

supreme power, and while we might cut out something it recommends—for people who do not have to provide the money are apt to be liberal in their requests—has much to do with preparing the estimates.

Mr. BARKER. The hon. minister has not explained what I want to know. It is very important that we should know, for the future, whether everything of this kind that is recommended to parliament, is based upon a formal written report of the board. I can understand, of course, that the minister is not bound to accept their recommendations. But it would be a prudent thing for him to get their recommendation upon every item, and these should be open to this committee.

Mr. GRAHAM. My information is that these estimates were discussed before the board. I think the hon. member (Mr. Barker) is right—if we are to have a board that board ought to make recommendations. As the hon. member says, the minister is not bound to accept those recommendations, but the board should make representations, these to be considered for what they are worth. I think that is very reasonable.

Mr. FOSTER. Then, that will be done.

Mr. GRAHAM. Yes.

Mr. JOHN HAGGART. The other day the Minister of Railways spoke of the items charged to capital account. I would like to get from him a precedent, either in the Baltimore and Ohio, the New York Central or the new rules adopted by the Interstate Commerce Commission concerning charges to capital account for a case where a station-house or workshop has been burned down and the cost of replacing it charged to capital.

Mr. GRAHAM. I think I can get that for my hon. friend before we get through. At least, I can get cases where these buildings have been pulled down, and I suppose that will be the same thing.

Mr. JOHN HAGGART. No. This is a case where the buildings were burned down and the whole cost of restoration is charged to capital.

Mr. GRAHAM. It was not all burned down; there is quite a shop standing and the government still own it.

Mr. JOHN HAGGART. This money is supposed to be used to replace buildings that were burned.

Mr. GRAHAM. A good deal more than replace them.

Mr. CROCKET. Is the department abandoning the old buildings left by the fire?

Mr. GRAHAM.

Mr. GRAHAM. We have not done so. There was a proposition to lease them, but it did not materialize.

Mr. CROCKET. As I understand, it is proposed to abandon these shops and do all the work—

Mr. GRAHAM. Far more economical work can be done in the new shops, so that we can soon earn the value of the old shops.

Mr. CROCKET. What is the valuation of the old buildings?

Mr. GRAHAM. I have not the figures here.

Mr. RHODES. What is to be done with the old building?

Mr. GRAHAM. Well, that depends on finding the party of the second part. I thought at one time that we could get an industry to lease this building, but the amount they offered was not worth while.

Mr. RHODES. Is it intended to use the ground space for yard-room, or is it still in the market?

Mr. GRAHAM. Personally, I am a bit averse to disposing absolutely of government property, particularly at Moncton, where, as my hon. friend suggests, we need the land for some purpose—the Grand Trunk Pacific may need it. I am free to say that we have not yet a definite policy on that subject.

Mr. CROCKET. What has become of the property bought from Mr. Lodge? No use has ever been made of that property.

Mr. GRAHAM. It has been used, I believe, as part of the old yards.

Mr. FOSTER. I think the minister will agree that this is a very important matter. I understood him to say yesterday that the Interstate Commerce Commission had laid down principles as to charges to capital, which, after conference with the great railways in the United States, were accepted and are now being acted upon, and I understand that the minister intends to adopt the same plan in connection with the accounts of the Intercolonial. I was glad to hear him say this, because I thought it provided a solution for two things, one the subject of the old controversy that has gone on for some several years as to expenditure on capital and on income, and the other in the interest of honest book-keeping and good accounting. Now, if we can have those principles, so adopted and carried out in the United States and which are henceforward applicable to the Intercolonial, put in black and white where we can get at them, it would be a great benefit, and it would tend to honest accounting. I am not pressing this for the sake of contro-