

Grand Trunk Pacific Railway. Mr. Hays was then desirous of taking over the sections of the line as they were completed from time to time. At that time the road from Moncton to Edmundston was pretty nearly completed. Mr. Hays' proposition was this. He said that if the Government would let the Grand Trunk Pacific take possession of such sections they would put on their rolling stock and operate the line to the best possible advantage, they would keep an account as between the earnings and the expenses, they would have those accounts audited from time to time by a Government auditor, and if any profit was made they would put that into the treasury or give the Government credit for it, and if there was any loss the Government should pay that loss but it should be added to capital account to form a part of the cost of the Transcontinental railway on which the Grand Trunk Pacific would pay interest. I thought, as representing one of the Maritime Provinces—the province of New Brunswick, through the centre of which the Transcontinental passes—that it would be very desirable to make that arrangement, because the result would be that as the sections were completed the Grand Trunk Pacific would get the road in active operation and begin to stimulate industries along the line because they would all inure to the benefit of the company. That was the arrangement which the president of the Grand Trunk Pacific proposed to make. We went out of office before that section of the road was completed, and two years ago I asked the Minister of Railways if he had taken up with the Grand Trunk Pacific the question of making an arrangement such as that which Mr. Hays offered to make to our Government. He said not. I then asked him if he would approach the Grand Trunk Pacific and see whether they were still willing to make that arrangement. He promised to do so. That was two years ago, and my hon. friend has not yet acquainted this House with the results of his efforts in that direction. I asked if there was any correspondence on the subject, but none has been brought down; and in the correspondence which has been brought down to-night there is a marked absence on the part of the Minister of Railways of evidence of any effort to induce the Grand Trunk Pacific to take up the operation of sections of the line upon those terms. Let me ask if it will not be to the interest of the Government to make that arrangement if the

[Mr. Pugsley.]

Grand Trunk Pacific is still willing to make it, and let me say to my hon. friend that when I told him of the arrangement which Mr. Hays was willing to make for the operation of the various sections of the line, he promised to take this matter up; and I think it is due to the House, if he has made that effort, to state what the result of it is, and to bring down any correspondence which he has bearing on the subject.

What does it propose to do? Without making any effort, so far as appears from the correspondence, to get the railway company to carry out the arrangement they were willing to carry out when the late Government was in office, this Government proposes itself to engage in the operation of the railway from Moncton to Winnipeg. What does that mean? It means that this Government has got to put this country to an expense of many millions of dollars to provide rolling stock, if they are going to give efficient operation, and to-night in almost the dying days of this session and after the Prime Minister had told my right hon. friend the leader of the opposition that no new legislation of a contentious character would be brought down, this Government brings down a resolution which, from the standpoint of the interest of this country and more especially of the interests of eastern Canada, is of a most contentious character. They bring down a resolution which if adopted would authorize them to spend not only millions of dollars in rolling stock without coming to this Parliament for an appropriation, but to spend at least \$30,000,000 or \$40,000,000 in acquiring the branch line of 180 miles from Lake Superior Junction to Fort William, and in acquiring the branch line of 180 miles from Lake Superior Junction to Fort William, and a great many millions of dollars in acquiring the terminals of the Grand Trunk Pacific; and I am sure the terminals could not be purchased through the Exchequer Court for \$30,000,000, and I doubt whether they could be purchased for less than \$40,000,000. And yet they come down in the last days of the session and ask Parliament to vest them with authority to incur this enormous outlay involved in the resolution for which they are asking the assent of the House. Would it not be a thousand times better for this Government to make an arrangement with the Grand Trunk Pacific, who are to operate this line for