

the Canadian Northern was able to finance itself this matter would not be before the House; the Canadian Northern would be paying interest upon its underlying securities, would be financing its betterments, paying for its rolling stock, floating all its temporary loans, and not putting in an appearance at Ottawa at all. It is because they find themselves in a position where they cannot go on and where Government aid is imperatively necessary or default must occur, that this measure is before the House.

And it is under such circumstances, when the Minister of Finance is well aware of this Canadian Northern company's financial standing, that the Government now propose a measure by which we bind ourselves or we become liable to pay millions for stock of an insolvent company, in other words for absolutely worthless stock.

It seems to me I am still hearing the argument set forth in this House by certain members opposite who took part in the debate of 1914, when we were discussing the proposal of having the Government guarantee the Canadian Northern company's loan of \$45,000,000. They said we were making an advantageous bargain or at least as advantageous as possible under the circumstances. They added that, if the company were unable to meet its obligations, if it made default in paying the principal or interest, then we would take over that railroad. It would become our property; in short, we would summarily take possession of it. That is what we were told in 1914, Mr. Chairman, so as to be convinced of the wisdom of the Government's decision to aid the Canadian Northern company. The hon. gentlemen who spoke most eloquently and most forcibly on the matter, the champion of the Government upon that occasion, was most assuredly the hon. Solicitor General (Mr. Meighen). Here is what I read on page 3693 of the Hansard of that year:

Or, if we choose, we can ourselves, by Act of Parliament, legislate that that road is the property of the people of this country and that the interests of all persons whatsoever outside of the people of Canada are eliminated.

The idea of that is that we are at this time making the interested parties and all stockholders parties to this contract, and we say to them: We now and here bind you that should the day of default come, you shall not appeal to the Parliament of Canada on the ground of your road being confiscated in any way whatever, but you here and now leave the Parliament of this country free from any such question and untrammelled in every way to deal with the property of the Canadian Northern as it may be advised in the interests of the people of this country. That is the summary procedure outlined here for taking over the road.

That was most explicit and, from these remarks of the Solicitor General, who was the Government's chief mouthpiece, when

that measure was discussed, we can draw no other conclusion but this one: If the Canadian Northern failed to meet its obligations, we should have the right to take possession of that road without any procedure, and without being obliged to pay an indemnity to any one whomsoever.

We have, therefore, even to-day, the right—which we will eliminate by the present legislation—to take possession of the Canadian Northern without expense, since this railroad, on the Finance Minister's own confession, as shown by the quotation I have just read, is not in a position to meet its obligations. And instead of availing ourselves of the rights given us by the Act of 1914, the Government now propose that we should have an arbitration in order to determine the value of this company's shares and that we should pay the amount fixed by these arbitrators.

I do not pretend, Mr. Chairman, to be a business man, but I cannot however help seeing all the ridicule of this proposition and for nothing in the world, would I have engineered this resolution or even proposed it, for, I emphatically declare it, I would fear that it contained something suspicious or that dishonesty or complicity to plunder the public treasury might be suspected. I am convinced that the impression which will remain in the public mind as to this legislation, must spell disaster to the honour and to the reputation of all those who will have taken a hand in it.

There are three points which make this legislation look suspicious: firstly, its absurdity, the fact of making ourselves liable to pay millions, when we have a bargain by which we have nothing to pay. Secondly, the method resorted to by the Government to have it forcibly adopted, shutting off discussion and applying the rule of the gag, to throttle the members of the House. And, lastly, the fact that such a legislation, the result of which will be to saddle the people with a burden of over a half billion dollars, is to be adopted by a Parliament which is not a representative one, inasmuch as the members now sitting in this House are not the representatives of the people.

For my part, Mr. Chairman, I thought it was my duty to clear my responsibility from this legislation which looks bad. I have felt it my duty to protest on behalf of the people of Canada, being one of the citizens, against this misuse of power by the Government which will evidently result in creating among the public a feeling of distrust towards our parliamentary institu-