

ters in Paris, Brussels, Rotterdam, Antwerp and other cities and do their business in a fairly satisfactory manner without an extravagant expenditure.

There is another item which I do not wish to involve with this one, but I will just mention it. We are told that this \$73,000,000 vote is necessary for the carrying on of the railways. We know branch lines are needed, and we know that there is a curtailment of expenditure in this direction. Yet here is a sum of \$2,000,000, segregated for goodness knows how long, to finance a private undisclosed syndicate; here is a million and a quarter dollars—and I want the committee to listen to this—for the purchase of one of the most expensive sites in Toronto at the corner of King and Yonge from the owners, a chartered bank—a corner that I am informed was purchased by that bank about eighteen months previously for approximately \$700,000. Now, I have this to say to the minister, and I ask him to pass it on to Sir Henry Thornton: If Sir Henry Thornton's idea of his responsibility to this country, his \$50,000 position, is that he can, without consultation with or notification to the government, purchase for \$2,000,000 a hotel in Paris through an official, and purchase a property at the corner of King and Yonge streets, Toronto, for a million and a quarter dollars—giving to the bank a profit of \$550,000 in a few months—then I say Sir Henry Thornton's idea of managing the affairs of the National Railways is a great disappointment to me, and until these matters are fully and completely explained I shall lack very great confidence in the future of the National Railways under the control of Sir Henry Thornton.

Mr. BAXTER: Mention has been made of branch lines and it has been stated that we would be informed later on as to the appropriations to be made for their construction or completion. Would the minister tell me what there is that differentiates the buying of a hotel or the acquisition of a corner block in Toronto from the completion or construction of a branch railway? Why is it that the minister gets information and the government passes upon the construction of branch railways and submits the matter to parliament, and yet if it is a building in the centre of Paris or of Toronto the minister and the government are not permitted to know anything about it? I want to find some clear line of policy, some separation of the subjects, so that I and other members will know when they come up what are within the domain of the railway authorities

alone and are secrets to the minister and the government, and what class of subjects the government, the minister and parliament are to be consulted about before they are undertaken.

Mr. GRAHAM: My hon. friend has been led astray by some statement he has heard to-night about the Toronto property.

Mr. BAXTER: I shall be very glad to be put right.

Mr. GRAHAM: My hon. friend from Vancouver Centre (Mr. Stevens) got extravagant in his statements, to put it mildly.

Mr. STEVENS: I was provoked to it by the absolute silence of the minister with regard to any real information.

Mr. GRAHAM: I am going to give my hon. friend some information about the Toronto building. This building was bought in the usual way, being expropriated by order in council with the approval of the government. Sir Henry Thornton did not buy the property. As to its value, I think at least 80 per cent of the members of this House would have thought it very foolish if we had allowed ourselves to be driven from a building that had been occupied for twenty-five years as a Grand Trunk ticket office. The rental charged the Grand Trunk will fully pay the interest on the investment, and we retain in Toronto a corner which many people would have been delighted to see us driven from. It is the best corner in Toronto; it is the place to which people have been accustomed to go to buy tickets for the Grand Trunk Railway, and to have allowed ourselves to be removed from it would have resulted in the loss, I think, of hundreds of thousands of dollars every year in the way of passenger traffic. That corner is a good buy, notwithstanding what my hon. friend says. The Exchequer Court passed on the price. My hon. friend referred to \$700,000; I think it was \$850,000, if I remember correctly. But the one property was sold because it was what one might call almost a forced sale; that is the reason why it was sold at a comparatively low price. As hon. members know, on corner lots in Toronto the prices are advancing. The Imperial Bank refused \$1,000,000 two or three months before for that property. We endeavoured to get it but we could not get it. We offered them a million, offered them \$1,100,000; endeavoured to get it without forced proceedings, as I might call them. Then the government by order in council expropriated the property and the matter went before the Exchequer Court.