Order in Council of 1882 by which the Government adopted the scheme of the Ship Railway, and in the same year they passed through Parliament the two Acts incorporating the Company and granting it a subsidy.

This was the second period in the history of the scheme, and confirms all that was said of the necessity for the work during the first period, and shows why the Government under the advice of their own Chief Engineer adopted the Ship Railway, namely, because it would supply the needed Trade Route across the Isthmus, and because it was practicable and would cost much less. A further reason stated in debate by the Government of that day was that as it was the intention of the Incorporators to find the capital in London this would free the Government from any risk whatever of it being an engineering success, as the subsidy was only payable when the Railway was completed and during the time it was successfully operated.

We now reach the third stage in the history, and in reference to this it is necessary that I should refer to other paragraphs in the Report of the Sub-Committee as follows:—

"The Sub-Committee fully understand that any legal or moral obligation arising under an Act of Parliament can in no way be affected by any consideration as to whether the legislation in question was generally approved or otherwise. Any obligation assumed by the Dominion is recognised as fully binding upon the country irrespective of the numbers supporting or opposing it. But, inasmuch as the Company havo dwelt upon the general approval with which their enterprise was viewed in Canada, the Sub-Committee think it proper to observe that from the beginning the undertaking was regarded by many as one of a very useless character and reference to the official record of the debates which took place from time to time in Parliament when the matter came up for discussion, will show that many Members of Parliament condemned the scheme as unwise and not likely to prove successful."

"It should be mentioned that on all these occasions when the matter came before Parliament the scheme was severely criticised by prominent Members."

No Government could act otherwise than as stated in the first two sentences above quoted and this being so why follow with the statements in the third sentence because it can be of no consequence how the scheme was regarded by "many" or whether the legislation was fully approved of or otherwise, but if the "many" were worth referring to why did the Sub-Committee not say who they were?

In the second paragraph above quoted the Report says that on all the occasions when the question came before Parliament the scheme was severely criticised by prominent Members. This statement does not agree with the official record of the debates which took place from time to time in Parliament.

There were four principal Acts passed for the Railway. In 1882 two Acts incorporating the Company and granting the subsidy. In 1883 the incorporating Act and in 1886 the subsidy Act were amended. These four Acts in passing the various Parliamentary stages were 17 times before the House or Committees thereof and 17 times before the Senate or Committees. Cn most of these occasions the business was purely formal, and without debate.

There was one division in the Senate on the second reading of the Bill of 1886, and 7 Senators voted against it out of a total of 80 in the Senate.