

Canadian National Railways

Mr. SPEAKER: I must point out to the hon. member that when the Minister of Transport (Mr. Chevrier) comes before the committee to have his estimates approved, including the sums allotted to the Canadian National Railways, the hon. member will have an opportunity to question him and discuss any matters pertaining to the administration of government-owned railways.

(Text):

Motion agreed to, bill read the second time and the house went into committee thereon, Mr. Macdonald (Brantford City) in the chair.

On section 1 —Short title.

Mr. MAYHEW: There has been an error made in the bill; the amount for the Barraute branch line was left out. I am going to ask one of the ministers to move:

That clause 2 be amended by inserting in the table contained therein, after the item:

"New equipment \$41,500,000"
the following item:

"Barraute branch line \$ 2,684,000"

Mr. CHEVRIER: I move accordingly.

The CHAIRMAN: The parliamentary assistant has given notice that he will move to amend section 2 when we reach it by inserting a new item in the table contained therein.

Mr. MACDONNELL (Muskoka-Ontario): Will that item to be inserted leave the total of \$46,723,000 unchanged?

Mr. MAYHEW: That is right, it will be unchanged.

Mr. MACDONNELL (Muskoka-Ontario): I should like to ask one or two questions regarding the detailed amounts and then I have a question to ask with regard to the bill itself. This is a measure to provide certain capital funds; it has nothing to do with the operating deficit of \$31,000,000 which is referred to in the memorandum furnished to us in connection with the railway budget. That deficit is paid out of consolidated revenue fund and whatever the railroad earns is turned into the consolidated revenue fund.

Mr. CHEVRIER: Yes.

Mr. MACDONNELL (Muskoka-Ontario): There is an item of \$1,057,000 covering acquisition of securities and retirement of capital obligations, which is to be found on page 6 of this memorandum. After certain other items there occur two items about which I should like an explanation. This page is headed, "Acquisition of securities and retirement of capital obligations." The item about which I should like some information

[Mr. Gagnon.]

reads, "Chicago, Western and Indiana railroad, advances under agreement March 1, 1936, \$169,000." On the face of it that does not look like an acquisition of securities or retirement of capital obligations, will the minister explain it?

The CHAIRMAN: In order to keep the proceedings regular may we pass section 1 and then proceed to consider section 2?

Mr. MACDONNELL (Muskoka-Ontario): My question could be asked under section 2.

Mr. HACKETT: I want to be quite clear. My question is to enable my hon. friend who wanted to ask a few questions concerning his own county, to come into the discussion at this point. I want to know if any of the securities which have been retired affect the whole system. If they do affect the whole system then I think it is competent for the hon. member to speak about that section of the system within his own constituency.

Mr. MAYHEW: I wonder if we could deal with one question at a time. I was looking up the answer for the hon. member for Muskoka-Ontario.

Mr. HACKETT: I withdrew for the moment. I shall be here and I can renew my question as soon as the question of the hon. member has been answered.

The CHAIRMAN: I take it that section 1 is carried?

Mr. HACKETT: Before section 1 is carried I should like to ascertain whether the hon. member for Chicoutimi has the right to ask the question which he wishes to ask.

Mr. MACDONNELL (Muskoka-Ontario): I think my question had better stand until we get to section 2.

Mr. CHEVRIER: I do not think the hon. gentleman wants to ask a question from the way in which he proceeded; I think he wants to make a speech. I notice he nods his head.

Mr. HACKETT: I wish to know whether or not these securities which have been retired affect the whole system. I refer to the securities mentioned in the second section.

Mr. CHEVRIER: Is the hon. gentleman referring to those concerning new equipment?

The CHAIRMAN: It would appear to me that the question which the hon. member for Stanstead has raised should not be discussed under section 1. The committee will have to decide whether it can be discussed under section 2.