

(In the Committee.)

On section 1,

Mr. BLAKE. I would like the hon. gentleman to make a brief statement with reference to the great American and European Short Line Railway Company's system. I observe, in looking at the papers which have been brought down, that the company's statement is, that considerably the larger portion is already built—some 417 miles. I also observe, on looking at the map which the company have appended to their proposal, that the eighty miles owned by the Halifax Extension Company, from New Glasgow to the Strait of Canso, is among the parts which they expect to acquire. I would like the hon. gentleman to state in what position that line now stands, and whether he is aware with whom the negotiations have taken place, and in what state the negotiations are which the company referred to as having made such progress as to justify them with going on with the links.

Sir CHARLES TUPPER. The Committee are aware that, under the legislation which has already taken place, the Government of Canada agreed to hand over the branch from Truro to Pictou for the purpose of securing the construction of the line eastward. The Government of Nova Scotia, with an additional subsidy, secured the construction of the line of railway to the Strait of Canso. Under the existing legislation, the whole of that property is, therefore, the property of the Eastern Extension Company; but the Government of Nova Scotia made a contract with that company, which bound the company—in case the Government, by a certain time, paid them their actual expenditure, irrespective of the subsidy which had been given to them—to hand over to the Government of Nova Scotia the whole property. The arbitration provided for in that contract between the company and the Government of Nova Scotia is now taking place. It is expected that in a few days that road from Truro to the Strait of Canso will be in the possession of the Government of Nova Scotia, and the Government of Nova Scotia are anxious to utilize that for the purpose of securing the extension of the railway system to Sydney or Louisburg, in Cape Breton. I understand that negotiations are pending between the company and the Government of Nova Scotia for the acquisition of that line, upon terms that would secure, in connection with the subsidy provided for in this Bill, the prompt execution and completion of the line to Sydney or Louisburg. That is the position. The charter of the Great American and European Short Line Railway provides for running powers over that portion from New Glasgow to the Strait of Canso, independent of its acquisition in another way.

Mr. BLAKE. The Pictou and Truro branch cost about \$2,300,000 irrespective of rolling stock, and the Halifax Extension subsidy from the Nova Scotia Government amounts to \$600,000; so that the Eastern Extension Company have received generally in money and cost \$2,900,000. Do these negotiations on the Great American and European and Short Line Railway embrace the surrender of the Pictou branch as well as the eighty miles, or simply the eighty miles?

Sir CHARLES TUPPER. I think it covers the whole.

Mr. BLAKE. The idea is, that thus, by the machinery through the acquisition by the Nova Scotia of the Pictou and Truro branch and the eighty miles, we will be able to accomplish that for which we formerly agreed to give up the Truro branch, a line through the Island. With reference to the last subsidy, that for a railway from Gravenhurst to Callander, there is not in the papers brought down a single scrap with reference to the application, or claims, or position of the Northern and North-Western Company, except a letter from the hon. member for North Simcoe, written some time last year, which indicates that a memo-

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randum was sent down by the hands of Mr. Brown. That is not down, nor any other paper in that connection, although the engineer's report states that the other company made application for a subsidy of \$12,000 per mile.

Sir CHARLES TUPPER. That must be an oversight. I ordered all the principal papers to be copied and sent down.

Mr. BLAKE. I can only repeat that unless practical, real independence and equality of right over the link be given to the two systems of railways, the interests of Toronto and the West will not be served as effectually as they ought, even with the subsidy of \$6,000 per mile, and still less with a subsidy of \$12,000 a mile, which embraces so large a proportion of the whole cost. What the hon. gentleman is doing under his scheme is to give \$12,000 a mile for the construction of the link. If he puts that in the practical control either of the Midland or Northern and North-Western system, he will not secure the practical competition of these two roads.

Sir CHARLES TUPPER. What would you suggest?

Mr. BLAKE. I have already given my suggestion. By combining with the Local Government, which has already offered a subsidy, the road might be built by the Government itself and made a neutral link.

Sir CHARLES TUPPER. The only ground on which we would be warranted applying to Parliament for the additional subsidy would be the necessity for providing a thoroughly independent line of communication. I see the force of the observation the hon. gentleman has made, and I can only say they will receive the fullest consideration. The Government at this moment are not committed to any person—we are entirely free, and our object is to carry out exactly what the hon. gentleman himself aims at, and to do it in the best possible manner.

Mr. BLAKE. The Local Government, when it implemented, to a certain extent, this provision for railway aid some years ago, made a provision which it seems to me would be a useful one to be inserted in this Bill, and that was, that inasmuch as these local aids were largely based upon the same theory as the hon. gentleman's is, namely, to supply steel rails for roads, but steel rails supplied in this way were not to be taken off except for the purpose of replacing them, as when improvements were being made. We know there have been dismantled roads, and inasmuch as we put the rails on we ought to take care they are left there, or replaced as soon as they are taken off. On the third reading of this Bill I will move an amendment in this sense.

Sir CHARLES TUPPER. I cannot accept that suggestion at the present moment. However, if the hon. gentleman will let me have this memorandum it can be dealt with in another place if found practicable. I am afraid it will militate against the success of the aid that is being offered.

Mr. VAIL. I think one alteration should be made in the provision saying that the road should be commenced within a certain time and completed within a certain time. Four years is a long time, and three years may elapse before any of these works are commenced. We know that railway contractors are very likely to put work of that kind off, and they may put it off for three years so that they may complete the whole thing in four years, and that may prevent another company taking hold of the work.

Sir CHARLES TUPPER. I see no objection to accepting that suggestion. Of course, the short lines could be completed, but the important lines could not be completed in four years unless they were commenced in two, and for that reason I did not fix the date of commencing. I have no objection to an amendment like this: "shall be commenced within two years from the 1st of July next, and