alert to see that nothing will be done prejudicial to the interests of the Province. We may assume, of course, that the arrangement made between Manitoba and the Canadian Northern Railway will tend towards the reduction of rates. That is the natural assumption from the position taken by the Government of Manitoba. Its whole object in entering into these agreements was to secure better transportation rates for the Province, both in regard to traffic into Manitoba and from it. If by the arrangements made rates are made more favorable, Ontario will share in

this advantage. That may or may not turn out to be the case. What we want to see is that no attempt will be made by Manitoba to exercise jurisdiction over a railway in our own Province. Prima facie, it would be impossible for Manitoba to exercise any control over a line in Ontario. However, it is a peculiar position. When any railway is built that comes under the Dominion act, that railway, no matter by whom built or subsidized, becomes a railway under the control of the Dominion. In that case passenger and freight rates are under the control of the Railway Committee of the Privy Council. Our jurisdiction is therefore ousted, so far as control of rates is concerned, by the automatic action of the Railway Committee. Any rates that it might approve of as to passengers or freight would supersede any powers we might have in that regard.

Were Not Notified.

My hon. friend asks if the Lieutenant-Governor in Council has been conferred with in regard to the amalgamation. My reply is, there has been no communication with the Lieutenant-Governor in Council. We have not been consulted as to that amalgamation. It may be fairly possible that those concerned, or some of them, may not know of the clauses referring to the amalgamation.

But as to the general question, we are on the alert. Our solicitor is to attend at Ottawa to see that the rights of the Province of Ontario are not prejudiced in any respect, and so far as able counsel can protect our rights if they are invaded, so far as they can suggest amendments to the act by which our rights will be more fully protected, that will be done. We have subsidized that railway. We have paid only to the extent of 40 miles, and 280 miles are within the Province. Whatever protection may come to us on the matter of subsidy not yet earned or called for the statute provides for.

Looking at the matter all around—first, that Manitoba cannot encroach upon our rights; secondly, that the Dominion cannot even encroach upon