

the basis of the report which they will subsequently make.

Bill reported, read the third time, and passed.

Bill No. 65, respecting the Toronto, Hamilton and Buffalo Railway Company—Mr. T. G. Stewart—in committee.

On section 3—powers, etc.:

Mr. NESBITT: Is the Toronto, Hamilton and Buffalo railway operating now?

Mr. LANCASTER: Yes. The Erie and Ontario railway joins the Toronto, Hamilton and Buffalo railway at Smithville.

Mr. NESBITT: What is the present bond issue of the Toronto, Hamilton and Buffalo Railway Company?

Mr. LANCASTER: I cannot say at the moment.

Section agreed to.

Bill reported, read the third time and passed.

The following Bills were considered in committee, reported, read the third time and passed, without discussion:

Bill No. 49, respecting the Calgary and Fernie Railway Company.—Sir James Aikins.

Bill No. 50, respecting the Canadian Western Railway Company.—Sir James Aikins.

Bill No. 54, respecting the Toronto Terminals Railway Company.—Mr. Macdonell.

Bill No. 62, respecting the Bank of Alberta.—Mr. Douglas.

Bill No. 61, respecting the Simcoe, Grey and Bruce Railway Company.—Mr. Middlebro.

SECOND READING.

Bill No. 71, respecting The Sterling Life Assurance Company of Canada.—Mr. Macdonell.

THE BUDGET.

PROPOSED WAR TAXATION.

Mr. NEELY (resuming): Mr. Speaker, when you left the Chair at six o'clock, I was making some reference to the lament of the Finance Minister and his friends in this House and throughout the country, that the burdens resting so heavily on the shoulders of this Government in the matter of meeting the expenditures of the country are a legacy from the late Administration. I have pointed out that, so far as the building of the Hudson Bay railway was concerned,

the right hon. the Prime Minister was equally responsible with the late Government for the inauguration of that scheme, and that, so far as the burden placed upon the country by the construction of the National Transcontinental railway was concerned, that proposition had been submitted to this country and the country had approved of it, whether the cost be small or great. It is quite true, we admit that the cost of the National Transcontinental railway was greater than originally expected. Nevertheless there is no condemnation to fall upon the late Administration if it can be demonstrated to the people of Canada that the money voted by this Parliament and by the people of this country for the construction of that road, actually went into its construction. I had pointed out that this Government, in its zeal to demonstrate that all the money voted for that purpose had not gone into the construction of the road, had spent some \$100,000 in salary and expenses to two gentlemen, who spent over a year of their time looking into the various contracts let by the late Administration, from Moncton to the city of Winnipeg. What was the result of that investigation? It was heralded in the Tory newspapers throughout the length and breadth of Canada before being submitted to this House as one of the greatest scandals in Canadian history. We find that after that report was examined, dissected, taken to pieces and put together again by my hon. friend the member for South Renfrew (Mr. Graham), no responsible public man in this country and no reputable, responsible Tory newspaper, has given any consideration or more than a mere passing mention to the contents of that report which was to produce such an enormous scandal in Canadian history. Sir, the people of Canada are concerned to know how their money is spent, and they are concerned to know that large sums of money, which they voted for the building of the National Transcontinental railway, have been spent in the construction of the road. That that has been done, Sir, is absolutely proven by the report that was intended primarily to be a partisan, biased report, that was intended to prove exactly the opposite, a report which, in my judgment, is the most splendid vindication of the honesty and integrity of the late Government that we have had since that Government went out of office. If the National Transcontinental railway is not, and will not be in the future, the great national asset that we had hoped, the fault will not lie with the late Liberal Adminis-