

Dominion, and I am sure it will go on doing good work, and continue to be an example for the rest of the Dominion. Such an institution deserves aid. I am sure the lands which are granted by this Bill will enable that institution to increase the good work that it is now performing, in affording a good, sound education to the youth of the Province. I shall vote for the Bill with great pleasure.

HON. MR. WARK—I was in hopes before the hon. member for Sarnia sat down that he would tell us what are called swamp lands. I do not believe that lands which are overflowed once in a year are swamp lands, because some of the finest land we have along the Bay of Fundy and along the valleys of the rivers in the Lower Provinces are overflowed at high water, but when the water recedes it leaves them something like an irrigated meadow. What I call a swamp is land which is so flat that when the snow and ice melt the water remains upon it until it evaporates.

The motion was agreed to, and the Bill was read the second time.

The Senate adjourned at 9.15 p.m.

THE SENATE.

Ottawa, Tuesday, July 14th, 1885.

The SPEAKER took the Chair at three o'clock.

Prayers and routine proceedings.

INLAND REVENUE ACT AMENDMENT BILL.

THIRD READING.

HON. SIR ALEX. CAMPBELL moved the third reading of Bill (146), "An Act to amend the Consolidated Inland Revenue Act, 1883."

The motion was agreed to, and the Bill was read the third time and passed.

PACIFIC RAILWAY AID BILL.

SECOND READING.

HON. SIR ALEX. CAMPBELL moved the second reading of Bill (153), "An

Act further to amend the Acts respecting the Canadian Pacific Railway, and to provide for the completion and successful operation thereof." He said—This is a Bill which provides for certain assistance being given to the Canadian Pacific Railway to enable them to complete their great enterprise. The House is no doubt aware that the company now owe the public some \$30,000,000. The whole of the money has not yet been paid to them, but they have got most of it, and they will get the rest of it as the work goes on, so that the company may be said to owe the country \$30,000,000. For this sum the Government hold a first security on their property. It is proposed that the company shall issue a new mortgage with bonds, the bonds amounting to \$35,000,000, out of which they shall pay the country \$20,000,000, being a portion of this \$30,000,000 that I speak of; that the remaining \$15,000,000 shall be theirs to be dealt with by them. The House will see that if this is carried out the debt which is now \$30,000,000, will be reduced from \$30,000,000 to \$10,000,000, for that \$10,000,000 the security for the country hereafter will consist in the first place of the unsold lands of the company, amounting to 21,000,000 acres, which are to be dealt with and exhausted if necessary, and should any balance remain due to the Government by the company after the lands have been exhausted, that balance shall be a second lien upon the railway itself. So that the debt due the Government, which is now \$30,000,000, will be divided into two. For the \$20,000,000 we shall have the security which we have now, coupled with this fact that the other \$15,000,000 will be allowed to come in and rank *pari passu* with our \$20,000,000, leaving a balance of \$10,000,000, for which balance we shall have the security of the land, and if the lands fail we shall have a second mortgage on the railway itself. In speaking of this proposed change I desire, in the first place, to point out to the House the position which the \$20,000,000 will occupy. That amount will still be, as it is now, a first claim on the railway: it will still be, as it is now, a first mortgage on the property, but we shall have allowed \$15,-