

road, and although on paper they may lose money in operation, they more than make it up in the contribution they make to the general well-being of the system, and I believe the Halifax hotel will be no exception in this regard.

Mr. RALSTON: I just want to say one word in order to put my hon. friend right in the matter of dates. He has suggested to-night that the subscription of the Canadian Pacific Railway was made before the announcement by the Canadian National Railways.

Mr. BENNETT: Not the whole subscription, but \$100,000 of it.

Mr. RALSTON: Well, the whole or any part of it. I want to say to my hon. friend that if he will look at the record he will find that on July 6, the Lord Nelson Hotel Company advertised in the Halifax Herald, and in that newspaper appeared a letter signed by H. R. Silver, president, in which it is stated:

It is confidently expected that in the event of Canadian National Railway Company purchasing this amount of preference shares, the Canadian Pacific Railway Company will also subscribe for \$100,000 par value of the preference shares on the same terms.

The Canadian National Railway Company did not subscribe, and I want to tell my hon. friend that the Canadian Pacific Railway Company did not subscribe at that time. On July 14 the announcement was made which I read to the house last night, to the effect that I felt satisfied in my own mind that the item would be placed in the estimates if the management of the railway recommended it. On July 20, Sir Henry Thornton stated that the board of directors of the company would put this item in the estimates, and not until September 26, over two months later, did the Canadian Pacific Railway announce having taken up that subscription. That announcement is contained in the Halifax Chronicle of September 28, in a letter from Mr. Beatty under date of September 26 to Mr. H. R. Silver which has the following to say:

Our executive committee to-day approved a subscription by this company to the preferred stock of the Lord Nelson hotel to the amount of three hundred and fifty thousand dollars par value, conditional upon the bonds and balance of preferred stock being sold.

Let that settle the matter of dates. The Canadian National Railways made their announcement on July 20 and the Canadian Pacific subscription and announcement were

[Mr. Dunning.]

made on September 26, so when my hon. friend suggests that a portion of the subscription was taken up before he is palpably in error.

He is seeking to blame the minister; for what? I have told him the reason why this proposition was turned down; one reason was because it was too expensive. I quote the statement made by my hon. friend last night, in which he said:

That in my judgment was a proper view to take, having regard to the fact that the commission to be paid was much larger than should be paid for securing capital under these circumstances.

The other reason was that parliament had not authorized that expenditure, which was commended by my hon. friend. I do not know how he blames the ministers under those circumstances. The proposition was turned down on July 14 and immediately after that the announcement was made. I think with this matter of dates straightened out the house will have no difficulty in coming to a conclusion on the argument made by my hon. friend.

Mr. BENNETT: The only difficulty about it is that the statement of the hon. gentleman with respect to dates is not borne out by the record. Would my hon. friend mind reading the exact words of that letter again?

Mr. RALSTON: This is what I read:

It is confidently expected that in the event of Canadian National Railway Company purchasing this amount of preference shares the Canadian Pacific Railway Company will also subscribe for one hundred thousand dollars par value of the preference shares on the same terms.

The other letter, from Mr. Beatty, was as follows:

Our executive committee to-day approved a subscription by this company to the preferred stock of the Lord Nelson hotel to the amount of three hundred and fifty thousand dollars par value, conditional upon the bonds and balance of preferred stock being sold.

Mr. BENNETT: And the date?

Mr. RALSTON: September 26.

Mr. BENNETT: Previously the company had agreed to invest \$100,000. Now I will read from the statement of the president.

Mr. RALSTON: I am giving the statement made by the Lord Nelson Hotel Company.

Mr. BENNETT: The statement made by the president of the Canadian Pacific Railway Company is as follows:

Your directors, after discussion with the National Railways and upon the strong recom-