

but for cases which may arise during the year 1885-86. My hon. friend is not a prophet, and cannot foresee the necessity of a repair here or there or a small claim springing up, and in order to provide for future possibilities there is always a vote of this kind in our services.

Sir RICHARD CARTWRIGHT. That would be a very fair argument for asking for such a vote chargeable to income. I quite agree with the First Minister that in the working of a great railway like the Intercolonial Railway, these unexpected expenditures may occur; but although the sum is small, this principle of charging these sums to capital account is one I have thought it my duty to call the attention of the House to, because it is liable to abuse. The case is not on all fours with that of a private company. When a private company makes such additions to capital account, it has to pay interest on them; but in our case millions are added every year to capital account, and no sort of check or control is placed on the natural disposition of the administrators of the railway to gratify this or that locality. That is the reason I object to these charges.

Sir JOHN A. MACDONALD. I quite understand the position taken by the hon. gentleman; and it is well worthy of every consideration whether the capital account of the Intercolonial Railway, like any other finished work, should not be closed as much as possible, and should not be increased definitely for a number of years. But all we can say is that in this case we are following the practice which has obtained from the time the Intercolonial Railway was initiated until this time; but it is quite worth considering whether a change should not be made in this regard. But that is quite different from the argument of the hon. member for North York (Mr. Mulock), that we should say what accidents might happen in 1885-86, and how this money should be applied. I hope there will be no accidents, but we should have the money if accidents should happen.

Mr. MULOCK. I would remind the First Minister that we are now in the fiscal year 1885-86, and I question if this \$6,000 is for any unexpected items. The capital account of the Intercolonial Railway has been increasing by millions of dollars, and is this item of \$6,000 the only item on capital account? If so, it has a peculiar significance. It is manifest that there is something in this item we do not understand. If the Minister says at present he has no idea whatever as to the application of this money well and good, we shall know about that next year; but I think there is a distinct object for this particular item.

Sir JOHN A. MACDONALD. There is a "nigger in the fence," no doubt.

Mr. MULOCK. I do not mean that; but having regard to the gigantic nature of the work, it appears to be too small a sum to stand simply as a vote of credit.

Mr. McLELAN. There are other sums for capital account and they are stated; but with respect to what the Acting Minister of Railways has said as to the claims for the rights of way or other claims. I know as a matter of fact that there were very many owners who declined at the time the payments were made, to accept the sums awarded for right of way, on the ground that they were too small. I dare say there are a number of these sums standing out, and the owners may at any time come forward and say they will accept settlement, or their representatives may present themselves, and it would be unjust not to be able to meet them. Most of them are very small sums, and the hon. gentleman has taken this amount for a number of years to meet these incidental claims as they may arise.

Sir RICHARD CARTWRIGHT. The words used are "miscellaneous works," not claims at all, and I question whether the Auditor General could pass a demand for damages when you take a vote for works. I see that, in the

Supplementary Estimates, an amount of \$53,000 is asked for, to pay contractors on the Intercolonial Railway the amounts decided by the commissioners.

Mr. MILLS. The argument of the First Minister would have had more force if we were voting Estimates for the future, but it so happens that the year for which this appropriation is made has closed.

Sir RICHARD CARTWRIGHT. No; this is for 1885-86.

Mr. MILLS. The Minister says, with regard to the capital account, that there is a great deal in the argument of my hon. friend. A few years ago, there were a number of second-hand cars purchased for the purpose of carrying coal, which were bought from some railway on the other side, and were found to be utterly useless, though they were to replace others that were worn out. That was charged to capital account, and, since my hon. friend retired, nearly \$10,000,000 have been added to capital account in connection with the Intercolonial Railway. In this way the capital account may be increased indefinitely. I can understand, where a few miles of new road are built, that that might be charged to capital account. I can understand that, where a large amount of stock or equipment is required, in addition to that usually used on the road, in consequence of increased traffic, that might be charged to capital account, although I think there is some doubt as to the propriety of adopting that course, but the Government have, during the past seven years, charged to capital account the repairs on their locomotives and the stock purchased to replace the stock already worn out.

Sir JOHN A. MACDONALD. It has always been done.

Mr. MILLS. He has not shown that it has always been done. It has been done since the hon. gentleman has had charge of the road, but it is a most improper proceeding, because it conveys an erroneous impression as to the actual expense for working the road for the year. The hon. gentleman has charged to capital, I think, \$1,400,000 during the past year, and I venture to say that no portion of that can properly be charged to capital account. We have gone forward from year to year largely increasing the capital account of the Intercolonial Railway, so that, during the past seven years, that account has been increased by nearly \$10,000,000, which ought to have been charged to the ordinary expenses of the year in which they were made. If the hon. gentleman kept his accounts properly, if the capital account was closed and the expenses for repairs and renewals were charged to the ordinary cost of working the road, we would see exactly what the condition of the railway is, we would see how far it was from being a profitable enterprise, we would see how far in the location of the road the hon. gentleman sacrificed the public interest. But, in the way the accounts are made up, they are altogether illusory.

Mr. MULOCK. When I made my remarks, I did so in the line I took on account of what fell from the Acting Minister of Railways. He gave the committee to understand, in a vague way it is true, that this fund was to meet existing claims.

Mr. POPE. No, I did not.

Mr. MULOCK. He said it might be claims for right of way. Of course, all the right of way has been acquired many years ago, so that must be for the past. The First Minister has given another explanation. He says it is to pay for contingencies in the future. Then the Minister of Marine and Fisheries says it is to pay for claims to be made for right of way not yet settled. The committee can draw its inference from all this as to the purpose for which this particular fund is to be voted. I think the explanations of the Minister of Marine established the fact that this item is to pay some indefinite liability in reference to the past which may be presented, and which may not; not for the