

in close connection with Mackenzie and Mann during all these years is not a man who should appoint an arbitrator to decide so great a public question as this question of taking over that stock at a valuation, when it means so much to the people of this country, when \$30,000,000 or \$40,000,000 may be very easily given to Mackenzie and Mann for something that is not worth the report which they issue every year. I say that is one reason why I object absolutely to this Government having the right to appoint an arbitrator. I say that I believe that influence will be detrimental to the appointment of an arbitrator, as a man so appointed would naturally be in sympathy with Mackenzie and Mann. The Minister of Finance (Sir Thomas White) is in close touch with gentlemen who will be beneficiaries of this money. The hon. minister sits here. He will not deny that the men who are the creditors of this Canadian Northern system and will benefit by any money, and very largely benefit by any money, which will be paid for this stock, are the most intimate personal friends of his own. I will say very frankly, what every person believes, that the influence of these men was very large in putting the Minister of Finance in the position in which he is at present. Now I say that with influences such as that, whether there would be anything wrong or whether there would not be anything wrong, with influences such as that behind two of the leading members of this Government, the people of this country will not be satisfied with the award of an arbitrator appointed by these gentlemen.

That being so, I say that the proper course for the Government to pursue, the only proper course for the Government to pursue if they intend to refer the question of the value of this stock to arbitration at all, is to refer it to a man who stands higher than any other man in Canada as a man capable of deciding a question of this very kind, and that is Sir Walter Cassels, a man of the greatest uprightness, a man whose character is absolutely above reproach, a gentleman who had, while practising his profession, as wide or wider experience in matters of this kind than any other lawyer in Canada, in connection with Canadian Pacific and Grand Trunk Railway problems, pertaining to this very Canadian Northern railway. No man could be better fitted to give a decision as the value of this stock, if it is to be referred to any one for the purpose of fixing a value, than the senior judge of the Exchequer Court; and

[Mr. German.]

I say that a decision by Sir Walter Cassels would be a decision which would meet with the absolute approval of the people of Canada, no matter what it might be. There would be no feeling that there had been any influence whatever to induce him to give a decision other than what he believed to be the true, righteous interpretation of the reference; and I say to the Government that it is their duty, at this time and before this Bill goes through, to cut out this question of appointing arbitrators and to refer this matter to the senior judge of the Exchequer Court. If they do not do that, what will be the effect? The people of this country will believe, and I say it with all seriousness, that there is some ulterior reason why the Government refused to refer this matter to the judge of the Exchequer Court and why they refer it to arbitrators one of whom is to be appointed by Mackenzie and Mann, the others by this Government. I say there will be a feeling that there is this ulterior object in view, some reason other than a desire to get at the real merits of the case.

Then I say that the reference should not be a reference of the value of the stock at all. The stock has no value, as every one admits. What should be referred is just what Messrs. Drayton and Acworth say should be referred: what are Mackenzie and Mann to be entitled to in the proportion of this stock, and what would be the fair cash value, settling it once for all, to pay them out of the prospective revenues of this company?

There is this further in connection with the matter. Messrs. Drayton and Acworth say in their report that Messrs. Mackenzie and Mann have never received any compensation for their services, and for that reason they should receive some honorarium now from the Government. Now, have they not? Here is something that impresses itself on my mind very strongly: We have in evidence taken by this Royal Commission the evidence of Mr. Mitchell, a clerk in the offices of the Canadian Northern, and of Mr. Hanna. These gentlemen assert that Mackenzie and Mann have received no compensation. Well, it has always appeared to me most singular that neither Sir William Mackenzie nor Sir Donald Mann, so far as I have been able to ascertain, has ever said himself that he never received anything out of this company. So far as I have been able to ascertain neither one of these gentlemen has ever verbally or over his own signature,