

curtailed, and between some other points is greatly curtailed." These are, no doubt, important facts to those who believe that railways ought to be built in the directest line, but very ill news to the few gentlemen who attend to the traffic on the Intercolonial after this time; and the hon. Minister of Railways in future will make his accounts square on through traffic by the short lines, because if a great loss is to be achieved, it is quite clear, that it is the way traffic alone on which, not the hon. gentleman I dare say, who has made this statement in glowing terms, but somebody else, his unhappy successor, will have to balance accounts, notably at the expense of the amiable Postmaster-General which will no doubt be accorded.

Sir CHARLES TUPPER. The hon. gentleman will allow me to put him right regarding a misapprehension under which he evidently labors. I was not in the House when he made reference in this way to the Postmaster-General; but I can tell the hon. gentleman that my hon. friend pays less on the Intercolonial than on the Grand Trunk.

Mr. BLAKE. That is not news; I got that from the Postmaster-General on a late occasion.

Sir CHARLES TUPPER. Then the hon. gentleman is more unfair than I thought.

Mr. BLAKE. I asked the Postmaster-General what he paid for mail service on the Intercolonial and on the Grand Trunk; and I believe that the hon. gentleman referred to the comparative expenditure on other lines, and stated that the estimate was made on the proportion paid by the Grand Trunk and Great Western system.

Sir CHARLES TUPPER. These payments are made according to mileage; you have to haul the train and postal car, and whether there is one bag or two in the postal car makes very little difference as far as the railway expenditure is concerned, and the payments made; and as I said before, my hon. friend pays a smaller amount for the performance of the mail service on the Intercolonial Railway, than on the Grand Trunk Railway.

Mr. BLAKE. We know that the Great Western gets less than the Intercolonial and the Grand Trunk. The Great Western is paid \$124 a mile; the Grand Trunk, \$160, and the Intercolonial \$130. When the hon. gentleman makes a statement he had better make it complete. I was about to say, when the hon. gentlemen interrupted me, with what results we all appreciate, that the hon. gentleman proceeded to point out that he was defending himself on the ground that this was the policy of the late Government. The late Government had old rails to a limited extent to dispose of, while this Government professes to supply the means for obtaining new steel rails. The late Government proposed to Parliament, and Parliament agreed that these old rails should be lent as far as they would go to certain branch lines, supposed to be feeders of the Intercolonial. The hon. gentleman says I vindicate this policy because it was the policy of the Government of my hon. friend from East York; and inasmuch as some old rails were lent by them as far as they would go to feeders of the Intercolonial, with the sanction of Parliament, therefore a general scheme of subsidy to railways is proposed all over the country to the extent of \$3,200 a mile. Now, the old steel rail proposition was naturally limited in its character, and the late Government could not lend more rails than they had; but this proposition to furnish new steel rails is entirely different, and is only limited by the extent to which they can find money in the Treasury. Then the hon. gentleman said it was a great advantage to the country to have more railways. Everybody knows that, and agrees that this is a great advantage. It is a great advantage to have new highways and new means of communication; and railways are more and more becoming the

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main highways of the country. These observations, apart from certain leading questions which may affect the sum of the subsidy, are applicable, *sub modo*, to highways as well as to railways, and are certainly applicable to every railway which it might be proposed to construct everywhere. It is impossible to build a factory, aye, a dwelling-house, or a railway, making easier the means of communication anywhere in the country, to economise the labor of the people and to raise the price of produce by facilitating transport, or to make any public improvement that will not tend to the advantage of the locality concerned, and if of the locality, then, *sub modo*, of the country at large; for all of us in that sense are interested in the progress and prosperity of each part of the country—but that is another question. The question with reference to which the simplicity of one form of the Constitution makes it admissible to some gentlemen; but we cannot have both. You have a Federal or Legislative form of Union at your disposal. If you adopt a Legislative Union, you subsidize from the central enterprises, whether they are local in their character or not, but which yet tend to the advantage of all, because they are to the advantage of a part; but if you adopt the Federal system, you have certain advantages and also certain limitations. You cannot get both and combine inconsistent advantages. This attempt is not being made to-day in more directions than this, and it is an attempt which must result in the end in the ruin of the system under which we now exist. Well, then, the hon. gentleman said he need not defend the Napanee, Tamworth and Quebec Railway Company subsidy, because it was to develop a water-power. Well, we have heard a good deal about this company's subsidy, and what went on, notably in Lennox and Addington, in which certain promises and pledges were made during the late Elections. There was an agreement or suggestion made that a subsidy would be given if the Elections terminated in a particular way.

Sir CHARLES TUPPER. No! You may have heard it, but you have heard what is not true.

Mr. BLAKE. I am inclined to believe that some things were suggested in the way of aiding this scheme. I believe that a surveyor was sent there to survey the country. This went on some time ago, and it was indicated that aid and support would be accorded under certain conditions, expressed or implied.

Sir CHARLES TUPPER. No; this is incorrect.

Mr. BLAKE. I do not think that direct promises were made. Perhaps there was a nod, perhaps a wink.

Sir CHARLES TUPPER. Perhaps you know how.

Mr. BLAKE. I do not know how, but I heard how it had been done; and I have been informed that certain persons, who were very largely interested in the construction of this road and in this company, were converted or perverted—one side of us would say one and the other side the other—within a very few hours of the Election; and by what means we can very well conjecture. I believe, also, it is said that the auditor of this company has been unable to reconcile the accounts of the expenditure with the vouchers, and that a large portion of the expenditure already made remains unvouched for, as far as is known to those concerned in its affairs. I believe, further, that proposals were made to the company sometime after, under which the work could have been taken over by another company and constructed without this subsidy; but I daresay that value has been received, and where value has been received, of course, a return must be made. Well, then, the hon. gentleman says that he proposes the Callander subsidy. We all agree, I presume, in the importance of this connection; and I made an observation the other night which showed how very willing I