

went to him and said: "Look here, Sir Donald, this man Rainville is a bad actor; you will have to settle or he will take you to the Privy Council and tie up everything." Mr. Rainville had a lot which was 50 feet by 150 feet, and the railway bought it and paid \$165,000 for it. I happen to know of this, because I was Mr. Rainville's arbitrator. The matter was settled out of court. Mr. Rainville got \$100,000 in cash, and took a mortgage of \$65,000 on the property. That is only one property, and yet in the statement furnished to Parliament it is claimed that they are going to settle the land damages with \$52,799.13. Then, there is interest during construction, \$1,432,129.59. The expenditure up to date is \$1,420,827, leaving simply the interest due, \$11,300 in round numbers, making the estimated cost of the tunnel and the terminal say \$10,401,361, and the expenditures to April 30, 1917, was \$9,632,718, leaving \$768,643, to complete the work.

The tunnel and terminal companies sold bonds and collected the money in order to finish this work. Where has that money gone? I appeal seriously to the members of the Senate, will the balance of that money be handed back to the Government in order to finish this work? There has been expended for right of way from the terminal to the harbour \$1,316,806, but there are deferred payments amounting to \$174,000 on property acquired for extension of present terminals. That only shows that this Parliament is receiving information which is absolutely wrong on the face of it, and there is not a man in Montreal who would pretend that the figures given here, and given in all seriousness in another place by the Minister of Finance, would be sufficient to finish the work. They say they are going to finish it for \$578,643; but I have had statements from reliable engineers and architects that five times that amount would hardly finish that work. They propose to get money by selling crushed stone taken from the tunnel, and they want this country to go peddling that stone around for sale. They estimate that for macadam that crushed stone would be worth \$512,254, and they say they have received already \$322,254, and they expect to get \$190,000 for the balance.

In British Columbia the Canadian Northern Pacific railway flooded a great deal of land with their irrigation scheme, and now there have been many claims made on account of that flooding. I am told that Mackenzie and Mann have been able to

stand off those claims; but will the Government have the strength of character to say to the people: "We will not allow you anything?" There has also been trouble from one of the tunnels of the Canadian Northern Pacific sliding into the Fraser river and blocking it so that the salmon could not ascend the river, and the fishing interests will now make claims. Of course, those people could enter claims against Mackenzie and Mann or the Canadian Northern Railway company; but they had a beautiful system that any one who wanted to sue them could never strike the right company that did the thing complained of. If they sued the Canadian Northern it was the Canadian Northern Quebec or some other company they should have sued, hence they were non-suited; but now these people will come against the Government, which cannot divide itself, and the people in the salmon industry whose business was injured will have to be looked after by this Government. I think this is a very bad time for the Government to go borrowing money. I move the adjournment of the debate.

The debate was adjourned.

Thursday, September 6, 1917.

Hon. J. B. P. CASGRAIN: When I stopped speaking yesterday evening we were emerging from Mount Royal tunnel. I am sure that as this subject involves a matter of only \$600,000,000, it will not create very much excitement in this House, and that the discussion will be conducted in a most peaceful manner. In speaking of the \$52,000 that was supposed to be sufficient to pay for damages to property, I should have added that there is an agreement between the Canadian Northern Railway company and the Mount Royal Tunnel and Terminal company and the proprietors of the land by which no damages are to be settled until one year has elapsed after the work is completed; so it is evident that the account is more than uncertain; and as I came forward with only one large account which they have to settle, it stands to reason that there will be many millions of dollars required to settle all the others.

I regret that I must take issue with the honourable leader of the Government when he said yesterday afternoon that the amounts guaranteed by the Federal Government were all second mortgages, and that the provinces ranked before the Federal Government in their guarantees. I under-