

QUEBEC AND SAGUENAY RAILWAY BILL.

FIRST AND SECOND READINGS.

A message was received from the House of Commons with Bill No. 101, An Act to authorize the acquisition of lines of railway between the city of Quebec and Nairn Falls and between Lyster and St. Jean des Chaillons.

The Bill was read the second time.

Hon. Mr. LOUGHEED moved the second reading of the Bill. He said: The object of this Bill is to authorize the Minister of Railways to acquire, under the provisions of the Government Railways Act, upon such conditions and terms as the Governor in Council may approve, the railways described in the schedule to the Bill. The first railway set out in schedule 2, paragraph (a) is a line of railway commonly known as the Quebec, Montmorency and Charlevoix Railway, extending from St. Paul street, in the city of Quebec, to St. Joachim, a distance of about forty-three and one-fifth miles; (b) the Quebec and Saguenay railway, extending from its junction with the Quebec, Montmorency and Charlevoix railway at St. Joachim, in the county of Montmorency, to Nairn Falls in the county of Charlevoix, a distance of about sixty-two and eight-tenths miles; and (c) the Lotbinière and Megantic railway extending from Lyster in the county of Megantic to St. Jean des Chaillons in the county of Lotbinière, a distance of about thirty miles.

Speaking of the first road, namely the Quebec, Montmorency and Charlevoix railway, I must say that this road is fully equipped with rolling stock necessary to handle business, with stations and other buildings and everything, in fact, complete to carry on business. It has electrified part of the line and passes through Ste. Anne de Beaupré, east of Quebec, along the north side of the St. Lawrence river. The earnings of this line from 1910 are as follows:

1910.	
Gross earnings	\$217,802 94
Operating expenses	146,559 40
Net earnings	71,243 54
1911.	
Gross earnings	\$245,039 04
Operating expenses	166,719 68
Net earnings	78,319 36
1912.	
Gross earnings	\$273,395 84
Operating expenses	197,175 02
Net earnings	76,238 82

Hon. Mr. McHUGH.

1913.	
Gross earnings	\$293,985 75
Operating expenses	217,497 23
Net earnings	76,488 52

1914.	
Gross earnings	\$311,528 17
Operating expenses	228,496 60
Net earnings	83,031 57

A very satisfactory showing for a road of only 43 miles.

Hon. Mr. BOSTOCK—Could my hon. friend state whether that road pays the interest on the bonds?

Hon. Mr. LOUGHEED—The net earnings would be applied upon the bonds. I will come to that presently.

Hon. Mr. POWER—The net earnings are what the road earns above the expenses.

Hon. Mr. LOUGHEED—Yes; beyond the operating expenses. The difference between the net and gross earnings is set forth in the statement which I have read, and which I submit, as far as this section of the road is concerned, is of a very satisfactory character. The next section of the road is known as the Quebec and Saguenay. This line has not been completed, but according to the estimate of Government engineers, is about 87 per cent completed. It has been estimated that it will take from \$700,000 to \$1,000,000 to complete the line.

Hon. Mr. CLORAN—How many miles?

Hon. Mr. LOUGHEED—Sixty-two miles. The company has issued bonds to the extent of \$4,684,400, of which two and a half million sold at 84 cents on the dollar, and \$2,184,000 sold at 82 cents, realizing on both \$3,822,315.42, which amount, with additional cash of \$1,050,000, has been put into the road. There is due for right of way claims and other accounts \$461,000, making a total of \$5,333,315.42, which the company claim has been paid out on the road. They were paid by the Government a subsidy account of \$132,000, and as I have already said, it is estimated it will take from \$700,000 to \$1,000,000 to complete the line. Now, before I enter upon any further discussion of this particular section, may I deal with the other section of the line, namely the Lotbinière and Megantic road. This line extends, as I have already read from the Bill, from Lyster in the county of Megantic, to St. Jean des Chaillons, in the county of Lotbinière, for a distance of thirty miles. This line has been in operation for a num-