

such further period as the Governor in Council may determine upon.'

Fifteen years will soon pass away, and it will not be very long before the province of New Brunswick may be called upon to bear an enormous burden in connection with the construction of these bridges and of the Valley railway. As my hon. friend the Minister of Marine and Fisheries knows, the province of New Brunswick guaranteed the bonds for the construction of the railway originally to the extent of \$25,000 per mile. It has now been called upon by legislation passed last session to guarantee bonds to the extent of \$10,000 per mile additional, making a total guarantee of bonds of \$35,000 per mile. That is an enormous liability for the province of New Brunswick with its limited revenues to assume. It seems to me that, as the Dominion Government, by reason of the fact that the St. John Valley road may become a factor in national transportation, have undertaken the construction of these bridges, they might very well agree not to limit to fifteen years the time during which the Dominion shall pay the interest. The province of New Brunswick will be called upon to assume an obligation for 224 miles of railways to the extent of \$35,000 per mile, which will amount to between seven and eight million dollars. It will require more than all the earnings of the railway to meet the obligations which the province of New Brunswick has entered upon, irrespective entirely of the cost of the construction of these bridges. This road is one of very great importance, and the fact that the province has undertaken to assume this responsibility shows that it recognizes the importance of the road. I bring the matter to the attention of my right hon. friend the Prime Minister in the hope that he will see his way to have section 2 reconsidered and to give some power to the Governor in Council now by legislation to extend for a longer period than fifteen years the time during which the interest upon the cost of these bridges will be assumed by the Dominion Government. If the section were amended so as to read 'for fifteen years or a longer period as the Governor in Council may decide upon,' the Governor in Council would be guided to a large extent by the earnings of the road and by the conditions as they would exist at the end of fifteen years. To pass this legislation as it is will compel the province of New Brunswick to face at the end of fifteen years, in addition to the liability of the interest upon seven or eight million dollars worth

of bonds, the interest upon \$3,000,000 additional for the bridges. That is a startling proposition for the people of New Brunswick to see facing them at the end of that short period of fifteen years. When the construction of the Valley road was undertaken, it was assumed that \$25,000 per mile would be amply sufficient. The company undertook to float a second issue of bonds unguaranteed, but as they were unable to do that, they came back to the province of New Brunswick and the legislature gave the provincial Government authority to guarantee a second issue of bonds. The province is assuming an enormous liability in the construction of this road; and the Dominion Parliament, with its vast resources, might very well pass legislation which would not compel this Government, at the termination of fifteen years, to call upon the provincial Government to assume the interest in respect to the cost of these bridges.

Mr. BORDEN: The Government have not been unmindful of the considerations to which my hon. friend from St. John has directed the attention of the committee. He will observe that this proposal makes provision for what must be regarded in effect as a subsidy for this enterprise for fifteen years; and that subsidy, if I remember the figures correctly, will amount to \$120,000 per year. We appreciate the fact that the province of New Brunswick is undertaking a very considerable obligation in connection with this enterprise, and we also realize the possibility that the enterprise may and probably will in the future become part of a great national system of railways. My hon. friend from St. John will, however, observe in the first place that there is ample time to consider this proposal during the period of fifteen years during which the use of these bridges is to be enjoyed by the railway company without any charge; and he will observe also that, if we should undertake to accede to his proposal at the present time, it would be necessary to go again to His Royal Highness the Governor General and to pass a new resolution through the committee, because the proposal of my hon. friend involves a possible additional charge upon the public revenues of this country. As his suggestion at the present time cannot be carried out without going through the procedure to which I have alluded, and, further, as there will be ample time to consider his suggestion long before the

[Mr. Pugsley.]