

of Ontario from which I come. The people believe and I believe that the time has come when the Canadian Northern railway should be taken over by the Government, whether in pursuance of a definite policy of government ownership, or merely on account of the financial assistance that we have hitherto given that road. It is true that there are other ways of dealing with the Canadian Northern railway. There is the method of putting the road into the hands of a receiver, who would attempt reorganization of its affairs. I would not hope for any good results from such a proceeding. The first difficulty that the receiver would meet would be the question of additional capital. The infusion of new capital is necessary before reorganization of the road can be attempted, and if the figures submitted to the House are correct—and I believe they are—any new capital taken in would come from one source only—the Government of Canada. I believe that the Government has already a sufficient investment in the securities of the Canadian Northern Railway Company. I do not, therefore, favour receivership. Then there is the method of proceeding under the winding-up clauses of the Railway Act. That does not commend itself to my judgment either. True, it is a logical way of proceeding; in ordinary circumstances it would be the proper way of winding up such an enterprise. But the ramifications of the Canadian Northern Railway and the amount of capital involved are such that this method would be too slow, too tedious. Moreover, when the road should be offered for sale under the Exchequer Court judgment, only one corporation in Canada would be in a position to buy it. For these reasons, I do not favour proceeding under the winding-up clauses of the Railway Act. There is no other alternative than that proposed by the Government.

The Government's proposal is not as good as the proposal embodied in the amendment of the member for South Renfrew, but, believing as I do that the Government's proposal means the nationalization of that road, its acquirement and operation by the people, I feel bound to support the Government in this measure—having regard to the fact that the proposal which I myself would have preferred has been voted down by a substantial majority. I have no fear for the result of an arbitration; I believe that questions are, perhaps, more fairly arbitrated than they are judicially decided. I am con-

[Mr. Guthrie.]

fidant that the arbitrators will arrive at a conclusion fair and adequate as between the parties. If the proprietors of the Canadian Northern Railway still have a real financial interest in this road, I do not believe that any man would seek to deprive them of it. If they have no financial interest in the road—and the Drayton-Acworth report says that they have none—then the arbitrators will so find. I cannot conceive that any injury will be done to the people through submitting to arbitration the question of what interest the proprietors still have in the road. This legislation eventually will vest the road in the people of Canada; it will be part of a Government-owned system. The people whom I represent feel strongly on the question of Government ownership of railways. While I believe that we might well have depended upon our statute of 1894, and the covenant of the proprietors of this road, I am quite satisfied, in view of the fact that that proposal has been rejected by a majority of the House, that the present proposal should become law.

Mr. L. A. LAPOINTE (St. James, Montreal): I feel constrained before the Bill passes to say a few words in explanation of my attitude towards it. The district which I represent should, it seems to me, express its opinion upon this measure through me as its representative. I first desire to take exception to some statements made by the Minister of Finance (Sir Thomas White), who on one occasion said when discussing the measure:

* The fundamental issue of the transaction which is now before the House is that the Government of Canada is acquiring a great railway system. It is the beginning of public ownership of Canadian railways—I do not say of all Canadian railways; but it is a great step forward.

I take exception at once to this proposition of the Minister of Finance, because I believe that the nationalization of one railway at a time, and another railway at another time, is wrong, although I would be inclined to the opinion that it would be a good thing, and in the interest of the country at large to nationalize all the railways at the same time. If you begin by the nationalization of one railway or another, it means the competition of public money against private enterprise, so that the money of the people will be spent in operating a railway to compete with another railway which is run by private investment. This idea is condemned, even in a country, like Australia, where everything has been nationalized. They took one great