

with the leave of the House, that the same procedure be followed as in the other cases.

The motion was agreed to, and the Bill was read the second time.

THIRD READING

Hon. Mr. HAYDON moved the third reading of the Bill.

The motion was agreed to, and the Bill was read the third time and passed.

FIRST READING

Bill R2, an Act respecting the Dominion Electric Protection Company.—Hon. G. G. Foster.

SECOND READING

Hon. G. G. FOSTER moved the second reading of the Bill.

He said: Honourable gentlemen, the purpose of this Bill is to increase the capital stock of the company from half a million to a million dollars. This Bill was passed last year, but lacked the Royal Assent.

The motion was agreed to, and the Bill was read the second time.

THIRD READING

Hon. Mr. FOSTER moved the third reading of the Bill.

The motion was agreed to, and the Bill was read the third time and passed.

GRAND TRUNK PACIFIC SECURITIES BILL

FURTHER CONSIDERED IN COMMITTEE AND REPORTED

The Senate again went into Committee on Bill 57, an Act respecting the Grand Trunk Pacific Railway Company and respecting the Canadian National Railways.

Hon. Mr. Robinson in the Chair.

On section 2 (reconsidered)—scheme of arrangement confirmed:

Hon. Mr. BEAUBIEN: In view of the unexpected and very decisive information that has been given with respect to this Bill, for my part I do not feel that I would be justified in continuing to oppose it. I only regret that the information was not given before. It might have prevented a long and useless discussion.

Section 2 was agreed to.

On section 3—scheme to be operative upon passing of this Act:

Hon. Mr. HAYDON.

Hon. G. G. FOSTER: Does that wipe out any of the bondholders?

Hon. Mr. DANDURAND: Ninety per cent of the bondholders have agreed to come in under the scheme; and under the Railway Act, which is similar to the British Act, the rest will have no option, but will be treated as coming under the scheme.

Hon. W. B. ROSS: They are brought in *nolens volens*.

Section 3 was agreed to.

Sections 4 to 7, inclusive, were agreed to.

On section 8—Certificates for £3,000,000 of Pacific Stock held as security to be surrendered and cremated:

Hon. Mr. BEAUBIEN: Will the honourable gentleman give us some information as to that? It is rather involved.

Hon. Mr. DANDURAND: May I read the explanation printed with the Bill?

This provision is to enable the charge on the property of the Pacific Company to be cancelled as mentioned above in connection with Section 6. The certificate of the £3,000,000 of Pacific Stock is merely collateral security to the £2,000,000 advance made to the old Grand Trunk Railway of Canada which is now the Canadian National Railway Company. The Crown holds the Grand Trunk Railway Company's notes for the £2,000,000 and the certificates of Pacific Stock are of no greater value than the notes, and practically of no value. Provision is therefore made for their cancellation without, however, affecting the indebtedness between the parties.

That is a question of bookkeeping.

Section 8 was agreed to.

Section 9 was agreed to.

On section 10—receivership of Grand Trunk Pacific Railway to terminate:

Hon. W. B. ROSS: I would ask the honourable gentleman about the discharge of the receivership of the Grand Trunk Pacific. Is the liability on the perpetual debenture bonds the only liability of the whole Grand Trunk Pacific? How does it come that the mere payment of this one debt justifies the discharge of the liquidator? What becomes of other liabilities?

Hon. Mr. DANDURAND: There seems to be no obligation outside of this one—no other obligation that is not already assumed either directly by the Government guaranteeing, or indirectly by the Government having guaranteed Grand Trunk Railway issues.

Hon. W. B. ROSS: Then everything has been paid, in substance?