

**Some Hon. Senators:** Hear, hear.

**Hon. Mr. MacLennan:** Also we heard recently a very fine speech from one of the senators from the new province of Newfoundland (Hon. Mr. Burke). At the last session the honourable senator from Vancouver South (Hon. Mr. Farris) and the honourable senator from Inkerman (Hon. Mr. Hugessen) both made memorable speeches. The honourable senator from Waterloo (Hon. Mr. Euler) too, speaking in support of his pet subject, the oleomargarine bill, presented a wonderful piece of advocacy.

I warn you now, honourable senators, if you want to get into the news, be sure to see to it, that you have something to say about "Minnie the cat".

### PRIVATE BILL

#### SECOND READING

**Hon. P. H. Bouffard** moved the second reading of Bill D, an Act respecting the purchase by Canadian Pacific Railway Company of shares of the capital stock of the Shawinigan Falls Terminal Railway Company.

**Hon. Mr. McLean:** With reference to Bill D—

**Some Hon. Senators:** Order!

**Hon. Mr. Bouffard:** If the honourable senator wants to state an objection, I do not mind waiting until he has spoken, and I will then answer him. Otherwise I am prepared now to present an explanation of the bill.

This is a very small bill, and of hardly any consequence. To those who may think that it has remained on the order paper for an unnecessarily long time, let me say that I wanted to have all possible information in order to be able to give an explanation on any matter of detail which might be raised in this chamber.

The Shawinigan Terminal Railway is a small railway of about one-third of a mile, located in Shawinigan Falls city.

**Hon. Mr. Leger:** But just as wide as the others!

**Hon. Mr. Bouffard:** Yes, but the length is only one-third of a mile. It owns about half a mile of sidings and operates 1-125 miles of sidings under one of the standard contracts between railways and industry. It serves approximately seventy industrial concerns in Shawinigan Falls.

This railway was built in 1902, at a time when the present city of Shawinigan Falls and the local hydraulic power were under development. Two other railways were then located in the city and went beyond it. One, the Great Northern Railway, is today part

of the Canadian National Railways; the other, the St. Maurice Valley Railway, is now operated by the Canadian Pacific Railway. For some time the only operation performed by the Shawinigan Terminal Railway, has been a switching operation to put cars on the lines of either the CPR or the CNR. The engines which did this work were four electric locomotives whose power was supplied by the Shawinigan Water and Power Company; and the railway was operated under the supervision of that corporation. The cost of the switching was borne entirely by the Canadian National Railways and the Canadian Pacific Railway. The cost of supervision was about \$8,300, which was borne by the railways.

The Canadian National and the Canadian Pacific Railways have come to the conclusion that to operate the railway themselves, with diesel engines, instead of electrically driven engines, would be more economical and more efficient, and would release power which the company could use for other purposes. On the other hand, if the electric engines now in use were to be kept in service they would have to be reconditioned at great cost to the CPR and the CNR. Therefore, both these railway companies reached the conclusion that it would be best for them to own the Shawinigan Falls Terminal Railway Company and to operate with diesel engines. The total cost of the company is to be \$125,000, with the CPR and the CNR each paying \$62,500.

According to section 147 of the Railway Act, chapter 170 of the Revised Statutes of Canada, the Canadian Pacific Railway Company is unauthorized to purchase shares issued by another railway company, and therefore the real purpose of this bill is to provide the CPR with legislative authority to acquire these shares. I believe I am in a position to give additional information that might be requested by honourable senators.

**Hon. Mr. Leger:** Will this prove to be to the best advantage of Canadians generally?

**Hon. Mr. Bouffard:** Yes.

**Hon. Mr. Fogo:** Can the honourable gentleman say by whom the shares are now owned?

**Hon. Mr. Bouffard:** There are 3,000 shares, and they are owned by the Shawinigan Water and Power Company. The total capital is \$300,000, and the shares are to be sold to the two companies for \$125,000.

**Hon. Mr. Leger:** At par?

**Hon. Mr. Bouffard:** No, below par, and this will include engines, right-of-way, sheds and so on, as well as a four-and-a-half mile length of electric superstructure.