

principle laid down for the distribution of the Railway Fund, had reference chiefly to the one great fact as to how far the local necessities of any particular locality required additional railway facilities. He did not assume to lay down a general scheme under which certain railways should be allowed to be constructed and certain proposed railways prevented, but he recognised simply the one duty on the part of the Province to offer that moderate amount of aid which, as supplementary to these local efforts, would result in the construction of the different aided Railways. It would have been quite open for the Government of the day to have settled upon a plan under which this Province might have been mapped out into areas to be traversed by new railways, and the question as to how far those new railways might or might not be competitive to existing railways would then have had to be considered; but the policy of the former Administration of Mr. Sandfield Macdonald in setting apart this fund, was not in any way to undertake any such comprehensive scheme as would undertake out of Provincial moneys to supply all those deficiencies in railway matters which this Province was no doubt suffering under. The policy which has been pursued since Ontario has been managing its own affairs, has been to discharge from Provincial funds the measure of duty imposed upon it from a Provincial point of view, and to encourage, as far as this duty extended, and was possible, those local efforts, the necessity of which the localities but express by their own local contributions. The principle upon which the Railway Fund has been distributed, cannot be said in any way to be one which originated a single mile of railway in the Province. The policy of the Province, under the Government of Mr. Sandfield Macdonald, and that which followed it, was not the cause. This was not possible, because, upon the very small Provincial contribution, no projector of a railway would have entered upon the construction of a single mile. The highest amount which the Statute authorized was \$4,000 a mile, while the largest amount which was provided for by the Orders in Council, introduced by Mr. Blake, did not exceed \$3,000 per mile, and one can see very clearly that that policy was nothing more than to make successful those local efforts which were evidenced by the localities providing the larger portions of the funds necessary to construct these new lines. By the discriminating rates of the existing railways, the progress of certain towns, and the general well-being of large areas