

the guarantee was that before it was given all liabilities should be paid off, therefore that would leave the railway with the subsidies as cash on hand.

Mr. MacKay discussed the value of the securities, and then pointed out that the net earnings of the Algoma Central Railway and the Manitoulin Railway were \$469,000. Those figures submitted by Mr. Shields had been questioned, but it was well known to railway men that railways in course of construction often are more profitable than when finished. He said that one company had within thirty miles of the Soo 50,000 tons of copper ore ready for shipment. The net earnings of the steamship company had been \$275,357. Mr. MacKay showed that in addition to the Dominion subsidy the road could be completed in its entirety for \$862,932, and that there were bonds in the treasury to do that and leave a surplus.

#### The Payment of Wages.

In defence of the conduct of the Attorney-General with regard to the payment of the men's wages, Mr. MacKay pointed out that if the payment had been deferred until after the "Soo" election the Opposition would have said that the Government held this as a whip over the electors. He showed that not one dollar had been paid to American employees, whereas every Canadian was paid. Three lawyers had been paid, but that was in pursuance of an agreement made in July, 1903, which had no reference to the subsequent order in Council. There had been no increase of salary after the Government stepped in.

With regard to the securities for the loan, he showed that the subscribers to the Speyer loan had so much confidence in the plan of reorganization that they were willing to give up \$3,000,000 of the \$5,000,000 loan, or three-fifths of their claim, and accept \$4,000,000 out of \$10,000,000 of bonds in the new company, or two-fifths of the company's debt. He argued that, though one bank or company might be mistaken, it was impossible to suppose that all the banking institutions which entered into the reorganization could have gone into a rash bargain. In view of this, it was fair to presume that neither was the Government making any rash bargain.

#### A Myth and Bugaboo.

Mr. St. John declared that his constituents were nearly unanimous in opposition to the bill. The reference to the United States steel trust was merely a myth and bugaboo. He accused the Government of arranging to pay the employees with a view to influencing them in the elections which were brought on immediately after. He knew of men who went down to the "Soo" to vote on October 26 and were paid on the same day. This he thought a most shameful thing. To put this bill through partly for the benefit of two members of the House was the most vicious thing he had ever heard of. He hoped the Speaker would not allow these members to vote on the question. This infamous act of a dying Government will be properly condemned by the people. The disaster at the "Soo" was largely due to the failure of the Dominion Government to give the industries there adequate protection. He declared that before steel rails could be made at the "Soo" at the rate of 500 tons a day it would be necessary to build a new mill at a cost of \$1,500,000, and a pig iron furnace at a cost of \$1,000,000. Even then 75 per cent. of the ore would have to be imported from the United States. The present steel rail mill is a lot of old scrap brought from Ohio, and not fit for modern business. Even if it were a good plant the Algoma Central is not necessary for its existence.

At 10.25 p.m. Mr. St. John moved the adjournment of the debate, and the House then, too, adjourned.

#### An Historic Burying Ground.

A deputation, consisting of Miss Carnochan, Rev. Canon Macnab, Mr. E. M. Chadwick, Major Merritt and Mr. E. A. McLaurin, waited on the Min-

ister of Education yesterday afternoon and asked that what is known as Butler's burial ground, situate near Niagara-on-the-Lake, in which interments were made nearly one hundred years ago, be acquired by the Province and properly fenced and cared for. Some of the Butlers (of the family of Colonel Butler of Butler's Rangers fame) were among those interred in this plot. The Minister promised the deputation that he would place the matter before Council without delay.

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