

In fact it was a struggle in the early history of the Great Western Railway, if that line, as now actually constructed going down to the level of Lake Ontario, should be built, or the old chartered line, now the Canada Southern, keeping on the level of Lake Erie, should be the one adopted. It is probably mainly the delay which the Great Western Company permitted to take place in supplying the country south of it with railway accommodation, which caused the building at last of the Canada Southern.

The Parliament of Canada simply gave the needful authority for the carrying out of charters which had for upwards of 35 years been on its statute book—the Government gave no aid to the line—but the country through which it ran evinced its desire for its construction by making large grants of municipal bonds as free gifts to the company.

The wisdom of building it may be questioned, but that is for the parties who found the money to settle for themselves, and certainly no grounds exist for the attack which Mr. Potter has thought it his interest to make upon the credit of Canada and its Government.

The next important line which Mr. Potter attacks is the Northern of Canada. To that company the Government lent £450,000 sterling, upon which for the last 15 years it has received no interest at all, and has now agreed to accept £100,000 in full payment of principal and all arrears of interest. This certainly is not a ground for Mr. Potter to attack the credit of Canada upon.

He then states that "the original share capital (of the Northern Company)" has also been wiped out "by a reconstruction act."

Unfortunately for Mr. Potter's accuracy, it happens that the stock, so far from having been "wiped out" is now a great question, as regards its value, between the holders of it and the company. The latter desire to buy it up at a discount, and the former decline to take less than par.

It is also a fact that the Northern Company is regularly paying the interest upon its bonds, all of which are held in England, but has not paid dividends upon its share capital, nearly all of which is held in Canada.

The truth about the Northern Railway is therefore a direct and complete condemnation of the wild and reckless statements of Mr. Potter.

Two small lines next draw forth Mr. Potter's severe blows. One, the Prescott and Ottawa, he states was built with English capital which "has proved a total loss." The facts are that the Railway was built by muni-