

It is easier to give the capital expenditure than the other.

Mr. EMMERSON. I have not even given the other except approximately. We have it down to the last of May but not until the last of June. By comparison with the expenditure of the preceding year, these results are shown, and I am gratified to know that there is an improvement in the financial condition.

Mr. R. L. BORDEN. The hon. minister estimated the expenditure from the 31st of May. He has got the actual expenditure to the 31st May. Perhaps he will give us the capital expenditure to the 31st May.

Mr. EMMERSON. My deputy informs me that monthly statements come here from the management at Moncton showing the operating expenses but not the capital expenditure.

Intercolonial Railway—to increase water service, \$7,300.

Mr. EMMERSON. This is for an addition to the water service at St. Charles Junction. In order to get a reliable supply of water, it will be taken from Lake Beaumont, a distance of 5,000 feet.

St. Moise station, \$250.

Mr. EMMERSON. This is for additional sidings.

To increase accommodation at Halifax, \$60,000.

Mr. EMMERSON. This is for the purchase of land for a round house. This block of land is up near what they call the cotton factory site, near Henderson & Potts.

Mr. R. L. BORDEN. Who owned the land?

Mr. EMMERSON. Mr. Henderson.

Mr. HAGGART. What is the total expenditure for increased accommodation at Halifax this year?

Mr. EMMERSON. We have asked \$250,000 and this is \$60,000 to meet this special expenditure.

Mr. HAGGART. Then there is some dredging besides, but that comes under the Public Works Department.

Mr. COCHRANE. Who bought the land?

Mr. EMMERSON. It was bought direct. I think the price paid was three cents a square foot.

Lachine canal staff, \$5,000.

Mr. EMMERSON. We had anticipated that the electrical apparatus would be in working order before this, which would have saved us considerable in the way of staff, but that is not yet completed.

Mr. HAGGART.

Intercolonial Railway—to pay a compassionate allowance to the father of C. Floyd and S. Floyd, killed by an accident, \$400.

Mr. BARKER. When I entered the Chamber, my hon. friend the Minister of Railways was promising very hopefully better things. We have had such promises in years gone by, and they generally preceded a general election. I do not know whether the hon. gentleman was looking forward to a general election when he became so hopeful, but we do happen to know that although, prior to a general election, the Intercolonial Railway shows great economy and cutting down of expenses, that disappears the year after the elections and the expenditure then doubles. I hope the hon. gentleman is not preparing us for anything of that kind. I think he will do far more for the Intercolonial if he will reverse the methods now in vogue on that line. He is aware that the public accounts committee investigated three or four rather small items, small compared with the general class of items, and we found rather an extraordinary state of things.

We find first of all that the minister himself was setting a very bad example. He, being interested in certain commercial concerns, took upon himself to suggest that the Department of Railways should buy stores from the concern in which he was personally interested. I cannot imagine anything more likely to spread corruption throughout a service than that sort of thing. If there is anything in the world that would demoralize a staff it is the fact becoming known that the minister himself was not above using his position to obtain a little patronage for a company in which he was concerned. Another peculiarity about it is that in three or four, perhaps half a dozen instances, in which investigation was made, one gentleman turned up in every one, a Mr. Matthew Lodge. When we investigated the oil company in which the minister was interested we found that Mr. Lodge was the secretary. When we investigated the Eastern Supply Company, we found that Mr. Lodge was the agent of the Eastern Supply Company; when we investigated the purchase of lands on which there was an outrageous profit, we found that he, acting for himself or somebody else was pocketing a large amount of money from the government. We found also that another gentleman, a Mr. Sumner, who was interested in, and president, for the time being, of the New Brunswick Petroleum Company, turned up in the land purchase as the gentleman who certified to the value of the lands which his friend, Mr. Lodge, secretary of the oil company, is selling to the government. The whole thing seems to turn on a wheel, of which Mr. Lodge seems to be the centre. The minister knows that he took the extraordinary course in connection with the New Brunswick Oil Company, of writing to the