

backing than I would have expected it, as a new enterprise of this kind. The company has gone forward at the risk of no aid being given. I do not wish the House to understand that this is the total amount asked by the company, but this aid, together with that of the Local Government, will enable the company to carry out the undertaking, I can tell. The Government at a future time might think proper, in answer to an application by the company, to subsidise the branch from Broad Cove.

Mr. BLAKE. I am very glad to hear the statement of the hon. Minister, because those who recollect the first stage through which a little scheme passed, will remember that it was urged that the Cape Breton Railway was to be a simple subsidised road, and that we were to provide the necessary railway communication at very small cost. We recollect that in the end the Dominion Parliament were called on to undertake the building of that railway, certainly not with any view that we should be called to give further aid to Cape Breton. An examination of the route of the railway made it plain that it did not serve any very important railway purposes with respect to the region to which the hon. gentleman is referring, and it was clear that if railway accommodation were required for Cape Breton there would still be a gap to be filled some other day.

For completing the Montreal and Sorel Railway Company, from Montreal to Sorel, \$40,000.

Mr. BLAKE. I thought this railway was a built railway, and a bonded railway, and a fencible railway.

Sir JOHN A. MACDONALD. It was built some years ago and was for a time operated by the Grand Trunk Railway, but they refused to continue to operate it on account of its being so dilapidated. We then granted a subsidy to put it in safe condition for traffic, but through lack of funds it was allowed to get into disrepair and was partially closed. The present subsidy is to give aid to put it in good repair.

Mr. LAURIER. I would ask the hon. gentleman if he has taken the trouble to obtain a statement from this company as to how this money has been applied? When a company which has been in operation like this one, comes again seeking favor from the Government, it seems to me, that the least they should do is to have their books audited by the Government to see how the money was applied. I believe that if there had been proper management of that road, there is no reason why it should be in a dilapidated condition to-day. This railway is built through an even country, it has been favored, I understand, by grants of right of way, there is no river, between Montreal and Sorel, except the Richelieu, and they have no bridge over the Richelieu, and it seems to me that no railway could be built at a cheaper price than this one. It seems a very extraordinary thing that a road, which has been in operation for not more than eight years, if that long, should be in such a dilapidated condition now.

Mr. BLAKE. This seems to be one of those roads, I think among the earliest of the latter series of roads, which has been the cause of very great discredit to this country, by reason of the operations on the London market, of those who were concerned in it. The most severe reflections

have been made upon the persons who were concerned in the issue of the bonds of this road, and Canadian credit generally has suffered very much by it. If a company, after building a road in this way, and after actually opening their road, comes to Parliament and obtains a grant in order to repair it and enable it to be opened again, gets that grant, uses it or misuses it, I know not which, keep the road open for a little while longer, then closes it again, and comes back to Parliament for another grant in order to put the road in repair so that it may be operated—where is this to stop? What guarantee in the world have we, if we make this grant, that this sort of thing is not to go on for ever? This condition of things seems to me to be intolerable. A business-like inspection of the affairs of the company should have been made in the first place to see that the management of the road was such that the aid proposed to be given would put it in proper repair, but now we find the road closed again, and we are called upon to pay money to keep it open. Where is this going to stop?

Sir JOHN A. MACDONALD. The first vote was \$1,600 a mile, and I suppose that the money raised in addition to that sum by bonds and otherwise was insufficient to make the road a first-class permanent road. There was a great deal of trestle work, which partly accounts for the road getting into disrepair. I dare say that if it had got \$3,200 a mile it would have been built as a first-class railway, as it ought to have been built. But when we are informed—I was not aware of the fact until just now—that the road got only half the subsidy given to other railways, I think the hon. gentleman can well allow this road to be put into full and complete repair. The first building of the railway was carried on by the company, and all the Government had to do was to examine 10 miles when built. However, this money will not be given at all to the company. Warned by previous experience, we have decided that the money shall be expended under the direction of the Government officers just as if it were a Government railway.

Mr. BLAKE. The hon. gentleman says that this road would probably be all right if the company had before received \$3,200 a mile. But we on this side of the House knew that it had received only \$1,600 a mile, and we knew the reason why. It was because this road was built and running when the system of subsidies was invented, and the amount of \$1,600 was to repair it. It was not to build the road; but it was so badly built or was so old, or the company had managed it so badly, that the road had got worn out, and to repair it and make it as good as new, the hon. gentleman made that grant. This time the company are not to be trusted; but we all know that the Government are to be trusted; they never make extravagant expenses; they are economical; and so the hon. gentleman gives us to understand that this economical and wise Government will take charge of the expenditure of this money. But what security have we that the road will be kept in repair after that? First, the company built the road; then they ran it down; we subscribed \$1,600 a mile to get it repaired again; then they ran it down again; and now we are to vote \$40,000 to repair it again. What certainty have we that the road