

lines. When the Grand Trunk Pacific came in with their first series of vouchers and their first demand for release of funds that had been raised under the three per cent loan, it will be remembered that the first statement they presented contained \$162,000 of accounts which the auditor would not pass. We remember too that this had been passed through several departments before it was finally blocked by the Finance Minister and his department, and that statement was given back to the company and was destroyed, and a revised statement was presented leaving some \$80,000 of the original statement out of the second statement. Now when the second statement came back we inadvertently obtained a copy of it, and we found in that second statement many items which it would be very difficult to classify as properly belonging to the cost of construction. We found charges by Mr. Wainwright for coming to Ottawa, very heavy charges for very short trips; we found money paid to Sir Adolphe Caron for services which it is difficult to appreciate, we found frequent sums paid to H. B. McGiverin, and we have never yet learned what services he rendered to entitle him thereto. There were items, mind you, that were presented a second time, and a second time rejected. Who can tell what were the items that were rejected in the first place which the company did not have the face to ask payment for a second time?

We undertook to follow that up in the Public Accounts Committee, and what was the result? Our chief witness, after being subpoenaed hurriedly left for the Mediterranean; parts of the statements were found to have been burned; the result was that the committee finally decided—and I may say that I think they decided rightly—that inasmuch as no money had been actually paid on that \$162,000, therefore the Public Accounts Committee could not investigate any further. That may be outside the functions of the Public Accounts Committee, but we asked that a special committee of this House should be permitted to look into it, and that request of ours was refused in the House.

Now, what did Mr. Power say, who appeared as representing the accounting department of the Grand Trunk? He said that every item of that \$162,000 still remained on the books of the Grand Trunk as a claim against the Grand Trunk Pacific, which they regarded as valid, and payment of which they some day expected to obtain. Is it any wonder that we are suspicious when we come to look over the statement as the company makes it and compare it with the statement as the auditor passed it, and we find a difference of \$992,000, a difference of \$775,000 on the prairie section, a large

Mr. AMES.

difference on the mountain section as well, and that the preliminary and general expenditures, which were \$162,000 in 1905, have now grown to \$303,000 on the prairie section alone? Now, Mr. Speaker, in view of the fact that we are being asked to reimburse to the Grand Trunk \$7,094,000 which they are allowed to have advanced, which sum avowedly contains every claim that they have against the Grand Trunk Pacific, how can we be asked in this House to borrow money to loan to them to pay accounts which we have refused repeatedly to pay out of the guarantee funds that have been raised?

Mr. FIELDING. My hon. friend is surely mistaken. Not one dollar can be paid out of this fund except upon the certificate of the engineer that the amounts are properly chargeable to the construction account.

Mr. AMES. Very well, then we must look elsewhere. Where is that claim of \$162,000 found on the books of the Grand Trunk Railway Company still against the Grand Trunk Pacific and how will that claim be satisfied?

Mr. FIELDING. It will not be satisfied out of these moneys.

Mr. AMES. It is to prevent this that I want the minister to lay upon the table of the House a statement of all the items and vouchers that have gone into this \$35,000 a mile.

Mr. FIELDING. My hon. friends have asked for heaps of information and it has all been brought down. Every request that they have made has been complied with.

Mr. AMES. The minister has not yet submitted to the House a statement of the items which bring the cost of the prairie section up to \$35,000 a mile.

Mr. FIELDING. We have placed on the table of the House the report of the engineer of the government, stating that he had examined the returns and that he had found that this is a correct valuation.

Mr. AMES. It must not be forgotten that that same engineer found no difficulty in passing the amounts given as composing that item of \$162,000.

Mr. FIELDING. Well, he is rather a reputable engineer.

Mr. AMES. I think that the demand we are making is a perfectly legitimate demand, and a demand which is a necessary prerequisite to any consideration of this transaction. We know there are claims on the books of the Grand Trunk against the Grand Trunk Pacific which we have refused to pay. We now ask an assurance that there will be placed upon the table of the House a statement that will show the moneys that have gone into that road upon which we are asked to take a fourth mort-