

satisfied there are funds sufficient at command of the respective companies to complete the road, is to ensure the completion of the whole line of road under each company. It will never do to repeat the Grand Trunk policy over again—(hear, hear.)—and have to give repeated assistance towards building these roads, owing to failure in completing them, on the ground that unless more aid is granted to finish the construction, what had been granted would be lost. This must be avoided, and accordingly the Government must be satisfied, that the companies respectively, are prepared to complete these lines of road, before the Government commence paying their debentures. The consent of the Government being necessary as to the amount of first class mortgage bonds of the company to be issued, will guarantee the purchasers of said bonds, that no more will be placed on the market than absolutely required, any over issue prevented, and that the proceeds of such bonds will be legitimately expended for construction purposes. Possibly instead of requiring bonds of the company in lieu of the Government debentures, the contribution of the Province may be held as so much subscribed stock. This is a matter of detail which can be easily arranged so as to meet the views of the parties interested.

I am in a position, I think, to state that the amount of aid granted to the North Shore and Montreal Northern Colonization Companies will be sufficient, with the other subscriptions at their command, to fully complete the respective roads. Of course more aid from the Government they would have liked, and it would have given greater profits to some one, but the Government has gone as far as was consistent with the interests of the country. (Hear, hear.)

I now come to those Railways which have been promised a cash subsidy on their completion, which I call class B. The subsidy granted, and at present existing, was principally made on the supposition that wooden rails would be used. The amount thus granted was found insufficient for Railways with iron rails, and it is now proposed that to such companies as use iron or steel rails, the subsidy shall be increased to \$2,500 per mile, in similar Government debentures to those already mentioned, and