

the East, and had carried it by a short haul to North Bay, it was not just to itself to have to hand over that freight to a railway which was not part of its system in order to have it carried to the Pacific ocean and the Northwest. Feeling strongly on that point, the then president of the Grand Trunk Railway Company, Mr. Hays, an expert railway man and a man of very high standing in the United States and Canada, proposed that the Grand Trunk railway should first be extended from Fort William and Port Arthur throughout the Northwest, connecting their existing system with Fort William and Port Arthur for some time by means of their water transportation. It is true that when they came before Parliament they asked for authority to build from the Pacific ocean to Winnipeg, thence to Fort William, and thence to North Bay; but I had it at the time from officials of the Grand Trunk that their main object for the time being was to develop that western extension by means of their water connection with Fort William. When their petition was presented to Parliament, I was one of those who thought, since the Grand Trunk Pacific Railway Company, or in other words the Grand Trunk Railway Company, intended building from the Pacific ocean to North Bay, that, instead of deflecting their road from the point now called Cochrane, but which was then simply a geographical expression, to North Bay, and thence to Toronto, they could, without covering much more ground, push on by a direct line to the seaboard at Quebec. Many members of both Houses felt the same way and urged that view upon the Grand Trunk Railway Company. I need not detain this House in order to state what followed. The Grand Trunk Railway Company agreed to alter their scheme, undertaking to build the portion of the line from the Pacific to Winnipeg and a branch to Fort William, under the charter of the Grand Trunk Pacific, and leaving to the Government the construction of the line from Winnipeg to the East. The company was to lease the railway and to have the privilege of operating it for seven years after it was built and completed, without paying interest on the capital expended. This scheme was seriously studied at the time by the best railway men that the Grand Trunk Railway Company could command. Although the management felt that the development of the country traversed by the eastern section of the railway would be a somewhat heavy undertaking, yet it was no heavier a load than was assumed

by the Canadian Pacific railway in the development of the Northwest when there was hardly a settler beyond Winnipeg. I make this statement in order to justify the action of the board sitting in London in agreeing to this undertaking. They had no mean advisers on this side of the Atlantic to study and report upon the scheme. I may say that in the last conversation I had with Mr. Hays before he started on that fatal trip on the Titanic which ended in his drowning, he expressed a robust conviction that the Grand Trunk Railway Company and the Grand Trunk Pacific Railway Company would carry the undertaking through the lean years and make it financially successful. I say this because he felt strongly on the matter and because it is due to the directors of the Grand Trunk in London that I should affirm it. He did not come to this conclusion without serious study. I will not speak of the handicap which the board in London were under in studying conditions at such a distance. As the honourable gentleman from De Salaberry (Hon. Mr. Béique) has said, nearly all of the capital invested in the undertaking was that of private individuals, and it was quite natural that they should deem it their privilege to decide where the board should sit and who should be the directors. I know there has been a strong sentiment throughout Canada that the Grand Trunk Railway Company would do better to have their board in Canada. At this stage of the discussion I will not express an opinion upon that, except to say that I felt at the time I refer to that the board in London had taken all the precautions that were possible to them in the circumstances.

Hon. Mr. CASGRAIN: I intend to move the adjournment of this debate, but I do not want to do so before saying that I dissent very strongly from what has been said by the promoter of this Bill. The Bill seems to apply only to the Grand Trunk railway. The promoter has read from the majority report made by Sir Henry Drayton and Mr. Acworth. The report of Mr. Smith does not agree with that. We have still the memory of a famous report made by Messrs. Lynch-Staunton and Gutelius, and there seems to be a little rancour left with regard to the Grand Trunk Pacific and the Grand Trunk Railway Company because the Grand Trunk has allowed the Canadian Pacific to run into the city of Hamilton because Hamilton wanted two railways. Every place wants two railways so that there may be competition.