

men who drew the agreement, or if it is not better testimony to the skill of hon. gentlemen opposite to cover what they really intended to be the ultimate effect of the contract.

But these are not the only wounds. The right hon. gentleman no sooner made the contract than he proceeded year after year to subtract from its effect and to alter it several times to the advantage of the company and against the advantage of the country. There might have been security if we could hold the Grand Trunk Railway Company, but can we hold the Grand Trunk Railway Company; have we recourse against the Grand Trunk Railway Company in the event of the Grand Trunk Pacific Railway Company refusing to take over the line? We did have \$5,000,000 in cash as security that they would complete the western section, and that they would equip the whole after they took it over, but we have not that security now. That is a wound inflicted by the right hon. gentleman himself. The right hon. gentleman allowed the company to change the \$5,000,000 in cash into substituted securities, and I scarcely think he would value these securities to-day or take them at anything like \$5,000,000.

Mr. PUGSLEY: What are these securities?

Mr. MEIGHEN: I have not a list of the securities, but I am confident of one thing, and that is that they are not worth \$5,000,000 in cash.

Mr. PUGSLEY: What are they?

Mr. MEIGHEN: I understand they are bonds of some American railways and some other securities, and I understand they are not worth \$5,000,000, and that is a wound inflicted by the right hon. gentleman himself. More than that, there was a time when the Grand Trunk Railway Company were themselves compelled to take \$25,000,000 of the stock of that company, and by reason of that clause the Minister of Finance at that time stood in his place in the House and said that the Government of the day had seen to it that the Grand Trunk be not partners only, but that they be of it and in it and form the whole thing. They may have formed the whole thing in one sense, but about two years after the hon. gentleman came along and declared, that inasmuch as they had advanced \$5,000,000—the security the hon. gentleman has referred to—to the Grand Trunk Pacific, they should get their \$5,000,000 of paid-up stock without

[Mr. Meighen.]

paying another dollar. And, consequently, we are in the position we are in to-day, where we may have lost whatever advantage we otherwise would have secured from the backing of the Grand Trunk Railway Company.

The resolution before the Chair does not involve these questions. They have been raised by hon. gentlemen opposite. When they are raised, we are ready to answer them. The question before the Chair is simply this: Should we not, now that we are faced with at least the possibility of being compelled to operate this road for some length of time, be in a position to take over the line from Lake Superior Junction to Fort William in a manner and at a consideration that will be fair and reasonable and of advantage to the country? The hon. member for South Renfrew (Mr. Graham): says: You should not on any account acquire the line. If we cannot make an agreement to lease, we may be compelled to acquire it; but it is quite plain that if we can make a fair agreement to lease the line, that is the course we should pursue. My hon. friend says: You may be compelled to acquire the line, and if you are compelled to do so, you are going to be in an awkward position later on, because you will be owner of a vital part of the Transcontinental when the Grand Trunk are ready to take over the line and to operate it. It will be awkward, but it will not be so awkward for us as for the Grand Trunk. It will put us in the position where we shall have the upper hand, and I do not think that will be a misfortune. We do not want to take any advantage of the company; we want to make a fair and reasonable bargain with them to operate the line in the event of our being able to do so; but if we cannot do that, then we should be in a position to expropriate the work or a leasehold interest therein in order that we can operate the rest of the line to advantage. The alternative painted as so disastrous by my hon. friend the member for South Renfrew would only put us in the position of having, if anything, the upper hand when later we come to negotiate with the company the leasing of the whole line and of taking over our interest in the Lake Superior branch as part of the system of the Transcontinental railway.

Mr. GRAHAM: The hon. gentleman has missed one point that I tried to make, whether I made it or not. This resolution gives the Government power to expropriate