

sirable effect of developing the Kootenay and Okanagan country in the southern part of the province and has brought about such magnificent results. Now it is proposed to go hundreds of miles North to develop those sections which had hitherto in a large measure lain dormant. I feel sure that such a bold, progressive policy is acceptable to the province. It is perhaps a large sum of money but the government is encouraged in bringing in the bill from the fact that we know of the success attending the railway works already assisted by the province. It is really owing to the policy of this government in subsidizing such roads as the Columbia & Western, the Shuswap & Okanagan, the Kaslo & Slocan and other lines that these lines were built and the country opened up to the extent that it is to-day. I do not believe that Kootenay would to-day be returning one-quarter or even one-tenth of revenue she is now doing if it had not been for undertaking such enterprises, for beyond a shadow of doubt those railways would not have been built so speedily had it not been for government assistance. There have been many opinions as to the most advantageous method for subsidizing railways. Several methods have been tried and these have been modified from time to time as experience and better knowledge of conditions had indicated as desirable. At first little was known of the conditions and results could not be reasonably anticipated, but as time went on the province gradually changed its policy until last year, when the house had adopted the plan of granting a subsidy of so much per mile. There was an uncertainty about the system of guaranteeing bonds as to the exact amounts which the province would have to pay and consequently the government believed that the present plan of a cash subsidy with participating benefits is the best method.

GOVERNMENT OWNERSHIP.

Of course, there are people who advocate state ownership of railways and a great deal may be said in favor of that policy as applied to certain countries. In New Zealand I believe that this has been to a certain extent successful, though the blue books do not give all the details necessary to show that the success has been as great as claimed. Still there can be no comparison between New Zealand and British Columbia for the conditions in the two countries are so different. In New Zealand the population is distributed evenly over the whole country, and being a colony by itself and not a province the government has control of the tariff revenues, an advantage which British Columbia does

not possess. Having control of its tariff and all other sources of revenue New Zealand is in a position to which we can never attain. It can not only vary its tariff to meet its requirements but it can control its railways absolutely. I will not discuss whether the Dominion would be wise or not to take over the railway system of Canada, but I do say that British Columbia as a province is not in a position to undertake such a grave responsibility on its own behalf. In New Zealand, though it appears that many lines do not pay, yet on the average and by the big profits made on the lines running through the more thickly settled portions of the colony the average return is something like 3 1-3 per cent. on the expenditure. It is important to know what rates are charged by the railways, but the blue books do not show that. However, reading the London Times I observe that it is stated that although New Zealand is a beautiful country and comparatively prosperous its railways afford the worst travelling accommodation in the world.

Not only is this accommodation indifferent, but the trains are slow, starting when they like and very uncertain as to the time when they will arrive at their destination. I do not know if this is a faithful picture, but Max O'Rell testifies to it. From this it is apparent that the fact of government ownership of railways paying in New Zealand does not prove that it will pay here. There the colony is self-contained, so it does not much matter how the trains run as everyone is on an equal footing. Here we are brought into competition with a gigantic railway system that would swamp roads run under New Zealand conditions.

THE BEST SYSTEM.

We think that the best system at present to encourage railways is to give a definite sum as a subsidy. This railway from the coast to Teslin lake will open up the Omineca and Cassiar country, which from the information which we have, promise to be as wealthy as any portion of the province and may possibly prove to be the wealthiest. With the development which will be brought about by a railway we will soon see a very large number of settlers in those districts—for even now people are going in there fast and when a railway is constructed there will be vastly increased facilities for an in-flow of population. We want to see the northern part of the province increase in population in the same degree as in the southern portion and I feel sure that with railway communication inaugurated and that established we will have 50,000 or 60,000