

of this railway problem. The arbitration terms, as set out in chapter 22 of 6 and 7 George V, lay this down:

Said value to be the actual cost of said railways, less subsidies and less depreciation.

When that Act was introduced into the House last year I thought that the dice were pretty well loaded against the country. The cost was to be the amount that it had cost the railway companies to construct, regardless of whether or not consideration had been given to economy. This country was to pay for these three railroads the amount of money that had been put into their construction, less depreciation and less subsidies. I certainly thought that the owners of the railroad would grasp with avidity what was offered to them, but I was amazed, when I read the proceedings before the arbitrator, to learn that the solicitors for the owners set up that they were entitled to interest on the moneys invested, not only during the time of construction, but also during all the time that the railway had lain idle—because it had never been carried to completion. That seems to me to be an extraordinary contention, but I thought, as they had set it up, that probably we had heard the last of the question. However, here we are to-night confronted with another vote. We are asked to vote \$4,000,000 of the people's money to buy what I consider at the present time to be three unnecessary railroads. If some hon. gentleman opposite moves that this item be struck out, I shall, as I did a year ago, support the motion for the elimination of the item. I quite realize, after six years of parliamentary experience, that when an item of this kind is inserted in the estimates it is not very likely to be deleted. The Government put it there, and a majority of their followers will keep it there. But I direct the attention of the committee to this fact: I believe the time is coming—it may not be as far off as some of us think—when this nation may become war-weary. The people may become a bit weary of making sacrifices for this war, and if they do, it is purchases of this kind that will have helped to make them war-weary. If I judge aright the spirit of the Canadian people to-day, it is this: we are willing to sacrifice to the limit, but we want our Government to practice the same thrift, the same economy, that they ask us to practice. If the Government will give the example, I believe the people will follow; but it is the duty of the Government to give the example if they want the people to follow.

Mr. NESBITT: Last year when this vote of \$4,000,000 was up, I took the liberty of moving that it be struck out. I thought it a great pity to use the people's money during the war to buy these three little railways, the purchases of which, to my mind, could not possibly be of any benefit to the people. The hon. member for Pictou (Mr. Macdonald) says that the vote is being taken in order to purchase these railways for the relief of Sir Rodolphe Forget. I do not know whether or not that is true; I am not going to say that it is. But I do say just what the member for Kingston said: the nation that can stand out the longest will probably win this war. We have to do our share, and so far as I know, every man and woman in the country is willing to do his or her share towards the payment of the legitimate expenses of the country. But the Government should set the example. They lecture us—quite properly on the saving of food, and on the exercise of economy; but they do not set the example themselves. Last night we passed some votes that should not have been passed. To-night the Government ask us to pass this ridiculous vote of nearly \$4,000,000. I agree with the member for Rouville (Mr. Lemieux) that the money that was spent this year on this road should not have been spent. The Minister of Customs may be right in saying that legally the Government was within its rights in spending the money, but morally they had no right to do so until the Exchequer Court's judgment had been received and the road had been taken over. They had no right to spend any money on the road until they owned it, and certainly they do not own it yet, because the judgment of the Exchequer Court has not been accepted by the present owners. From a business standpoint, therefore, the Government should not have spent one dollar on that road, whether they were legally entitled to do so or not. However, they have spent the money. I have the greatest possible regard for the Minister of Railways, and I am surprised—because I have faith in his business judgment—that he should have been induced to spend money on this road before it was properly taken over. The fact that the company have not accepted the judgment of the Exchequer Court gives the Government a good excuse for not going any further and I think we should make that a reason for not voting money to-night for the purchase of this railway. We cannot afford to make any unnecessary expenditures.