

people there in a very short time. It has been said that this railway will benefit the Dominion more than it will the province, and that the revenue from the districts will go largely to the Dominion. That is no reasonable argument why it should not be constructed. Even if two-thirds of the revenue went to the Dominion and one-third to the province it would be foolish for the province to do nothing. The proper argument is that the road will benefit British Columbia, that it will develop the resources of Omineca and Cassiar, that it will be of benefit to the towns and cities of the Coast, and that it will contribute materially to the prosperity of the whole of the province. It will open up a mining section of wonderful possibilities. It will open up the Skeena valley and the lands beyond, where agriculture and stock raising can be carried on. It will benefit the farmers on the Fraser valley and the Coast districts, for it will open up to them larger markets and improved prices for their produce. We all know what beneficial influences the lines in the Kootenay country have had and how the Okanagan district has grown and developed from the enlargement of the mining interests through the advent of railways. This line is the one which will largely carry the people going into the Yukon and besides that pass through a country that will attract people to stop and settle or prospect. Even if all the people at first do pass through to the Yukon they will have brought in large sums of money which will be distributed throughout the province and then when the reaction sets in and the people begin to return, the important works going on in the northern portion of the province will give employment to many and will induce many more to settle there adding their quota to the wealth and population of British Columbia, and aiding as well in discovering new mines and developing fresh resources.

OTHER LINES OF RAILWAY.

The other new railroad provided for in the bill is that from Robson to Boundary creek, approximately a distance of 80 miles. There is already a line which has a charter and a land grant for that portion of the road, but it is proposed to modify this arrangement so that the land grant will be changed into a money subsidy. Of course, any line that takes up the money subsidy loses the land subsidy. This line, giving as it does connection with Pentiction, will be of very great importance to the province by giving a connection with the Shuswap & Okanagan and making that part of a through system of railway. The guarantee of this road is at present a heavy tax on

the province and if it only pays that the new road will pay very well. It will open up new outlets for the Okanagan and be very advantageous to the country. I have not yet referred to the arrangements proposed for carrying out these great works. The fact is that the line between Robson and Pentiction will be going on very shortly and will be under way before August. The other portion from Pentiction to Boundary in another month. The building of the line to the North is the one that presents the greatest difficulty. We had many interviews with railway men on the subject and finally were enabled to come to an understanding on all points. The contractors are ready to agree to build a wagon road immediately over the section from the Stikine to Teslin lake and to have it finished within three months, that any work done by the province and any expenditure by the government on the road will be assumed by the contractors; that the work on both sections of the railway will begin before June 1; that the northern section will be finished by August, 1899, and that the southern section shall be completed two and a half years after the selection of an ocean port. The contractors will be paid \$4,000 a mile subsidy only upon the completion of each section and when the railway is running and not before. This railway will return to the government 4 per cent. on the gross earnings of the line.

Mr. Williams—Gross?

FOUR PER CENT. OF THE GROSS RECEIPTS.

Hon. Mr. Turner—Yes, gross, not net, and besides, as soon as it is completed the railway is taxable at the rate of \$2,000 a mile. This subsidy of \$4,000 a mile is not to exceed \$1,600,000 and will cost the province \$64,000 a year. The 4 per cent. on the gross receipts of the railway added to the tax on the road will give the province \$50,000 a year, so the difference the province will have to pay will be very small. In addition to these considerations there must be taken into consideration the taxation arising out of the development and settlement of the district which now yields very little revenue. Within three years the revenue will be \$20,000 or \$30,000 from this source alone. It is to be remembered, too, that there is a term by which the contractors are to put up \$75,000 security to the satisfaction of the Lieutenant-Governor-in-council for the construction of the line. The fact that the northern section is to be finished by August, 1899, means that this year a part of the road—fifty miles—will be ready this autumn and so reduce the distance to be travelled by trail materially.