

present form, but I mentioned yesterday that when we come to deal with that section, I was going to amend it in a way that would change it entirely. I have the amendment here and if it would not be out of order I would like to read it and give the information now. The hon. member will then see that so far as the Canadian National railways are concerned we cannot go on with any lines other than those enumerated in the schedule without coming to Parliament and getting a charter in the regular way. The only way the Government can build railways without getting a charter is by putting an item in the Estimates; and that item must be passed before construction can be proceeded with. I intend to ask the committee to amend section 23 by inserting after the word "description" in the eighth line thereof, the following words:

In respect of the construction whereof respectively Parliament may hereafter authorize the necessary expenditure or the guarantee of an issue of the company's securities.

That would mean that if we wanted to construct new lines we would have to put an amount in the Estimates for that purpose. Another way would be for Parliament to authorize the Government to guarantee the bonds of the new line, and to sell the bonds. But in either case we could not proceed with the construction of any new lines other than those mentioned in this schedule without coming to Parliament. With the assurance that section 23 is to be amended in this way, that these railway charters must be extended, and that each railway will be considered separately when we come to the schedule, surely it is not unfair to ask that a vote be taken on section 20 before we adjourn.

Mr. BUREAU: What is the objection to letting the section stand until we reach the schedule?

Mr. VIEN: We should have some information before this clause is adopted. How many branch lines for which charters have been given or in respect of which construction powers have been obtained from Provincial Governments are dropped from the schedule? What branch line among those mentioned have been subsidized as to construction by Provincial Governments or other governments, and in what way can we revive their charters? How can we revive them when authority for the construction has been granted by provincial statute?

Mr. CALDER: When we acquired the Canadian Northern Railway we took over those lines which were part of that system.

[Mr. J. D. Reid.]

The Dominion Government stands simply in the position of the Canadian Northern; the position of the provinces has not been altered. The provinces have guaranteed the principal and interest on those bonds, and if there is a default the provinces could be called upon.

Mr. VIEN: Does not the province guarantee the interest on the bonds provided the construction is commenced and finished within a certain time?

Mr. CALDER: Yes.

Mr. VIEN: Then how could Parliament extend the time of construction and revive a provincial charter?

Mr. CALDER: Our legislation provided for the amalgamation of these lines with the parent company. Since that amalgamation took place these lines ceased to be provincial lines and became Federal lines.

Mr. VIEN: We were led to believe this afternoon that in several instances provincial grants have been given by way either of money grant or of bond guarantee, and that unless we revived the construction power those subsidies would be lost or the guarantee of bonds become void. We are now asking ourselves: In what way can a law of this kind revive a provincial statute, even if these branch lines have been incorporated with a system which has been taken over by the Government? The fact that the Canadian Government has taken over the Canadian Northern does not give to Parliament the right to extend the time of construction mentioned in a provincial statute.

Mr. J. D. REID: Yes, it does. If the hon. member has been in the Railway Committee he will understand the situation. When a railway that has a provincial charter asks this Parliament that it be declared a work for the general advantage of Canada that makes it a Dominion charter and if the road is to be further extended, this Parliament is the only authority to grant that extension. That brings the road under the jurisdiction of the Dominion Parliament. When we took the Canadian Northern Railway system over, all those provincial lines were declared in the Act to be works for the general advantage of Canada, and, therefore, this Parliament is the only legislative assembly that can extend the time for construction.

Mr. VIEN: Will this extension, even if it is within the jurisdiction of this Parliament, have the effect of maintaining the