

Commission were established for the building of that line, it could be built probably for the two subsidies; and if \$2,000 or \$3,000 more per mile were required it could be raised by the Commission on the authority of mortgage of the enterprise. Afterwards a system could be adopted somewhat similar to the one embraced in the Bill passed in 1874 or 1875, called the Neutral Link Company Bill. The Commission could allow either the Midland or the Northern to run on equal terms on the railway, and we could keep the rates of freight, in so far as that strip stretch of over 100 miles is concerned, down to the real point which would cover the running expenses, because the country would have paid practically for the railway, and, instead of the shareholders in the large corporations, the public would get the benefit of this traffic. I throw this suggestion out for the consideration of the hon. gentleman, because I am quite convinced that neither of the plans presented to us—one in the interest of the Midland system, another in the interest of the Northern system, and the still more objectionable plan which was not passed this Session—will accomplish good results, while, with the Provincial and the Dominion subsidy taken together, I believe the road would be built, and the public would get the benefit of an independent line, and equal rates to both companies would be secured for all time.

Mr. McCARTHY. I do not quite agree with all that has fallen from my hon. friend. I think the great object of this connection between Gravenhurst and Callander is to give a means of communication for the cities of Toronto and Hamilton, and the western part of Ontario with the Pacific Railway. The Midland system is now virtually under the control of the Grand Trunk Railway, and forms a connection with the Canadian Pacific, more for Montreal than for Toronto and the western part of Ontario. Of course, I do not mean to say that there is not a connection with Toronto from a point near Gravenhurst by means of the Nipissing road, which is part of the Midland system; but I mean to say that by the Midland system there would be a tendency to divert the traffic properly belonging to the western part of the Province to the eastern part of the Province and Montreal, which is already sufficiently served by the Canada Central Railway. We all remember that a bonus of \$12,000 a mile was granted for the purpose of making a connection between Callander and Montreal. What the people of the West desire is that they should also have a connection with Callander, and they believe that that connection can only be satisfactorily obtained by means of the Northern and North-Western system. What I should like to see carried out is the scheme which was suggested in connection with this Bill, but which was thrown out by the technical point raised there, that is, not merely that this link should be a neutral and independent link, but that the Northern Railway should remain independent of the Grand Trunk, which threatens to absorb it, and of the Canadian Pacific Railway, which is bidding in the same direction, and if any scheme could be devised by the Government by which that could be achieved, I believe it would meet with the approval of all parties, and of the people of western Ontario. The scheme as I understood it, and I think it is the only way to secure this object, was to make the subsidy which the Government propose to give, a first charge on the undertaking, in case it should lose its independence. My hon. friend has suggested that probably some arrangement could be made by the two Governments. I do not know whether such an arrangement could be made, but I trust that this Government will not wait for the Ontario Government, who two years ago granted a subsidy for a connection with Callander, but who, owing to their hostility to this Government, when the hon. gentleman who was advocating the through route by Sault Ste. Marie played into his hands by offering the subsidy to any road that went

Mr. BLAKE.

to Sault Ste. Marie. If this Government wait until the Ontario Government revise that policy, they may have to wait a long time. I think means should be taken to secure a speedy connection between the terminal point of the Canadian Pacific Railway and Toronto, and Hamilton and the western part of Ontario. This has been obtained between Callander and Montreal, and we in the West desire to obtain it by this link.

Mr. CAMERON (Victoria). I have listened with great interest to the speech of the hon. member for West Durham, because his scheme, as propounded to the House, is very admirable in theory. It is based on the idea that the present Government of the Dominion and the present Government of Ontario will combine to carry it out. I am afraid that we have not yet reached that Utopian stage of existence when we can hope for these two Governments to unite upon a scheme of that kind. The second point on which my hon. friend's scheme turns is that there should be a friendly or mutual link which all the roads should use.

Mr. BLAKE. I said the two connecting lines.

Mr. CAMERON. I suppose you do not intend to confine that neutral link to these two lines. If any third line were established, it ought to have the same right to use it; and therefore the proposal is that all the railways of the country which wish to use this neutral link should be allowed to use it in common. Well, I have not read or heard, in anything I have come across in reference to railway running, or the practice of railway magnates, of such a thing as two or three or four rival lines using the same lines in common, in perfect harmony. I am afraid that if my hon. friend asks the opinion of any practical railroad man not biassed by this particular question, he will say that the use in perfect amity and friendship of this neutral link by competing lines would be an impossibility. If it could be carried out in practice, I agree that my hon. friend's plan would be the best solution of this difficulty. I think this link ought to be used in such a way that the whole public will have the advantage of it, especially if it be built by bonuses given by the two Governments. When the clauses in question were before the Committee, I stated that I would not have proposed them unless I had been informed and believed that the legal result would be that the Midland system would have free use of this line and have running powers over it, the line being, of course, under the control of one of the companies. Representing, as I do, a county through which the Midland system extends, it would be contrary to my duty, as the representative of that county, if I favored any road which in any way interfered with the rights or even the opportunities of benefiting itself, which the Midland system ought to have. For that reason I stated in Committee that, having understood from a perusal of the clause in the Act applying to the Northern Pacific Junction, it gave the most perfect freedom of use of that road to the Midland Railway system. I stated if it were found that that claim was not sufficient, I should urge on the Committee the adoption of any amendments or alterations which would give the Midland Railway all those rights it ought to have over the neutral link. It being a question whether the ownership and control of the running of the road should be under one company or the other, it ought, from the necessity of the case, to be rather under the control of the Northern than of the Midland, provided the rights of the Midland were preserved. If what I may term the Utopian theory of my hon. friend could be introduced, if this could be made a perfectly neutral link, owned by the Government, over which all railways should have a right to run free whenever they liked—I am perfectly willing to concede that, if railway managers could be induced to work their roads on such a plan; and if such a system could be carried out, it would be the most perfect