

sidies to railways? Is it, as Jim Hill says, that that is a thing of the past?

Mr. EMMERSON. Not to grant them at present; I do not know that the policy of the government is to forego all future subsidies to railways.

Mr. URIAH WILSON. I think we have refused charters to companies which offered to build roads without any bonus, and I am strongly of opinion that if a road is necessary to be built, and a private company will not build it without a bonus, that the government ought to grant a bonus or build it themselves. As far as I am concerned, I approve of bonuses to railways.

Mr. BARR. Is it not a fact that the Ontario government have a first mortgage or claim on everything connected with these roads for over a million dollars? I think it was \$2,000,000 originally. Would the Ontario government's claim be a first lien?

Mr. EMMERSON. Of course, these subsidies are unearned. I know nothing of the arrangement between the Ontario government and this railway. I assume that the Ontario government, in advancing the loan which they did, had some security, but I do not know its nature.

Mr. BARR. The security was this railroad and other securities as well, but this was part of the security.

Mr. BOYCE. My hon. friend is mistaken. The Ontario government holds abundant security for the repayment of this loan quite apart from this stock. I think the Manitoulin and North Shore had in some way to contribute to the security, but not to any large extent, and the holding of the Ontario government in this is nominal.

Mr. BARR. If you look up the record, you will find they hold that the same as other securities; it is part of the security held for the \$1,000,000 held by the Ontario government.

Mr. BOYCE. That does not interfere with the building of the road.

Mr. EMMERSON. That does not interfere with the granting of this subsidy on additional miles of railway.

Mr. BOYCE. I am anxious to find out about the bridge from Little Current to the mainland, which is the most important part of this road. I am quite satisfied that this road will be built, and that energetic efforts are being made to get it built at the earliest possible moment. The information I wanted to get was whether there was any possibility of the cost of the bridge being contributed to by this government, because it is the most expensive part of the road, as I understand.

Mr. EMMERSON. Assistance for bridges is, of course, usually separate—we pay so much. I have a telegram from Mr. Turner, who is mayor of Little Current, who seems

to be anxious that this subsidy should be granted without regard to the bridge.

Mr. SPROULE. I see that it provides for a road from Manitoulin northward and westward, but there is nothing with regard to that portion of the line extending over Manitoulin and down by Williamshead through the peninsula by Wiarton, and from there to Owen Sound and Milverton. Is that left out of this, or how is that?

Mr. EMMERSON. There is a subsidy provided in item 18 for a line of railway from Owen Sound to Meaford.

To the Algoma Central and Hudson Bay Railway Company for a line of railway from Sault Ste. Marie to a point on the Canadian Pacific Railway between White River and Dalton stations in the district of Algoma, not exceeding 200 miles, and for a line of railway from Michipicoten Harbour, Lake Superior, towards the main line of the Canadian Pacific Railway not exceeding 25 miles; in lieu of the subsidies of 40, 50 and 135 miles granted by chapter 7 of 1899, section 2, item 23 chapter 8 of 1900, section 2, item 4, and chapter 7 of 1901, section 2, item 20, respectively.

Mr. SPROULE. The subsidy was originally granted to the Algoma Central Railway in 1899, that is, seven years ago; it was renewed in 1900, again in 1901, and now we propose to renew it in 1906. These subsidies are too frequently kept alive after the conditions which justified them originally have changed. This is one instance in which I think we ought to have all the information in regard to the original grant of the subsidy, and how many times it has been renewed since, so that the House will be in a position to exercise its judgment as to whether the subsidy should be continued or not.

Mr. EMMERSON. These are balances remaining unpaid. The subsidy has been practically earned, and it is only a question of keeping it renewed until the final estimates and adjustments have been made between the Railway Department and the company. They have earned nearly \$1,000,000 of the subsidy, I think about \$924,000. Therefore there must have been a considerable portion of the line constructed.

Mr. SPROULE. My hon. friend from Algoma (Mr. Boyce) says about 90 miles out of the 200.

Mr. CONMEE. The 200 miles have been constructed with the exception of some slight portions, and some of the bridges.

To the Lotbinière and Megantic Railway Company to extend its railway southerly from a point at or near Lyster in Megantic county to or towards a point at or near Lime Ridge in the township of Dudswell; in lieu of the subsidy granted by chapter 57 of 1903, section 2, item 8, not exceeding 50 miles.

Mr. EMMERSON. The subsidy applied for was for 90 miles. I understand that