

anything but the merits of the railways. The figures named respecting the Baie des Chaleurs Railway are like a great many other calculations—they contain a great deal more ingenuity than truth. No doubt the company will issue bonds on their loan, but capitalists are different people from those I have ever had occasion to meet if they loan more money on bonds than is needed for the construction of the railway, to enable the company to put the proceeds in their pocket.

HON. MR. POWER—That happened both in the case of the Caraqueet and the Albert Railway.

HON. MR. ABBOTT—Because a house-breaker may steal your plate, it is not an argument against having plate. These companies succeeded in cheating their bondholders, but that is not the basis on which the calculation was made, that the company was to issue an enormous amount of bonds more than were needed for the railway that they might pocket a portion of the proceeds. Having floated so many bonds myself, I do not attach much importance to that objection, unless they succeed in cheating the people to whom they expect to sell those bonds. My hon. friend speaks of the system. The system is not one commenced by this Government; it was commenced by another Government, and was prosecuted to a large extent in Ontario before this Government entered upon its career at all.

HON. MR. POWER—The local Government had the right to assist local railways.

HON. MR. ABBOTT—I am not saying that the system is a good one, unless it could be confined to railways of general utility, opening up the country generally, and opening up tracts that would not otherwise be opened. But when I inform my hon. friend that the demands on the Government for subsidies amounted to \$22,000,000 this year, and they were able to resist it all but a million and a half, he will perceive that they have not gone into this system of bribery to any extent, and they exercised a good deal of consideration before they could decide which of these applications best deserved the support of the Government.

HON. MR. ABBOTT.

HON. MR. POWER—Think what a Bill we shall have the year before the election!

The motion was agreed to, and the Bill was read the second time, passed through Committee of the Whole without amendment, read the third time, and passed.

The Senate adjourned at 10:10 p.m.

THE SENATE.

Ottawa, Thursday, 2nd May, 1889.

The SPEAKER took the Chair at 11 a.m.

Prayers and routine proceedings.

TOWN OF COBOURG RELIEF BILL.

THIRD READING.

The House resolved itself into a Committee of the Whole on Bill (153), "An Act for the relief of the Corporation of the Town of Cobourg."

(In the Committee.)

HON. MR. ABBOTT said: This Bill has reference to a balance due by the town of Cobourg on the purchase of a toll road which is referred to in the Bill—a balance of about \$19,000. The arrangement which has been made is that this toll road shall be given up and made free to the public. It is a somewhat important road in that section of the country, and in consideration of making that road free the Government will relinquish its claim to the balance of the money. It seems to be a judicious arrangement.

HON. MR. KAULBACH—I presume it is the interest of the Province of Ontario to relieve the public of the tolls on this road.

HON. MR. ABBOTT—This is the balance due on the toll road. The Province of Ontario might buy the toll road if they thought proper, but it was thought better to make the road free.

HON. MR. KAULBACH—Are there many such cases in the Province of Ontario?