

plied to other roads. Under the old rule, upon the report of the officer of the department being made that a ten mile section of the road had been completed, a payment on account of subsidy was paid. If I remember well, a part of this Great Eastern Railway was let to the Canadian Pacific Railway, and they ran that part of it from Iberville to the St. Lawrence, but abandoned that portion which ran to Sorel, doing so on account of the fall of a bridge somewhere on the road. It being run for some time, there was a vote, and I think the money was paid since the hon. gentleman (Hon. Mr. Blair) became Minister of Railways.

The PRIME MINISTER. My hon. friend (Hon. Mr. Haggart) is mistaken. There are two roads. One is over the Yamaska River Valley and the other over the Richelieu River Valley. The hon. gentleman is speaking of the South-eastern Valley Railway, which runs from Iberville to Sorel.

Hon. Mr. HAGGART. I understood that either on the South Shore or the South-eastern there was a vote for a bridge since the present Minister of Railways took office.

The MINISTER OF RAILWAYS AND CANALS. For the South Shore—yes.

Hon. Mr. HAGGART. And the payment has been made since the hon. gentleman came into office. However, I agree with the Minister of Railways; I do not see what possible remedy there is when a road is built, and the owners do not find it in their interests to run the road—

Hon. Mr. TARTE. Will the hon. gentleman (Hon. Mr. Haggart) allow me one moment?

Hon. Mr. HAGGART. Yes.

Hon. Mr. TARTE. In the case of the South-eastern Valley, that part of the road has been amalgamated with the Rutland Railway, an American concern. I am informed by a member of the House who is on the spot that he has learned on good authority that the earnings of the South-eastern Valley and the South Shore Railway are sent up to the Rutland Company, instead of being used in working the road. That is a very serious state of affairs, and surely it ought to be possible to put a stop to it.

Hon. Mr. HAGGART. That is the point I was trying to work out. I had an idea that a portion of this road was valuable and that it had been amalgamated with some other. I thought it had been taken by the Canadian Pacific Railway and part of it abandoned by them. It appears, however, that it was the Rutland road. There is a remedy in that case. Where only a part of a road subsidized is taken over by another, that part being valuable, it might be made a condition that, in order to secure a portion, they must work the whole undertaking, unless they get authority from the parliament to abandon a portion. But where a whole

Hon. Mr. HAGGART.

road is abandoned, as the hon. Minister of Railways says, I do not see that there is any remedy for it. I do not see what action the government could take or what law could be passed to prevent a difficulty of that kind. But what interests me particularly about it is that this was one of the grand schemes in connection with the Meyers syndicate. They must have some monetary connections in this country, some capitalists who are interested, and who have at least a part ownership in the stock and bonds of the road. It would be very interesting to the House to know who these capitalists are and whether their connection with this concern makes it likely that, some way or other, the undertaking will be put upon a good financial basis. Perhaps the ex-Minister of Public Works (Hon. Mr. Tarte) would be kind enough to inform us who are the capitalists on this side of the line interested in this undertaking.

Hon. Mr. TARTE. I do not know of any Canadian capitalists interested in the South Shore with Mr. Hodge and his partners. Of course, there are creditors of the two roads, large sums of money due. But Mr. Hodge and his partners or his principals—I do not know whether he has any partners with him—have managed to get possession of the South-eastern Valley Railway, the United Counties Railway and the South Shore Railway. There were two groups of men interested. They have amalgamated, as the Minister of Railways (Hon. Mr. Blair) will remember. But the two sides are fighting as to the way they have amalgamated. Now the South-eastern Valley Railway is detached from the South Shore Railway and attached to the Rutland Railway. I say again I am informed by a member of parliament, who is not well enough to stand up here and say what he would like to say, that he has it on good authority that the earnings of the Canadian mileage are being sent to the American concern; yet the creditors are not paid, the road is not being worked, and the population are really suffering for lack of railway service. It seems to me that the House can find a remedy for such a state of affairs. The earnings of a Canadian railway should not be allowed to go to keep alive an American railway. If the state of affairs I refer to is true—and I believe there is no doubt about that—something should be done.

Mr. CHARLES H. PARMELEE (Shefford). I do not think my hon. friend from St. Mary's division (Hon. Mr. Tarte) is quite correct, though he is in absolute good faith in the statements he has made. So far as regards the South-eastern Valley Railway, I am informed the Rutland has acquired running rights over it and is working that portion of the railway by reason of that arrangement, and has a regular train service, though the Quebec Southern, which virtually owns the line from Lacolle to Sorel is not in operation. I have listened to