

cations which he had laid down would mean that the roadbed would be made, the rails and ties laid, the road ballasted, the turn-tables, telephone and telegraph lines, station houses and section houses built, all water tanks and all terminals provided according to specifications. Supposing a railway company come to the minister and say: Oh, well, now this road is completed. The minister says: It is not completed, you have not got all the water tanks you agreed to put on. You agreed to put on a 65-lb. rail and you have only got a 50-lb. rail. Supposing the company said: In view of the traffic, the few water tanks we have are quite sufficient and a 50-lb. rail is quite sufficient for the present traffic; we propose using light engines until traffic develops, and therefore, Mr. Minister, we want you to be convinced by us that the road is completed because it can be efficiently operated in view of the present traffic. Would not the minister say at once: It is not completed, I have laid down certain specifications and will not pay the balance of the subsidy until you have completed the road according to those specifications.

Mr. COCHRANE: Would the hon. member let me know in what part of the Act it calls for the building of a shop such as the Leonard shops in Quebec?

Mr. GRAHAM: It is there in the agreement.

Mr. COCHRANE: I would like to see it.

Mr. GRAHAM: I shall read it before I am through.

Mr. PUGSLEY: What was done in this case? The late Government were exceedingly careful to appoint a good chief engineer to prepare the plans and specifications jointly with the engineer of the Grand Trunk Pacific. It was reasonable that there should be a joint preparation of plans and specifications and joint supervision, because the Grand Trunk Pacific was to operate this line when it was completed. They were to engage upon the operation of it for fifty years and to pay a rental after seven years of 3 per cent upon the cost of it. Therefore it was reasonable that the company should have a joint supervision with the Government. That was the agreement which Parliament ratified in 1903, and which the people of this country ratified at the election of 1904. The late Government was careful to see that in all respects the terms of that contract were carried out and the

[Mr. Pugsley.]

specifications carefully observed; and in the construction of the road, while the late Government was in power, the engineer of the Grand Trunk Pacific was consulted from time to time and everything that was done was done with the approval of the Grand Trunk Pacific. The specifications, as I understand, included the workshops both at Transcona and at Quebec.

Mr. MEIGHEN: The hon. gentleman says everything was done with the approval of the Grand Trunk Pacific. Does he mean that word in its absolute sense, including the location of the line, location of shops, location of terminals, such as the right hon. leader of the Opposition says are necessary?

Mr. PUGSLEY: I have always understood that. I know that after I came into the Government we were very careful always to see that nothing was done without the approval of the chief engineer of the Grand Trunk Pacific. We recognized that that was the contract, and we thought it was the duty of the commissioners of the road to see that this approval was obtained from time to time.

Mr. MEIGHEN: Including the location?

Mr. PUGSLEY: Including the location. That would be my reading of it, that it would include the location, grades and curves and all the equipment of the line. It would include station-houses, terminals and workshops and everything else which would go to make a complete railway. My hon. friend makes a point of the location. I do not know whether there was any exception with respect to that, but I would think that location would be included because the plans and specifications must have to do with the location. What does section 7 provide? It provides:

In order to insure, for the protection of the company as lessees of the eastern division of the said railway, the economical construction thereof in such a manner that it can be operated to the best advantage, it is hereby agreed that the specifications for the construction of the eastern division shall be submitted to, and approved of by, the company before the commencement of the work, and that the said work shall be done according to the said specifications and shall be subject to the joint supervision, inspection and acceptance of the chief engineer appointed by the Government and the chief engineer of the company.

Therefore you have it as plain as language can be made, in an agreement which was ratified by this Parliament in 1903, that the specifications shall be approved of by the company: