

privately to the Minister of Finance. There is no restriction upon my using it because it is not marked confidential, and yet I am not expressly authorized to read this telegram to the House. My correspondent is a man who has intimate inside knowledge of the facts of which he is speaking, and that is the information he gives me. There is a direct and absolute liability upon the part of the Canadian Northern Railway to go ahead with expenditures amounting to the enormous sum of \$25,000,000 in the one province of British Columbia; and when this Government becomes the Canadian Northern Railway Company, as it will when it becomes the owner of this stock and appoints this Board of Directors, it cannot escape from the carrying out of the obligations which the present management of the Canadian Northern Railway Company have entered into.

What do we know about the obligations in the other provinces? What are the obligations in Alberta, Saskatchewan and Ontario? We do not know. If there are obligations to that extent, of which Parliament has not been informed, in British Columbia, we do not know what they may be in other places. Speaking of the arbitrators, my hon. friend the Minister of Finance said: Oh, we have Sir William Meredith representing the Government, and the people can rely on him being absolutely fair, and not allowing more than the stock is worth. But there are two other arbitrators to be appointed. How are they to be appointed? Mackenzie and Mann and the pledgees, particularly the Canadian Bank of Commerce as the principle pledgee, are to name one arbitrator. They will not consult Sir William Meredith as to whom they will nominate; he will have no voice in the choice which they will make. Then Sir William Meredith and the arbitrator who has been appointed by the Mackenzie and Mann interest are to name a third arbitrator. Sir William may be a most excellent judge, and a very able lawyer, but I do not think he would have any more ability in selecting the man who will act as a third arbitrator than any ordinary business man in this country, and I would not suppose that his judgment would be any more reliable than the judgment of the gentleman whom Mackenzie and Mann and the Canadian Bank of Commerce will appoint. I would infer—although I have no warrant for saying so—that it is pretty well cut-and-dried as to who is to be the arbitrator to be appointed by Mackenzie and

Mann, and as to who is to be the third arbitrator. In this Bill you will find no provision as to what will happen if Mackenzie and Mann and the pledgees fail to agree upon an arbitrator. We find it provided that this Government may enter into an agreement to take over the stock at once, but no provision for what shall be done in case they fail to appoint that arbitrator. The Minister of Finance the other night, when I suggested that the Bill was very indefinite in this respect, said that the Arbitration Act provided for it. There is no Arbitration Act bearing upon it at all. This Bill contains within its four corners every provision so far as the arbitration is concerned, which can apply to the proceedings in this case. There is, of course, in the province of Ontario, an

Arbitration Act, but that will  
10 p.m. not apply to this Bill, and my  
hon. friend is entirely wrong in saying that the Arbitration Act could be invoked in order to make up for the deficiency in this Bill. I do not think it should be necessary to argue at any great length that it is absolutely fair that Parliament should have the opportunity to say whether, in view of what may be the award in this case, it would feel like committing the people of this country to whatever award may be made. I am told that if, in the provinces of Alberta and Saskatchewan, a property is taken for any public work within any of the cities or towns arbitrators are appointed, and, after an award is made, the question of whether or not the council of the municipal corporation shall be permitted to take over the property at the amount of the award has to be submitted to the electors, and if they do not approve reasonable and just arrangements are made for the payment of the expenses in connection with the arbitration. That is a fair and just principle. The hon. Minister of Finance might say: "Oh, well, it might be a hardship upon Mackenzie and Mann if an arbitration were to take place and the Government and Parliament were permitted to refuse to accept the award." If there is any danger of a hardship, that could be easily got over. It could be provided in the Bill by the committee, in case the Bill is referred back by this House, that an agreement could be made by which this 600,000 share of stock could be conveyed to trustees, to be held in trust under an arrangement provided for by the agreement, and if it were necessary for the Government to make advances, as provided by section 2 of this