

in dues. At three cords per acre it would receive an amount equal to a \$6,000 subsidy per mile. He (the Attorney-General) did not know what the lands were worth, but whatever they were worth in 1900, they are worth five times as much to-day.

Security on Rails Alone.

A man who knows what he is talking about, Mr. M. H. Foley, wrote that if the road were connected with the C. P.R. the rails alone would be worth \$1,500,000, based on a price of \$20 per ton last October, and he was willing to pay that for the road. Mr. Foley also offered \$2,000,000 for the road when it is completed. Hon. Mr. Gibson declared emphatically that the guarantee of \$2,000,000 would not be handed over until all the conditions in the agreement are ready to be carried out. The Trust Company would be a sort of clearing house, where all would be done contemporaneously. The Government would see that all the conditions were complied with or security given that they would be complied with before letting go the certificate on which the \$2,000,000 will be raised. It may be said that the subscriptions to the reorganization are merely on paper. They must be paid over before the guarantee is delivered up by the Government. (Applause.)

Mr. Foy—There is nothing about that in the bill.

Hon. Mr. Gibson replied that the intention was that everything must be done contemporaneously. He read a letter from Mr. James Bicknell, representative of the Speyer syndicate, that he could see no flaw in the figures, and that the results shown by the statement of the Reorganization Committee should be realized. That was on condition that all the money was forthcoming, and if it was not forthcoming the guarantee would not go. (Hear, hear.)

Market For Steel Rails.

Mr. Hanna—Who are the creditors?

Mr. Carscallen (Hamilton)—It does not make any difference who they are.

Hon. Mr. Gibson said he thought it made no difference. To give a list would require volumes of printed matter. It would include the wage-earners, for example. But the Government would have a verified statement before the guarantee is delivered over. He thought it was a small, miserable matter to trot out the question of wages. It had no bearing on the plan, because when the plan is adopted the amounts will be repaid to the bank. No one could deny the great importance of having the steel rail mill resume at an early date. The Grand Trunk Pacific would require \$20,000,000 of steel rails. The duty of \$7 per ton which the Dominion Government will impose when the mill is ready is sufficient to enable it to hold the market.

Mr. Carscallen (Hamilton)—Then you don't need the guarantee?

Hon. Mr. Gibson—That is the very reason why we do need it. We do not want to wait for perhaps three years over litigation. He continued that if the guarantee passed, the steel rail mill would be running in fifteen days and turning out 500 tons per day, and by the opening of navigation every industry would be in full blast.

Mr. Carscallen (Hamilton)—Do you as Attorney-General believe that the Province will be secured?

Hon. Mr. Gibson—I have not the slightest shadow of a doubt that the Province will be more than amply secured. (Applause.) I believe the Canadian Improvement Company will pay off the loan in a year or perhaps six months. Mr. Gibson, in conclusion, declared that the House would make the greatest mistake any body of men ever made if they refused this guarantee. (Applause.)

Mr. Powell moved the adjournment of the debate, and the House adjourned at 11.15.

The Speaker's remarks when giving his ruling regarding the motion of the member for North Toronto that representatives of the Public School Board of Sturgeon Falls be heard at the bar of the House were not definitely

reported, because of the poor acoustic properties of the chamber in relation to the Press Gallery. What Hon. Mr. Charlton said was that there was nothing in the rules of procedure to guide him, and he would leave it to the House. In 1868 Mr. Graham, the member for York, had moved that the Huron & Ontario Ship Canal Company be represented at the bar of the House by counsel, and the motion had been negatived.

Separate School Law.

Hon. R. Harcourt has introduced a bill to make minor amendments in the separate school act. Public school boards have power to dissolve sections made up of parts from different municipalities. Separate School Boards have not this power, and the bill proposes to give them the same power to alter and dissolve sections.
