

guarantee of bonds, or the subsidies offered by the provincial authorities?

Mr. J. D. REID: It would, but as regards the construction of roads on which provincial guarantees have been given, the only action we could take in connection with those guarantees would be to use in construction any money that is now in the banks from the sale of bonds. Bonds have not been sold for the whole construction of the roads. Supposing in the Canadian Northern Railway Company there was a charter, with the bonds guaranteed by a Provincial Government, for a hundred miles. If we have constructed 25 miles, it is not the intention of the Government to say to the Provincial Government: You have guaranteed bonds, and although we own the road, we want you to guarantee the bonds on the further 75 miles. This Government will furnish the bonds as regards any further construction of such lines.

Mr. VIEN: Would it not be fair for the Government to ask the provinces to live up to the guarantees they had given of bonds of those branch lines? Would it not also be fair to ask the provinces which are going to benefit from the construction of those lines, to give the Federal Government the same advantages that they would have given to a private corporation?

Mr. J. D. REID: The Committee might argue on that point, but I would not consider it fair. If the Canadian National railways are going to construct fifty miles of those lines that we are to complete, and are going to issue bonds in the name of the Canadian National Railways, or practically of the Dominion Government, I do not think the hon. member would suggest that we should ask the local Government to guarantee those bonds, because it is only right that they should be guaranteed by the Government that owns and constructs the railway.

Mr. VIEN: There are a number of other questions which we are going to put to the Government as to the construction of those branch lines, not with any purpose of unduly obstructing their construction or the authority to construct them, but simply to do our duty to the country, because, in view of what has already been said as to duplication of lines, we should not be asked to give a blanket authorization. It would expedite the matter if the clause were allowed to stand with the schedule, and then the whole thing will pass as soon as we have had an opportunity to go into it carefully.

Mr. J. D. REID: We cannot pass the clause and schedule together; we would have to come back and pass this clause again. When we come to the schedule there are practically 44 clauses to pass, because each railway in the schedule can be taken up separately, and I shall have officials here to give all information in connection with each one. If the Committee feels that any charter should not be extended, we can just strike it out. The passing of this clause does not pass the schedule of the 44 railways. We must, however, renew the charters, and, therefore, I think it is not unfair to ask the House to pass this clause.

Mr. VIEN: It is not logical to pass a clause which gives to the Government authorization to build the various railways mentioned in the schedule. If we are not prepared to pass the schedule, we should not be prepared to pass the clause, because the schedule is practically embodied in the clause.

Mr. BUREAU: Who owns the real estate on the townsites along those lines which are mentioned in schedule 2 and the charters of which we are asked to revive?

Mr. J. D. REID: I am informed there are no townsites yet where the railways are intended to be built.

Mr. BUREAU: There may not be towns, but have not townsites been chosen? Have the locations of the stations not been determined upon? Who owns the property round the proposed sites of the stations?

Mr. J. D. REID: Where the railways are not built, we do not own anything yet. If we decide to construct the lines, we shall have to buy whatever property we require.

Mr. BUREAU: I am not speaking about the right of way, but about the station sites. It is spoken of openly that Mackenzie and Mann own property all along that line, and that the object of reviving those particular charters, one of which is located in each of the counties of Saskatchewan and Alberta, is two-fold—first, to induce the electorate to support the Minister of Immigration and Colonization (Mr. Calder) and second, to allow Mackenzie and Mann to speculate on the properties when the charters are revived. We may just as well let that cat out of the bag. The Canadian Pacific are not behind the matter in this instance.

Mr. CAHILL: Will the minister not answer the question?