Mr. McMASTER: Only in the event of the arbitrators finding the other stocks are worth nothing.

Mr. ROWELL: No, quite apart from the arbitration. We offered $2,500,000 in cash for three years, $3,000,000 for the succeeding five years, and $3,600,000 annually thereafter. The minimum amount which the Government was prepared to pay was $2,500,000. Now, that is the amount of the interest on the guaranteed stock, and not a member on the other side of the House from the day that proposal was laid before it has ever suggested that that was too high a price.

Mr. VIEN: It never came before the House.

Mr. ROWELL: It has always been before the House.

Mr. VIEN: It has never been before us.

Mr. ROWELL: The proposal was read by the Acting Prime Minister last session.

Mr. VIEN: Yes, in connection with the receivership of the Grand Trunk Pacific, but the matter could not then be taken up in the shape the minister suggests.

Mr. ROWELL: If my hon. friend thought it was too great a sum he should have objected.

Mr. McKENZIE: That offer was not accepted by the company, and it never came in business shape before this House; so how could we discuss it?

Mr. ROWELL: It was stated in the House that that was the offer made to the Grand Trunk. If my hon. friend or any of my hon. friends on the other side thought the Government of Canada was offering too much it was their duty to point that out and to urge that the Government should withdraw from the negotiations on the ground that they had made too high an offer. But not an hon. member suggested that; there was no suggestion of it whatever. What the Government has done now is simply to guarantee the interest on that stock, which only amounts to the minimum offer, and we are arbitrating as to the balance.

My hon. friend the Minister of the Interior has given the House the reason we have agreed to this. We could not get on with arbitration without putting in that proviso. That proviso was in the letter of July of 1918, and my hon. friend will see it there. From 1918 up to this time no one has suggested that this should not be done. That proviso is as follows:

Should the company desire, the guaranteed stock may be treated as an obligation in the same way as the company's bonds.

It has been before the House and the country for more than a year and no one has suggested that there was any objection to the Government making this agreement.

Now I desire to refer again to the Grand Trunk Pacific. My hon. friend's whole argument falls absolutely to the ground unless he considers the Grand Trunk Pacific a gigantic blunder and a venture that should never have been started.

Mr DEVLIN: It should never have been degraded.

Mr. ROWELL: The Grand Trunk Pacific is from Winnipeg to the Pacific Coast, and if that railway should have been built, then the Grand Trunk will argue—and I think with great force—that it is worth at least the amount of money put into it, and that therefore the Grand Trunk's obligations or guarantee upon it should not greatly depreciate the value of their stock. That will be their argument.

Mr. McKENZIE: Why not clean up all the obligation and business in connection with the Grand Trunk Pacific first, and then we will know where we are?

Mr. ROWELL: You can clean it up if you want to liquidate the Grand Trunk Pacific and sell it under the hammer.

Mr. McKENZIE: Does the President of the Council say that we are going to have perpetual receivership?

Mr. ROWELL: Certainly not.

Mr. McKENZIE: Why not bring it to an end now?

Mr. ROWELL: How can you bring it to an end now? You can do it only in one way, by liquidating it, or you can continue it until this arbitration is concluded and the property taken over. Do the leader of the Opposition and the men who stand behind him want to see the Grand Trunk Pacific, which Sir Wilfrid Laurier considered one of his crowning achievements, sold at auction?

Some hon. MEMBERS: No, no.

Mr. ROWELL: That is what your argument leads to.

Mr. McKENZIE: Not at all. The President of the Council as a member of the Government put it in the hands of the