that this Bill be not now read a second time, but that it be read a second time this day six months.

Hon. Mr. DANDURAND—If I allowed myself to be swayed by my prejudices I could hardly resist the temptation of voting for the amendment which has just been moved. But legislators must free themselves as well as they can from these impediments to taking a clear view of the matters that are brought before them. This proposition contains no vital principle. It is a demand by this Government that it be empowered to buy three railways, or bits of railways, belonging to three different companies, but held by one and the same holding company, the Quebec Railway, Light, Heat and Power Company. The matter, as I have said, would be easy of solution at any other time than now, when Canada needs to husband all its resources to meet the demands that will presently be made upon the treasury. The proposition could be very easily examined into and decided if the railway company, or the railway itself called the Quebec and Saguenay, had not a bad name, and had not given a very bad name to Canada abroad. The history of this railway is a very painful one, indeed—painful for all those who have had anything to do with it, and more painful for Canadians who are interested in preserving the fair name of Canada outside of its boundaries. I will relate it in as few words as possible. The Quebec Railway, Light, Heat and Power Company was formed to purchase the public utilities of the city of Quebec, tramways, light and power. It had a large issue of common stock. That common stock, after the company had been formed, declared a first quarterly dividend, which it is asserted was not earned, nor the second and third. That common stock was put on the French market. Millions of dollars of that stock found their way into the pockets of the French investors. I believe that that institution could perhaps have continued to pay its dividends if it had limited its operations to the utilities which it handled within the city of Quebec. It was of most vital importance at the time that any stock sold in the French market should be gilt-edged. We were in the hope of drawing French capital to a considerable extent towards Canada. France had made the great error of coming into the American market 50 years after it should have come; and a number of Canadians were urging French capitalists to come at this time into Canada, that things were beginning to boom and develop. Unfortunately, these hopes were shattered by the operations to which I shall refer. The Quebec Railway, Light, Heat and Power Co., controlled by Sir Rodolphe Forget, decided to endorse the bonds of the Quebec and Saguenay in order to finance the road to reach Murray Bay and the Saguenay river. The effort was a laudable one, but it proved disastrous, because these bonds of the Quebec and Saguenay, which I really believe were sufficient to complete the road from the end of the Quebec and Montmorency at St. Joachim to Murray Bay, were not applied to that part of the line, or wholly so. At the same time, the member for Charlevoix county in the House of Commons had great hopes of the development of the pulp industry in that county, and organized the East Canada Power and Pulp Co. to establish a pulp industry some seven or eight miles from the shores of the St. Lawrence inland on the Murray river. He began by building, with the proceeds of these bonds, seven or eight miles of railway from the shores of the St. Lawrence to Murray Bay to the pulp mills. At the same time he placed on the foreign market a million and a half of bonds of that East Canada Power and Pulp Co., the majority of which were taken up by the French investor. The first three months' or six months' interest on those bonds was not paid. The company defaulted and went into liquidation, and the enterprise was a total wreck. The result was that the Quebec and Saguenay found itself without sufficient money to build that road from St. Joachim to Murray Bay, and the bonds which had been placed on the French market received a very bad reputation.

Hon. Mr. DAVID—There were two issues of bonds.

Hon. Mr. DANDURAND—I am speaking of the bonds issued for the Quebec and Saguenay, but I may say that the company of this date, as far as I know at present, has not defaulted in the payment of the interest on the bonds of the Quebec and Saguenay, but of course in the presence of the difficulties which the investors knew to exist, of the stoppage in construction, faith in those bonds was shaken, and their value cut in half. That issue of bonds, which was put on the French market, was $4,684,400 realizing at from 82 to 84 per cent, a sum of $3,822,315. At the same time