

This loss would accumulate with interest subject to the reduction on account of the accumulation of reserve, but subject to increase with an increasing adverse mortality.

In considering this scheme there must be taken into account the expense of administration, none of which has been taken into account in the accounting of the Fund. This would include not only the expense directly connected with the administration of the Act, but the overhead expense and expense such as postage, rentals and other services provided by the Government.

Taking everything into consideration, it would appear to be more in the public interest to have the Act remain closed as respects new applications and to make the necessary provision for dependents and returned men by way of amendment to the Pension Act.

Respectfully submitted,

G. D. Finlayson,  
Superintendent of Insurance.

In order to make it possible for the wives of returned soldiers, who married after the appearance of disability, to be provided for, we have agreed to the reopening of the insurance privilege for one year. This insurance privilege is open to all returned men under the regulations previously applied, and the limit of insurance is \$5,000. The Committee desires to point out that while this privilege is open to all returned men, yet the Committee had particularly in mind returned pensioners who married after the appearance of the disability.

Hon. E. L. GIRROIR: Honourable gentlemen, from what I have heard of the discussion—and I have not heard it all—it appears to me very clear that the Committee were most desirous of providing something for the widows of returned men who married after the appearance of the disability. The service men have been led to expect that some legislation would be brought down which would assist them in their desire to obtain something for the widows of returned men in this class. The Committee admit that they find it difficult to draft a clause properly covering such a situation. The case is not altogether as has been stated. The widows of returned men are not all designing women; many of them married soldiers expecting them not to die, but to live; nevertheless some of them did die and leave a number of dependents. Those are cases which certainly should appeal to us.

Hon. Mr. BELAND: Would my honourable friend allow me? Does the honourable gentleman refer to children amongst the dependents? The children are pensionable.

Hon. Mr. LAIRD: Has not this Bill been carried?

Hon. Mr. MACDONELL.

Right Hon. Mr. GRAHAM: There is a second Bill. This is the Insurance Bill.

The motion for concurrence in the report of the Committee was agreed to.

### THIRD READING

On motion of Hon. Mr. Dandurand, the Bill was read the third time, and passed.

## KENT NORTHERN RAILWAY

### INQUIRY

Hon. Mr. BOURQUE inquired of the Government:

1. Have negotiations been reopened for the acquisition of the Kent Northern Railway, and if so, with whom?

2. When were negotiations reopened?

3. Is there any correspondence on the subject, and if so, first, with whom; second, what are the respective dates of letters and telegrams on the subject?

4. Is the Government aware that the people of the districts that said railway serves are compelled to pay excessive rates as compared to Canadian National Railways rates?

5. What action has the Government taken to carry into effect regarding this railway the following recommendation of the Royal Commission on Maritime claims (Duncan Commission, page 41, section 31):—

“Kent Northern Railway.

Representations were made to us on behalf of the population of the area covered by the Kent Northern Branch Line Railway, as to the prejudice being suffered by reason of the unsatisfactory service rendered by that line. It appears that at various times proposals have been made that the Government acquire this property and at one time negotiations had reached the point where provision was made by Appropriation Act, No. 2, chapter No. 52, Statutes of Canada, 1918, for its acquisition at a price of \$60,000, but as this was not acceptable to the owners the sale was not consummated. It was represented to us that the present was an appropriate time to reopen negotiations on that basis and we recommend that this be done.”?

Hon. Mr. DANDURAND: I have an answer for the honourable gentleman, but as I do not see him in his seat, I will place it upon Hansard.

The recommendation of the Duncan Commission was that negotiations for the acquisition of the Kent Northern be reopened on the basis of the offer of \$60,000, which the owners had previously declined to consider. As yet no intimation has come from the owners that they are prepared to negotiate on that basis. Their last proposal of which there is record, was that the Government should pay back to the stockholders what they had put into the property, which at that time (1923) was said to have been \$125,000.