

the works. The Canadian Pacific Railway Company made certain propositions which will be best understood when I read the following letter from Mr. Van Horne to the President of this St. Catharines Company:—

CANADIAN PACIFIC RAILWAY  
COMPANY.

OFFICE OF THE VICE-PRESIDENT,  
MONTREAL, September 24th, 1885.

Lucius S. Oille, Esq.,

President St. Catharines & Niagara Central Ry. Co., St. Catharines, Ont.

DEAR SIR,

I have only now been able to lay your letter of the 8th instant before our Directors. The matter has been discussed informally, and our Directors have expressed a willingness to make an arrangement for operating your line in case it should be built in a substantial manner—similar in general character to the Ontario & Quebec Railway, located so as to reach the principal interests on the Welland Canal as you have indicated your intention of doing and extending continuously from a point on our line at or near Cooksville to the Niagara frontier, paying for the use thereof 35 per cent. of the gross earnings, the Canadian Pacific Company furnishing the rolling stock.

Our Directors are inclined to the opinion that if they have all the rolling stock to furnish the payment of 35 per cent. of the gross earnings will be very liberal, and all that the Company could afford. In this connection I would again urge upon you the importance of making an arrangement, if possible, with the Hamilton & Northwestern Company.

Yours truly,

W. C. VAN HORNE,  
Vice-President.

The reference to the Hamilton and North-Western Railway Company was simply for the purpose of passing near Hamilton over the beach there. Upon the strength of this letter from Mr. Van Horne this company expended its money. It has expended \$50,000 already in cash and constructed eight miles of the road-bed, ready to receive the rails, the most difficult part of the line, and has upon the ground rails, and through the cost of the rails and other expenditure they have laid out in all \$250,000. They have incurred obligations to a very large extent, and on the strength of his letter have gone on with the work. Hon. gentlemen will see that if the Canadian Pacific Railway Company

be allowed to run the new line that they ask leave to construct along the same route contiguous to this railway, two being there already (that is the contemplated one and the Grand Trunk Railway) you will have three railways running there, and the point is this, that the Canadian Pacific Railway Company on whose credit the money has been expended, if they go on under this Bill will entirely destroy the value of the stock. It is true the Canadian Pacific Railway Company say "we will give you what money you have disbursed." I submit that a great corporation like the Canadian Pacific Railway Company must not be permitted to deal in this way with a private and weak company. Of all the companies that come into this House to ask for powers, not one has such influences as are behind the Canadian Pacific Railway. There are four cities, many of whose representatives have places in this House, (and I do not say that their influence is undue or improper,) but their influences are joined with the Canadian Pacific Railway Company in destroying this private enterprise. I do not believe, if the influences were as powerful again, that this House will permit any interference of that kind without at all events saying to the Canadian Pacific Railway Company. "If you want this road and if the Parliament of Canada think it is in the public interest that you should get it, then before you take it you must indemnify those men not only for their disbursements in connection with their enterprise but you must relieve them of their obligations. That is a fair proposition, and I have the utmost confidence in the character of this hon. House to believe that no weak company can be driven to the wall through its vote on occasions like this. My proposal if you are satisfied that in the public interest this route is demanded, is to protect the vested interest of the local company by saying to this vast corporation that they not only get their works, but they must assume their liabilities also. For that equitable purpose I have drawn up an amendment which it will be difficult for any reasonable man, or judge, if it came before him, to resist. There is promised