

Hon. Mr. Rose explained the arrangements under which New Brunswick before the Union had granted a subsidy of \$10,000 a mile to certain railroads as a free gift, and, in addition, took shares in the Western Extension road to the amount of \$300,000. The payments made by this Government, in fulfilment of these arrangements, went to make up the debt of seven millions, with which New Brunswick was entitled to come into the Union—her actual debt on 1st July last having been only \$5,500,000. The utmost precautions were being taken to see that the money was properly expended, in order to avoid the eventuality alluded to by the member for Chateaugay. The Government required a certificate from the engineer, designated in the local Act of Parliament, as the person who had to certify the progress estimates. They required also a statement from the Local Government, that the money was required, and, finally, they required also a certificate of their own engineer of Public Works, who had to examine the progress, estimates, and see that the work was being done according to the Act of Parliament.

Hon. Mr. Holton referred to the history of the Grand Trunk, and said that one fine day, after having spent a great deal of money, we learned that we had to add 900,000 pounds sterling more under penalty of losing the benefit of all that had been previously expended. He hoped we might not have a similar experience in the present instance. In that case the loss would be ours, not New Brunswick's—for under the Union Act all railway properties, debts, etc., etc., became the property of the Dominion Government.

Hon. Mr. Rose made some remarks in reference to this point which were inaudible in the gallery, and repeated that the utmost vigilance was being exercised by the Dominion Government. He then stated as regarded the Nova Scotia Railway, that from Windsor to Annapolis the Nova Scotia Government had granted a block sum of 185,000 pounds sterling for the railroad, to be advanced in bonds of the Province, and 30,000 pounds sterling in cash for the Iron Bridge. In expending this money, the Dominion Government had adopted the same rule as he had explained with reference to New Brunswick. They required the statement of the Local Government that the money was payable under the contract, such a certificate as to progress estimates from the Provincial Engineer as would justify the payment, and finally a certificate from the Dominion En-

gineers. With all these precautions no great risk could be incurred.

Mr. D. A. McDonald deprecated any rash or extravagant expenditure in the Lower Provinces, and referred to our growing taxes to indicate the danger there was of the expenditure of the Dominion becoming much greater than the promoters of Confederation had contemplated.

Mr. McLellan gave some explanations as to the position of the Nova Scotia Railway, and said that since the Union Nova Scotia had been run so deeply into debt that it was almost a financial impossibility for her to meet all her engagements under Confederation. If Nova Scotia had the control of her own affairs, they would have managed them more economically.

On the item for the Intercolonial Railway survey,

Mr. Mackenzie thought some particulars might be vouchsafed concerning this mysterious survey. By a document brought down to the House he noticed that the Minister of Public Works had requested special information concerning this survey from Mr. Sandford Fleming for the use of a certain member of the Government. Who was he?

Hon. Mr. McDougall entered into a statement, the purpose of which was that in about a month definite information would be received concerning the survey. As to the special information concerning the route, he was not in a position to say who it was obtained for.

Hon. Mr. Holton said that, that being the case, he would undertake to enlighten the member for Lambton. (Laughter). He (Mr. Holton) was told that the Ministers requiring this special information were the Minister of Public Works, the Minister of Customs, the Minister of Inland Revenue. (Hear, hear). He defied honourable gentlemen opposite to deny this, or to deny that there was, as had been recently stated by the Minister of Justice, a minority in the Cabinet—(hear, hear)—and still further, that that minority was composed of the two honourable gentlemen representing Ontario. (Hear, and cheers). Here was a cabinet with, as they had been told, a majority and a minority completely powerless. (Hear, hear). If that were a fact, and he challenged contradiction, it was a grave one. What then became of the theory advanced by the Minister of Militia that there should be territorial representation in the Cabinet? The