

make a large volume when published. I have talked with men who fought at Waterloo, and men who fought at Inkerman. I have no doubt that our Brother Dessaulles can look away back beyond Inkerman, if not quite to Waterloo. I noticed one feature which distinguished all of those men whom I interviewed—the age of most of them was about eighty—there was only one man who approached anything like a hundred years—that everything controversial or bitter that may have characterized their earlier years had passed away, and they were getting a new and kinder disposition. I have no doubt that this remark would apply to our friend here. On behalf of the members whom I represent in this Chamber, I desire to extend to him our hearty wish for long continued years, and the enjoyment of good health.

The sitting of the Senate having been resumed:

Hon. Mr. DANDURAND: Honourable gentlemen, with the consent of the Chamber, I move that the report of the proceedings that have just taken place in celebration of the centenary of one of our members be made part of the records of this Chamber, and be extended in Hansard.

The motion was agreed to.

The Senate adjourned until to-morrow at 3 p.m.

THE SENATE

Thursday, February 2, 1928.

The Senate met at 3 p.m., the Speaker in the Chair.

Prayers and routine proceedings.

CANADIAN NATIONAL RAILWAYS RETURNS FROM BRANCH LINES.

Hon. Mr. DANDURAND: I desire to give an answer to my honourable friend from Manitoba (Hon. Mr. McMeans), who spoke yesterday of the financing of the Canadian National Railway system. The answer is in the form of a memorandum which I have received from the Railway Department. It reads as follows:

The financial requirements of the Canadian National Railways are dealt with each year by the House of Commons in the form of an estimate designed to meet expenditures made, of indebtedness incurred (where amounts available from net operating income or investments may be insufficient) by or on behalf of the Canadian National Railway Company.

Expenditures thus authorized include:
(a) Interest on securities, notes and other obligations: rentals for lease of lines;
(b) Equipment Principal Payments: Sinking Funds; Miscellaneous Maturing or Matured Notes and other obligations secured or unsecured;
(c) Operating Income Deficit, whenever incurred or ascertained;
(d) Construction and Betterments, including co-ordinations; acquisition of real or personal property.

The amounts so required may, at the discretion of the Governor-in-Council, be provided by way of loans in cash or by way of guarantee, or partly one way and partly the other. This optional form of financing was adopted by a previous administration during the fiscal year 1921-22, and has simply been continued by the present Government.

Cash provided by the Government is a charge on the Government's financing for the year in question. Amounts raised by the railway by guarantee are not, and never have been, taken into account as increasing the public debt.

Senator McMeans refers particularly to deficit on interest account. The railway, in recent years, has been able to meet the interest due the public. Interest due the Government has not been met, but is charged into the debt of the railway to the Government each year as interest accrues.

Senator McMeans also asks whether the deficit is concealed.

No feature of Canadian National financing is concealed. The railway estimates go before a special committee of the House of Commons each session. The committee calls before it the principal officers of the railway, who give the members of the committee any necessary information as to the operations of the previous year and the proposals concerning the forthcoming year. The proceedings of the committee are printed. The committee also has before it annual report of the railway as laid on the Table by the Minister of Railways each year, and a statement of the year's financing is to be found in the report of the President and Chairman of the Board, while the details of fresh financing are supplied by the statement of funded debt as set out in the report.

THE GOVERNOR GENERAL'S SPEECH

ADDRESS IN REPLY

The Senate resumed from yesterday consideration of His Excellency the Governor General's Speech at the opening of the Session, and the motion of Hon. Mr. Little for an Address in reply thereto.

Hon. Mr. HUGHES: Honourable gentlemen, before the honourable gentleman proceeds with his speech I should like to ask a question. I think this is a good time, as he can answer either now or during the course of the debate. Does the honourable gentleman think or believe that we are developing our mines at too rapid a pace? In other words, are we using up our mineral resources too rapidly, and, if so, what remedy should be applied?