

Manitoba within those limits but he apprehended if a judicial decision should be sought from this arbitration instead of extending the boundary of Manitoba to the shores of Lake Superior, this Parliament would be called upon to compensate Ontario for a very considerable portion they had acquired from that Province.

The Bill was read a first time.

THE NORTHERN RAILWAY.

Hon. Mr. MACKENZIE moved that the clerk read the resolutions regarding the Northern Railway Company adopted last session.—Carried.

The resolutions were accordingly read.

Hon. Mr. MACKENZIE asked leave to introduce a Bill to re-arrange the capital of the Northern Railway Company of Canada, to enable the said Company to change the gauge and to amalgamate the Northern Extension Co., and for other purposes. He said the object of the Government was to give effect to the resolution of last session, and make this financial arrangement with the Company, but at the representation of the Company, the Government had agreed to have a Bill introduced incorporating these several objects. Practically the Northern Extension and the North Grey Railroads were part of the Northern Railway system. They had what might be called a permanent agreement, and therefore a complete amalgamation of these Companies with the Northern Railway was a mere matter of course, and though the provisions relating to the amalgamation had no place in this measure, he agreed to allow it to be considered in connection with it. The several clauses of the Bill simply provided for the manner in which the Government were to receive the sum stipulated in the resolutions and made a priority for their own bonds in addition to the £100,000 sterling. In regard to the shareholders who were practically shut out by the Acts now in force, he had a great many representations from the holders of ordinary shares in reference to their position. They were extremely anxious to be placed in a position to organize the Company themselves. To some extent an opportunity had been afforded them to see what they could do. The attempt was an utter failure, and one of the clauses now provide that it should be left

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to the Company—that was, practically, the bond-holders who controlled the Company—to commute the shares so as to extinguish them at a certain time. He had not thought it desirable that the interest held by the city of Toronto and the county of Simcoe should be considered at all, but rather were contributions of \$200,000 each to this railway. They were treated simply as bonuses, though the Bill provided they might still retain a part of the direction of the road. The Bill provided also for the appointment of a Government director, who should control the financial expenditure until the full amount mentioned in the resolutions should be paid.

Hon. Mr. BLAKE said the Premier had combined with a public measure provisions which were essentially features of a private Bill. The clause referring to the amalgamation of the companies should have been introduced as a private Bill. In fact, all the features of the measure, except those relating to the Government debt, were subject matters of private legislation, and private legislation must be proceeded with in a regular manner. What did this Bill propose? There were private shareholders in this road, a considerable number of them, and also the city of Toronto with its £50,000 stock, and the county of Simcoe with £50,000 more. It was proposed that individual shareholders should be commuted on certain terms, but the shares of the city of Toronto and the county of Simcoe were to be considered as bonuses. He thought Toronto and Simcoe had a right to be heard on that matter, and this part of the measure be introduced as a private Bill in the regular manner and dealt with as such. He would discuss the question of the amalgamation of the companies at a future stage of the Bill, if Mr. SPEAKER should rule that it was in order to combine with a measure for the remission of a public debt provisions which were essentially features of a private Bill.

Hon. Mr. MACKENZIE said he was prepared to eliminate these features from the Bill. They were introduced by the law clerk in conjunction with the committee of the shareholders who were here, and the solicitor for the company. The hon. member for Muskoka had a Bill relating to the Northern Railway and those provisions should have been in his Bill. It could be done yet if the notice covered