

Mr. GRAHAM: The minister urges that the company prepare to furnish the rolling stock for the equipment of the eastern division. It is quite clear that that is the substance of the letter.

Mr. COCHRANE: Yes.

Mr. MEIGHEN: There is no request in that letter to execute the lease?

Mr. GRAHAM: Perhaps the request to execute the lease was prior to that?

Mr. MEIGHEN: It was later.

Mr. GRAHAM: There is another letter in the file under date of February 3, but I think it is merely a duplicate of the letter which I read a few minutes ago. Mr. Chamberlin replies to this correspondence on February 5—merely a formal acknowledgment. On February 9, the Solicitor General writes to the chief engineer, but as this is only in reference to telephone lines, it is not necessary in the argument I am making. On February 10, Mr. Gordon Grant, the chief engineer, replies to the letter of the Solicitor General in reference to telephone lines.

Now I come to the reply of Mr. Woods, the acting chief engineer of the Grand Trunk Pacific Railway Company, to the letter of Mr. Gordon Grant, chief engineer of the Government, in which he enclosed a joint acceptance to be signed by Mr. Woods, and which the latter declines to sign. Here is the reply of Mr. Woods:

Winnipeg, Man., Feb. 11, 1915.

Mr. Gordon Grant.

Dear Sir,—I have yours of February 2, file 12,259, in which it is stated that in the Government's opinion the National Transcontinental railway is now completed, and with which you enclose form of acceptance which you desire me to sign certifying, in fact, that the National Transcontinental railway is completed and satisfactory to this company. This is the first intimation I have ever received that even the Government consider the line fully completed, and that you also consider it completed. Your opinion in regard to this is different from my own, and I have therefore to say that I cannot sign the acceptance committing the Grand Trunk Pacific railway to the agreement proposed in your letter. I think before such an acceptance can be given there will have to be an inspection of the line throughout, and of the many items I think are incomplete an understanding will have to be arrived at as to what shall be capital charge in such cases.

Yours truly,

H. A. Woods.

Thus, Mr. Woods says in so many words that there are many items which the company thinks are incomplete, and that be-

[Mr. Cochrane.]

fore the company can think of joining in the acceptance, an inspection will have to be made, particularly of those portions which the company say are incomplete, so that a decision may be arrived at as to what capital charges will be allowed—

Mr. BURNHAM: Did the hon. gentleman, when he was in office, provide for ascertaining the meaning of the word "complete"?

Mr. GRAHAM: There is provision made for arbitration and so on, I think. I cannot recall the details at this moment. It was not to be "complete"; a thing cannot be "complete," but it was to be "complete" under a certain agreement.

Mr. BURNHAM: How was that to be ascertained? In what state of affairs would you inform them that it was complete and they be required to take it over?

Mr. GRAHAM: The terms of the agreement say that the road as constructed shall be accepted by the chief engineer of the company and the chief engineer of the Grand Trunk Pacific, and if any difference arises it is to be referred to a board composed of these chief engineers and a third party of their choosing; and if they do not agree as to the third member of the board, the Chief Justice of Canada shall make the appointment.

Mr. BURNHAM: Was the board's decision to be final?

Mr. GRAHAM: I think so.

Mr. MEIGHEN: The hon. gentleman is in error, and I do not think he wishes it to go on record that way. The agreement makes no such provision as to the question of completion.

Mr. GRAHAM: It does as to acceptance. It must be subject to joint acceptance, and if there be a difference as to the construction—

Mr. MEIGHEN: Not as to completion.

Mr. GRAHAM: I did not say "completion;" I used the word "construction." If the line is "constructed" it must be "completed." Let me read section 7. We are at a point now where what we do is of national importance. I want to have the case stated with exact fairness. The question raised at this moment has no bearing on the argument I was making, but I will read the clause and hon. members can judge what they are to understand from it as business men: