

the advice of the head of his law department, Mr. Atkinson. Mr. Atkinson's advice covers several pages and I trust the House will not think I am omitting anything of moment in reference to his argument if I read his conclusions. The preceding pages set forth the argument upon which he reaches this conclusion :

Taking all these several provisions of the agreement, the Act and the Railway Act together, the Government undertakes to construct a complete railway with all the necessary equipment (except rolling stock) sufficient for its successful and efficient operation by the company under the lease.

This cannot be done without equipping the road with such necessary shops and machinery in order to properly take care of and repair the rolling stock.

In the case of a great work like this railway, under construction by the Government, the terms of the agreement and the statute, I think should be interpreted in a broad spirit, and bearing in mind the objects sought to be accomplished.

It, therefore, is my opinion that the commissioners have the necessary statutory authority to provide and equip the shops on the line with such machinery and apparatus as are reasonably necessary for the upkeep of the said division.

There was another letter by Mr. Leonard in connection with that question, and on January 29 the Deputy Minister of Justice gave an opinion. I am not finding fault with that at all because Major Leonard wanted to get the best authority available, but it must be noticed that between these dates, November, December and January, Mr. Lynch-Staunton became a member of the commission. This appeal was made to the Minister of Justice and the Deputy Minister of Justice, as is the custom, took up the case. Mr. Newcombe's written opinion is rather long, but I think it might be well, if the House will permit me, to read two paragraphs which bear directly on this question. The argument of Mr. Newcombe as to the construction of the statute is lengthy, but his conclusion on this subject is to be found on page 55 of this return. In one paragraph he says:

If the construction shops is not construction of the railway within the meaning of clause 5 of the agreement, neither is it within clause 6. But if this is not construction it cannot be either maintenance or operation and it does not fall within any of the expenses detailed as working expenditure, yet as I have said before, I apprehend it is not possible for even one division and still less the whole railway to be complete without repair shops.

Then, Mr. Newcombe continues:

Mr. Leonard, concluding in his letter, says: 'I require to have definite instructions from the Government as to what items of machinery, if any, shall be supplied by the commission for the lines east of Winnipeg and for the lines west of that point.' It follows from what I have said before that so far as the lines east of Winnipeg are concerned I think such machinery must be supplied as is necessary to make the railway ready for operation. I am disposed to think, moreover, that the construction and completion of the eastern division for which the Government is responsible would not involve expenditures for machinery, works or services not included in 'cost of construction' as defined by clause 15 of the agreement.

There can, I think, be no doubt that no machinery should be supplied for the lines west of Winnipeg.

I have dealt with this matter at length not only because of its importance and the large sums of money involved, but also because Mr. Leonard has set forth his views very fully and seems to have arrived at conclusions with which I am not able to entirely agree.