

judge, as I understand, never came to a decision upon the matter, and it was allowed to stand. Although the Government had not taken over this railroad, they went ahead and spent money on it. In the year 1916 an appropriation of \$4,000,000 was placed in the Estimates in connection with this road, and the Government, although they have not taken over the road, have spent some \$400,000 for work on it. I have been unable to find any ground upon which the Government were authorized to spend such a sum of money on a railroad which they had not then in their possession. In addition to this amount we find in the Main Estimates an amount of \$900,000 to be appropriated and spent on this road, making a total of \$1,300,000 which apparently the Government has expended or is about to expend on the road. The whole transaction seems to me to be an extraordinary one. I cannot understand why the Government did not proceed under the Act that was passed in 1916 if they wanted to take over the road, and leave the Exchequer Court to deal with the matter and come to a decision. At the present time it looks as if the Government had decided to override that Act and deal with this matter by simply paying over the money. There is nothing to show how the figures that are given in this estimate are arrived at. It is stated that this road is to be taken at a public sale, but I do not know of anybody outside of the Government who would be ready to compete in the bidding for the road. The Act of 1916 dealt with two other pieces of road besides this one. At the time we were discussing that Act it was represented that those two other pieces of road were paying properties, and would bring in a return; but, according to this estimate, as I read it, those two roads are left out altogether, and we are simply dealing with the one road of 62.3 miles in length. I draw particular attention to this item in the Estimates because this session we have been discussing the question of the rights of the Senate with regard to finance and public expenditure. I think it is only right to protest against such items as this, and other items to which I might refer in these Estimates, being placed as they are in the main Supply Bill.

We have also in the Supplementary Estimates item 380 dealing with a number of railways which are to be purchased by the Government, and a further sum of \$200,000, which is to be spent upon them. It does not appear to me that those items should be included in the general Supply Bill, as

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is done this time, and as was done on former occasions. I want to enter a strong protest against this procedure, because I think that the Senate owes to the country the duty of asserting its right to have some consideration shown it, and that this House should be in position to inquire into the causes of these expenditures.

Although I do not want to take up more time than is necessary at present, I have brought these matters to the attention of the House in order that the members of the Senate should consider whether we are not justified in protesting against such items being placed in the annual Supply Bill. Further than this I will not take up the time of the House to-night. But I protest against the method of bringing down the Supply Bill at this late hour of the session, when there is only a very limited time to deal with it, and we cannot properly consider the figures contained in it.

Hon. Sir JAMES LOUGHEED: I do not propose to occupy any length of time in answering what my honourable friend has said. It is too late to follow the lamentations in which my honourable friend has indulged, and which are entirely without warrant. To compare the expenditure of Canada at the present time, when the country is in a state of war, with what it was under normal conditions previous to 1914, is simply trifling with the question of criticism, and it would be a loss of time to deal with a so-called argument of that character.

I will, however, take the liberty of pointing out to my honourable friend—and I hope he may obtain some satisfaction from it—that as to item 383 in the Estimates, touching the Quebec and Saguenay railway, the information was readily obtainable if he had made inquiry as to the basis upon which this estimate is formed. My honourable friend has referred to the statute requiring a valuation to be placed upon this railway by the Exchequer Court, and it seems to me most commendable in the Government that it has been able to save approximately over a million and three-quarters of dollars by reason of its prosecution of that valuation before the Exchequer Court. Although the company claimed, as the cost of the road, some five and a half millions, and although Parliament had given authority to the Government to acquire the road at a cost approximating four and a half millions—

Hon. Mr. BOSTOCK: Not that road alone, but three roads.