

was, that what is necessary to be done to secure that advantage in the interest—not merely of the Province of Ontario, but also of the North West in this connection—should be done. Now, it is considered well understood I presume by those who know anything of the subject, that there are two systems of railways which tend towards the point from which the railway is to stretch in a northerly or north-easterly direction—namely, the Midland system and the Northern and North-Western system. Each of those corporations is, I believe, a parent of another corporation which is to construct the intervening link. The infant corporations to which I have referred are chartered upon conditions designed by the Legislature, to secure—so far as legislative provisions can secure—equal rights and privileges to all railway companies which may be connecting railway companies. We can do no more, I suppose, than has been done. I am not personally responsible, but I believe each of the rival companies scrutinized the clauses of the other's Bill; but, as the hon. Minister frankly stated, it is extremely difficult, by legislative provision, to secure equality where one of the companies is in the interest of the other. There is no doubt of that; and what we should aim at is to secure practical, not nominal, equality. You want competition for the North-West and Ontario between these centres of trade. You want real competition which will subsist when each of the railways which strike Gravenhurst and the other southern point approach the neutral link. I believe it is objectionable to give to either of these infant companies, created as they are in the interests of, and to be controlled by, each one of the main railway companies, practically a preference—not a monopoly, but practically a preference—the advantage which arises from the circumstance that it is to be a controlling power. The Northern Railway Company has a line to Toronto and Hamilton—the Midland has a line to Toronto. The North-West between that point and Toronto would, therefore, if you secured perfect equality, have the benefit of competition over these two lines for Canadian Pacific Railway freight, have that benefit. I say this, that in order to save money you might incur the disadvantage of dealing with one or other of these companies, and give \$6,000 a mile subsidy; but if you are going to give \$12,000 a mile—which is nearly or, perhaps, quite enough to build the road without equipment—the true course would be that you should take care that the country receives the true and full benefit of that expenditure. How? In two ways. First of all by securing the thorough independence of that link, by taking care that none of the railways connecting have a practically preferential rate by virtue of the company running the road in its interest, though nominally on equal terms, but by virtue of an independent contract which would secure equal rights to both; and, secondly, by taking care that the rates and fares charged on that piece of railway were based on the proposition that it was practically constructed at the public expense, as it will practically be constructed under the management proposed by the hon. gentleman. We know what has happened with reference to the subsidies heretofore granted. I do not know whether there has been any case—there certainly have been but few—in which the railway which has been aided, although aided very largely by municipal and Governmental bonuses has not been stocked and bonded “up to the handles,” as they say—beyond the intrinsic value of the land and the cost of construction, beyond the point at which it would sell as a commercial enterprise; and being so stocked and bonded, it is, of course necessary that the rates and fares should be kept up high enough—if commercial contingencies render it possible—to meet the interest on the bonds as well as pay dividends on the stock if it is possible to obtain them. That will be the result. The public will build the road; bonds and stock will be issued, not to make up the deficiency beyond the

subsidies, and practically representing their face value; but they will go on the market and be used for other things, and the road will bear the freight, so that the country will have to pay as much for rates over that road as if it had been constructed solely at private expense. If it is worth while for the country to pay \$12,000 a mile for 110 miles, an arrangement should be made by which the contract should be really under the control of the Government by which it would not be necessary for the Government to put an engineer on the road, and the road should be worked so as to pay its running expenses, its maintenance and repairs at the cost of the companies running upon it, which should not be entitled to charge beyond the proper haulage rates. I shall not protract these observations at this time. I still hope the hon. gentleman will comply with the suggestion I made last year, that all the papers and documents which might throw light on these various proposals—scattered as they are over a great extent of territory with which some of us are not so familiarly acquainted as himself, affecting as they do three or four Provinces—will be laid on the Table of the House, and that forthwith.

Mr. RYKERT. The hon. gentleman complains that information has not been brought down which would enable the House to judge of the propriety of making these grants; but he must be aware that a notice has been on the paper for some time, stating that on a certain day certain grants would be asked for certain roads, with particulars as to the mileage, the rate of subsidy, and the conditions upon which it shall be paid. So far as I have been able to learn from the hon. gentleman's observations, he makes no objection whatever to these railways; on the contrary, he says that these railways, if built, will be of great benefit to the various sections of country through which they will pass. While I am not prepared to say that I am in favor of granting aid to railways at all, I beg to say there is just as much information regarding these roads, before the House at the present time, as we had before the Local Legislature when railway aid was being granted in that House.

Mr. BLAKE. Hear, hear.

Mr. RYKERT. The hon. gentleman says “hear, hear,” and I know that he does not desire to have any reference made to his acts while he was in the Local Legislature. On every occasion in Parliament and out of it, I have opposed the granting of aid to railways by the Government, and I have stood almost alone on that question in the Local Legislature, and, perhaps, in this House. I recollect one occasion where the hon. member for East Elgin (Mr. Wilson) and myself stood up against granting aid to railways in the Local House, and we were almost laughed at by the majority of the House because of the position we took on that question. However, I will not discuss that proposition, but I would like to remind the hon. gentleman who makes complaint against this Government, that he pursued the same course, and perhaps in an aggravated form, in the Local Legislature. We desired to place on record a resolution, declaring it inexpedient that any aid should be granted to railways under Order in Council until such time as the House had proper information regarding these railways—their financial standing, the country to be served by them, &c. We desired to place on record our view that at least five days' notice should be given to the House before it should be asked to decide. The hon. gentleman condemned that resolution, and why? Because he knew right well that it was necessary, in the interest of his party, that he should hold a certain amount of control over the members of that Legislature. Let us see what was the course of the hon. gentleman in reference to that matter. It will be fresh in the recollection of this House that the late Sandfield Macdonald provided a grant of \$1,500,000 for railways. The hon. gentleman opposite, by means which I shall not