

think we shall find that the two items counteract each other, and that my figures are approximately correct. I have, then, subtracted the amount of the subsidies, namely, \$1,112,000, from the total of \$2,077,125, and I find that the actual value of the three lines, less depreciation, is only \$965,125. I leave it to the minister and every member of the House who has listened to me—and I am obliged to hon. members for the great courtesy with which they have listened to my somewhat lengthy remarks—whether I am right in my figures and have made the proper deductions from Sir Walter Cassel's judgment. If so, the total value of the three lines of railway, less depreciation, is less than \$1,000,000. Why on earth does the Minister of Railways, with his sense of justice, want to pay this company nearly \$4,000,000 for three lines of railway which are worth, according to the findings of a judge of the Exchequer Court of Canada, less than \$1,000,000?

Mr. REID: I stated a few moments ago that the Government intended dropping the Quebec, Montmorency and Charlevoix and the Lotbinière and Megantic out of the item. Do I understand the hon. member to say that the judge had valued the Quebec and Saguenay at \$3,503,845?

Mr. CARVELL: Yes.

Mr. REID: From that would be deducted any subsidies that had been paid. The only subsidy that has been paid is \$248,000 so that the amount would be in the neighbourhood of \$3,255,845. Am I right in that?

Mr. CARVELL: I think so.

Mr. REID: The bond issue of \$2,500,000 would not come into the matter at all, because those bonds are on the Quebec, Montmorency and Charlevoix. As we are abandoning the Quebec, Montmorency and Charlevoix and the Lotbinière and Megantic railways, we have had to deal with only the Quebec and Saguenay. The Government therefore, would have to pay only \$3,255,845. Am I right in that?

Mr. CARVELL: Yes. Is the Minister of Customs willing to justify in this House the payment of \$3,255,845, in this time of stress, for a railway that has not had a rail on it, that has not even all the grading done, when he can secure for a much smaller amount a line of railway which he admits paid over \$100,000 last year? What earthly influence has Sir Rodolphe Forget over the Government?

Mr. COCHRANE: We have not paid anything yet.

Mr. CARVELL: I am afraid—

Mr. COCHRANE: Why did we not pay last year?

Mr. CARVELL: Because you were waiting for the judgment of the judge of the Exchequer Court.

Mr. COCHRANE: And we will wait for it.

Mr. CARVELL: I am glad to hear that.

Mr. REID: And we will not pay anything until the next session of Parliament when the matter is decided.

Mr. CARVELL: We are getting along.

Mr. REID: I stated that a few minutes ago.

Mr. CARVELL: We are gradually getting the amount reduced. If we stay here till morning, we may get the whole of it. It would be worth sitting here all night to save \$3,000,000 to the country in this time of stress. The minister has dropped the Lotbinière and Megantic out of the item. That is gone. I am glad the Government railways are not going into the portion of

Quebec and repeating their 12 m. telephone experience in the county of Dorchester. We come next to the Quebec, Montmorency and Charlevoix, the road which, we all know, does pay. The minister, I think, claims that it was \$100,000 to the good last year. By what reasoning does he justify refusing to take that portion of the road which would be of some value and taking that portion which has not been constructed yet, which is of no value and which is paying no money?

Mr. COCHRANE: In the first place it is a very expensive piece of road to build, and a great deal of expense has been put upon it.

Mr. CARVELL: What does the minister want it for in war time? The justification for going into this expenditure a year ago was this: Well, we are buying branch lines for the Intercolonial; we believe we should extend the Intercolonial, make it as big a concern as we can and reach out and accommodate the people. The Government argued that the Intercolonial, by means of a ferry and by a good deal of mythology was in the city of Quebec, and, therefore, when they bought this line from Quebec down to Murray Bay, it was simply an extension of the Intercolonial. Now they propose to drop the first thirty or forty