

American railroads. If the object of extending the line to the Sault be the reception and conveyance eastwards of the grain and other freight reaching Thunder Bay from the North-West, a vessel could, with greater advantage for the carriage of freight, continue its journey to one of the ports on the Georgian Bay, securing more water carriage, and a shorter distance to Montreal than if it went all the way by land to the Sault, and thence by rail; in addition, it would be much cheaper. The sole effect of constructing the Railway to the Sault would be an increase of the cost of freight through an increase of the land carriage, without benefit to Quebec or Ontario, because the business would go away north of us. When the American railroad connection is made with our road at the Sault, the most dangerous competition to the Thunder Bay Section of the Canada Pacific Railway will be established. For these reasons I do not think we ought to favour the bonusing of the Canada Central road; and if they get the charter they now ask, it should be with no promise held out or any foundation for the expectation of receiving a bonus from the Government, and only as a private company. But if this charter is granted, running powers ought not to be limited to particular roads. I contend we are entitled to running powers so far as the portion of the Canada Central already or hereafter to be subsidised is concerned.

MR. DAWSON said that vessels might desire to go as far east as possible before discharging cargoes in summer; but navigation closed early at the Sault Ste. Marie. There were 100 miles east of that place which closed early, and by running the road to the Sault there would be two or three months more navigation on Lake Superior from the end of which freight could come down by rail. The road to the Sault would not only secure communication with the North-West, but open up 200 miles of a good agricultural and mineral country, and would receive a great deal of American freight, too, as the Americans were now extending their lines by the south shore of the lake to St. Paul and Duluth. He quite agreed with the views of the hon. member for North Victoria (Mr. Cameron) generally, but in this instance must suggest that he

MR. CAMERON.

was somewhat mistaken in reference to the advantages of the proposed Railway.

Motion *negatived* on a division.

MR. CAMERON (North Victoria) moved to add, at the end of Section 12, the following words:—

“Of which amount five hundred thousand dollars shall be subscribed and ten per centum thereon paid up and deposited to the credit of the Company in one of the Chartered Banks of the Dominion before any of the powers hereby granted to the said Company shall be exercised.”

He said: My object in moving that additional clause is because, as has been explained in Committee, this company has no resources, no capital for the construction of this great work that we are asked to give them powers to build, beyond the equity of redemption, subject to the mortgage, of \$2,500,000 on the existing line. They propose to make this extension a separate undertaking from their present line, while they, under the name of the Lake Superior Section, call the existing road the Ottawa Section. They propose to have separate rolling-stock, separate mortgages, separate bonds, and separate tolls and revenues. It is virtually an independent company we are chartering; and I think we ought to exact that the company should have not only power to subscribe shares, but that they should give evidence of their acting *bona fide* by subscribing half a million, and by paying 10 per cent. upon it.

Amendment *negatived* on a division.

Bill read the *third* time and passed.

REAL ESTATE ENCUMBRANCES REGULATION BILL.—[BILL 11.]

(Mr. Orton.)

THIRD READINGS.

House resolved itself into Committee of the Whole to consider the said Bill.

(In the Committee.)

On Section 5.

MR. WELDON: I question whether we have a right to pass that section. This legislature may have a right to deal with usury and interest, but I do not think we have any right to interfere with a contract. If a borrower makes a contract for a number of years I question the right of this Parliament to say that that contract may not be fulfilled, or that its terms may be altered. I think it is