

muskeg. There are some bridges which require repairs, and in other words the vote of \$350,000 is merely for the purpose of preventing further deterioration to the line. With that, it may not involve so much more expense later on. In fact, as I remember that vote last year, we estimated that unless that money was spent we would lose about \$1,000,000.

The CHAIRMAN: Did you spend it?

Sir HENRY THORNTON: Part of it, not all.

Hon. Mr. GRAHAM: I will tell you what the situation is. There is an item here for keeping Port Nelson open and so on, but last year we probably did not feel that we were at liberty to go on until we got the money. It was not voted in the name of the company last year, it was a separate vote. We only spent \$60,000 or \$70,000. This year, having started these repairs, I told Mr. Warren I thought he would be safe in starting with the work earlier, and I think he has been on the work already.

The CHAIRMAN: But it is only repairs?

Hon. Mr. GRAHAM: Yes.

Mr. STEWART: I wanted to get it clear on the point as to just how the expenditures on that stand between the government and the Canadian National. That is a government railway, is it not?

Hon. Mr. GRAHAM: The government railways were all taken over by the National, and that was included, and unless it was taken outside the sphere of the Canadian National, it would have to be charged to the C.N.R.

Mr. STEWART: And the completion will have to be done by the Canadian National?

Hon. Mr. GRAHAM: Yes, unless we were to remove it from the C.N.R. by order in council. Any money expended on that had to be charged up as a loan to the Canadian National.

Mr. STEWART: Just whose is the responsibility for the completion? Is it a matter of the government, or the Canadian National Railway Board?

Hon. Mr. GRAHAM: Both.

Sir HENRY THORNTON: I would say the responsibility of the government is to provide the money, and after the money is provided it is the responsibility of the Canadian National Railways to see that it is wisely and economically spent for the purpose for which it was voted.

Sir HENRY DRAYTON: It is also then responsibility of the government to determine the policy to be followed.

Hon. Mr. GRAHAM: But first the Canadian National Railway must recommend whether this line ought to be constructed or not.

Mr. STEWART: Use the word "completed", not the word "constructed".

Hon. Mr. GRAHAM: Then Parliament will have to say whether they will give them the money or not.

Mr. STEWART: Let us go back a little further. We had, a short time ago, a number of branch lines throughout the prairies before Parliament, and it seemed to be the general understanding that the advice had originated with the Canadian National Railway Board that these lines were needed and advisable; the government was simply passing upon them and granting the money with which to build them. I want to find out about the Hudson Bay railway, as to whether that is the position it is in. Are we to wait until the Canadian National Railway Board advises that the money be paid to complete that railway, or has the government the right to take the initiative and say, "Here is the money; go to work and complete that road."