

Supply—Railways—C.N.R.

matters. It was found by Sir Oliver Mowat to be a very bad principle. In arbitrations in regard to taking over electric lines, street railway plants or power and gas plants, in Ontario, experience proved that it was a very bad principle to have judges on these commissions, because appeals would have to be taken from the arbitration board in many cases on questions of fact, and also on questions of law, and some of the judges would sit in appeal in cases where they had acted as arbitrators. We have had the judges acting in 1891-2 in the matter of the old Toronto Railway Company. The railway situation being what it is in Canada, judges should stay off these railway arbitrations. These arbitration judges will be looking for passes and all kinds of favours from the railways, and in civil cases against these same railways the judges should be in a position to be impartial. This is a wrong principle, and a step in the wrong direction, and is not in the best interests of the judiciary.

Section agreed to.

On section 4—Additional \$1,000 to judge of Circuit Court.

Sir HENRY DRAYTON: I do not think this section is a proper one. It merely strikes out the word "circuit."

Sir LOMER GOUIN: In 1920 an increase of \$1,000 was granted to the judges of the Supreme and county courts. In giving an increase to the judges of the Supreme Court of Montreal, we struck out the word "Circuit". The circuit judges will not receive that \$1,000 in the future.

Sir HENRY DRAYTON: It is rather difficult to follow it.

Sir LOMER GOUIN: Section 10 of chapter 56 of 1920 reads:

Every judge of every circuit, county and district court shall be paid \$1,000 per annum as an addition to his present salary, etc.

Sir HENRY DRAYTON: Quite right; I understand it now.

Section agreed to.

Bill reported, read the third time and passed.

SUPPLY

The House in Committee of Supply, Mr. Gordon in the chair.

At six o'clock the committee took recess.

After Recess

The committee resumed at eight o'clock.

RAILWAYS AND CANALS

Railways and Canals—chargeable to Income:

Amount not exceeding \$73,000,000 to meet expenditures made or indebtedness incurred (where amounts [Mr. Church.]

available from net operating earnings may be insufficient) by or on behalf of the Canadian National Railway Company, hereinafter called "the Company", or any Company specified in the First Schedule to the Act incorporating the Canadian National Railway Company, being chapter 13 of the Statutes of Canada, 1919, or by the company in respect of any railways, properties or works entrusted to the company from time to time under the provisions of section 11 of the said chapter 13 of the Statutes of Canada, 1919, or by or on behalf of any company specified or referred to in chapter 13 of the Statutes of Canada, 1920; or any one or more of them, on any of the following accounts:—

(a) Operating deficits whenever incurred or ascertained.

(b) Acquisition of property, materials and supplies.

(c) Interest and sinking funds on notes, securities or obligations.

(d) Principal and interest of maturing or matured loans secured or unsecured.

(e) Construction and betterments.

(f) Co-ordination or consolidation of railway lines and facilities.

(g) Guarantees of securities.

The amount herein authorized may be applied from time to time, in the discretion of the Governor in Council:—

(a) To meet expenditures made or indebtedness incurred by the company in respect of railways, properties and works entrusted to the company as aforesaid.

(b) By way of loans in cash, or by way of guarantee, or partly one way and partly the other, subject, however, as follows:—

If by way of loans, the amount or amounts advanced shall be repayable on demand, with interest at the rate fixed by the Governor in Council, from time to time, payable half-yearly, secured if and when directed by the Governor in Council by mortgage or mortgages upon such properties, in such form and containing such terms and conditions, not inconsistent herewith, as the Governor in Council may approve.

If by way of guarantee, any such guarantee may be of the principal and interest of the notes and obligations or securities of one or more of the said companies specified by the Governor in Council and may be signed by the Minister of Finance, on behalf of His Majesty, in such form and on such terms and conditions as the Governor in Council may determine to be appropriate and applicable thereto, \$73,000,000.

Hon. GEORGE P. GRAHAM (Minister of Railways and Canals): I think I have nothing to add, Mr. Chairman, to my statement which I presented a few weeks ago as to the standing and prospects of the Canadian National Railways, but I shall be glad to give hon. members any further information which they may require.

Mr. MILLAR: Does "Acquisition of property" include the hotel being acquired in Paris? Is that provided for in this vote?

Mr. GRAHAM: No.

Mr. STEVENS: What appropriation would that expenditure be taken from?

Mr. GRAHAM: I had better explain that to clear the air. The president of the Canadian National Railway Company, Sir Henry