

The people have never petitioned the Government to make it a government-owned railway. Then the Quebec and Montmorency is a paying proposition. It gives a good net income to the Quebec and Montmorency people. It is a system by itself. The object of that road is to carry people from Quebec, and from different points in the province, to the famous shrine of Ste. Anne de Beaupré. There is no reason why, at the present moment, the Government should acquire that road. Leave it to the Quebec and Montmorency Company. I admit that the people of Charlevoix are in need of transportation and that they are entitled, as are other parts of the country, to a railway, although the Government spend a large amount of money every year for the maintenance of a ferry across the St. Lawrence from River Ouelle to St. Irénée, Murray Bay, and Cap à l'Aigle, on the north shore, the ferry being operated in connection with the Intercolonial railway. This ferry is a credit to the department, and the train service, in the summer time especially when there are so many tourists, is excellent. I pay my compliments to the minister for that. If the Government will limit their acquisitive powers to the Quebec and Saguenay I have no objection, provided they follow the line of the judgment of Sir Walter Cassels and provided they press the sponge and squeeze out all the water that there is in that enterprise. The judgment is there. The policy is laid down by Sir Walter Cassels. He has heard the evidence and at one fell swoop he has discarded a very large amount from the claim which was made by the railway promoters. I believe I have explained to the committee exactly what the situation is. My hon. friend has spent \$400,000 out of that vote of last year, but I contend he has done it illegally, because the amount voted last year was voted with a qualification, namely, that before acquiring the railway the department should get from the Exchequer Court its actual value. The judgment is not final, but we have from the judge an expression of opinion which reduces very materially the amount which is claimed by the company. The company has not appealed. The words used by Sir Walter Cassels are as follows:

Since the conclusion of the hearing of these cases, I have carefully perused the evidence and exhibits produced before me, and I have also considered the questions to be determined. I think as the questions to be determined depend to such an extent upon the construction to be placed upon the statute as to the method by which the amounts payable are to be as-

[Mr. Lemieux.]

certained, and as the differences are so large between the method of valuation claimed by the railway companies, and the views I entertain, it may be better before any further evidence is taken, that an appeal, if such is proposed, (assuming the right of appeal exists) should be taken to the Supreme Court, in order that I may be set right, if I have taken an erroneous view.

No appeal has been lodged and I claim that not a cent can be spent until we have a final judgment in this matter.

Mr. REID: The Quebec and Montmorency road has been constructed for many years. The hon. member has stated that it is a paying road. It is a paying road, the railway returns show that. Were this transaction to go through, by the statements of the hon. member himself the Government would be acquiring a road that was a paying road, the Quebec and Montmorency. The Quebec and Saguenay road is practically completed except for the laying of the rails, and that road the hon. member has also said should be built as the people along the north shore are entitled to it.

Mr. LEMIEUX: Do not stretch it too far.

Mr. REID: I am speaking of what the hon. member has said.

Mr. McKENZIE: Has the department any report by any of its engineers as to the condition of the road? We would prefer a report from an engineer.

Mr. REID: I will come to that in a moment. The hon. member says that the amount spent last year on this road was spent illegally by the Minister of Railways. Let me say that on any payment by any department there is a double check. The Department of Justice must give a ruling that the moneys can be paid and the Auditor General must consent to their payment. Both the department and the Auditor General have passed this, so it has been done legally in the opinion of those two departments.

The policy of purchasing these roads was settled last year, and need not be discussed now. It was explained by the Secretary of State (Mr. Meighen) that the Government had protected itself in every way in respect to the purchase money being in accordance with the understanding, and it was left to the judge of the Exchequer court to fix the amount. The hon. member has laid great stress on the fact that the solicitor for the Government agreed to two amounts, one of \$500,000 and the other of \$789,000, and one would conclude from his remarks that in his opinion the solicitor who is acting for the Government either