

reputation throughout western Canada. He has given the house some idea of this bill. He stated that the line starts at a point near Grimshaw, which is close to the town of Peace River in Northern Alberta, and extends to Hay River on Great Slave Lake. I understand that is a distance of about 425 miles.

**Hon. Mr. Buchanan:** It is 438 miles.

**Hon. Mr. Macdonald (Brantford):** 438 miles. So it is quite a long railroad. The honourable senator from Edmonton also stated that the cost of construction and the acquisition of the land is \$86,250,000—and that is a lot of money. We are asked on the closing day of this session, or perhaps the day before, to approve this bill, to approve the expenditure of that amount of money, and to let the work start as soon as possible. We all want the work to start as soon as possible, but I feel it is most unfortunate that the bill should come to us at this late date.

The honourable senator referred to an agreement that these parties must enter into. The agreement is to be between Her Majesty the Queen, Canadian National Railway Company, Consolidated Mining and Smelting Company of Canada Limited, and Pine Point Mines Limited. Honourable senators, I did not see the bill until shortly before coming into this house this evening, and I have not seen the agreement yet. Therefore, if we give this bill second reading this evening we shall be doing so pretty well with our eyes closed and approving of the Government entering into an agreement of which we know nothing. We are told we shall see the agreement tomorrow, after we have approved this bill in principle. That is not the way the Senate is accustomed to doing its work. I say it is most unfortunate that we are called upon so late in the session to consider this very important matter. If the bill receives second reading this evening, any approval I give will be with definite reservations.

Honourable senators, the purpose of this bill is to build the railway I have mentioned for the benefit, as the sponsor of the bill (Hon. Mr. Buchanan) said, of the people who live in that far northern part of Alberta. I know we all would like to be of assistance to them, but that is only incidental to the building of the railway. The purpose of building the railway is to assist the Pine Point Mines—let us make no mistake about that. In fact, we are not only building the railway to Hay River on Great Slave Lake, but also building a spur line of about 25 miles to the mine. The mine does not even pay for that. The Government, that is we the people of Canada, even pay for the spur line.

There are certain guarantees, such as that Pine Point Mines Limited shall undertake to make payments within ten years after the mine gets into production. I do not know if the mining company will pay its share or not. I hope it will, but if it does not, and if Canadian National Railways loses money as a result, that is not going to be charged against Canadian National Railways, but against the Consolidated Revenue Fund. So in no case will any indebtedness incurred by the railway on account of this line be borne by the railway. It will be borne by the people of Canada.

What is the purpose of the railway? Its purpose is to assist in developing the north country. We are all in favour of that. Also, it is to bring ore and concentrates, as the sponsor of the bill (Hon. Mr. Buchanan) said, from Pine Point Mines over this 438 miles of railway to Grimshaw, then to be taken from Grimshaw, I do not know how many miles, to the Consolidated Mining and Smelting Company, and the carrying charges are to be paid. Who is going to carry the ore? Canadian National Railways will carry it all that distance, but it does not carry it all the rest of the way. Oh, no!

There is an agreement that a certain amount of the ore to be hauled will be allotted to the Canadian National Railways and a certain amount to the Canadian Pacific Railway, but the C.P.R. has not put one cent into this; it is all being put in by the Canadian National Railways through the Government of Canada.

Well, that sounds like a pretty good deal for somebody—a good deal for the Pine Point railway, a good deal for the C.P.R. In fact, honourable senators, I might mention here that it was once thought that the Canadian Pacific might build this railway, but it would not do it. Its attitude was, let the Government build it, we will carry our share of the ore after it gets as far as Grimshaw. But who else benefits from this? The ore is to be brought to the Consolidated Mining and Smelting Company's smelting plant. They will receive the concentrates, the smelting will take place there, and they will get all this great volume of business. But are they paying anything towards the construction of this railway? No, honourable senators, not one cent, yet they are to get the profits. I say that it is a strange way of doing business.

In addition, no one knows just what this railway is going to cost to construct. I am given to understand that a bridge is to be built over one of the rivers along the line and the soundings have not yet been taken for its foundations. So who knows how much the railway is going to cost?

I am glad the honourable senator from Edmonton (Hon. Mr. Buchanan) suggested