

Agitation having sprung up in the provinces of Ontario and Quebec against payment of interest on the sum of 10½ million dollars, by which amount the actual debt of the old province of Canada exceeded its allowed debt under the Union Act, 1867, an Act was passed to readjust the amounts payable to and chargeable against the several provinces. That Act is to be found in Canadian Acts, 1873, chapter 30.

These Acts and Orders in Council contain the authority under which the sums mentioned in paragraph 1247 were assumed or allowed by the Dominion, and by such allowance became part of the Federal debt.

A question behind these Acts, viz., how to reconcile them with Section 118, Union Act, 1867, was discussed fully in the session of 1869. A careful presentation of the case by Sir Alexander Campbell is in the Senate Documents. Mr. Blake took the opposite view.

1204. There was a decrease of \$436,822 in the amount of subsidies paid to railways under parliamentary authorization, as compared with 1892. The details are:—

Atlantic and North-western Railway . . . . .	\$ 186,600
Drummond County Railway . . . . .	13,435
Iroquale, Bancroft and Ottawa Railway . . . . .	17,000
Kingston, Napanee and Western Railway . . . . .	1,856
Montreal and Western Railway . . . . .	133,388
Montreal and Champlain Junction Railway . . . . .	15,100
New Glasgow Iron, Coal and Railway Company . . . . .	32,946
Ottawa and Gatineau Valley Railway . . . . .	104,380
Parry Sound Colonization Railway . . . . .	28,820
Port Arthur, Duluth and Western Railway . . . . .	114,125
Quebec and Lake St. John Railway . . . . .	76,472
St. Lawrence and Adirondack Railway . . . . .	24,448
Terniscouata Railway . . . . .	21,150
Tobique Valley Railway . . . . .	41,674
Total . . . . .	<u>\$ 811,394</u>

1205. The total amount of subsidies, on the mileage system, voted by Parliament towards the construction of railways that have been placed under contract, and of which payments have been made or liabilities still exist, was, on the 30th June, 1893 (exclusive of the Canadian Pacific Railway), \$13,584,651, of which sum \$10,667,597 had been paid and \$165,167 cancelled, not being wanted, leaving a balance still due on contracts of \$2,751,886.

There were, on the same date, 46 railways for which subsidies amounting to \$3,442,600 had been voted, but to which no payments had been made, as none of the proposed railways had been placed under contract. In addition to the above, subsidies payable by instalments for a period of years, amounting to \$7,894,-