

House, but I find myself compelled to omit them, for I am told that my allotted time is up. In the name of my constituents, in the name of the province of Ontario, I strongly protest against this measure, because it is a legal brigandage, because it will cost, from the start the sum of \$30,000,000, \$40,000,000, even perhaps \$50,000,000 and we shall receive capital stock which, according to the Government's commission, represents no value at all.

I was forgetting, Mr. Chairman, that in this House to-night, might overrides right, therefore I will speak no longer on this subject.

Mr. JOSEPH DEMERS (St. John and Iberville) (translation): Mr. Chairman, I will be short. Even if I did not want to be, the House's new regulations would oblige me to, and, moreover, I would be loath to have applied to me the gag which is a repeated violation of one of the fundamental principles of democracy, of freedom of speech.

If I rise now, it is because I feel it is my duty, as a citizen, to protest against one of the most daring acts of the Government, and that means a great deal, when one knows what this Government can dare.

Our finances are in a wretched condition, and we have had an illustration of it in the very high rate of interest for our last loan in the United States. There is nothing surprising about it, when we know that, with a population of 7,000,000 people, Canada has now a debt of \$1,600,000,000 which means a \$225 per capita debt and, under such conditions, what do the Government propose to us? By this Bill the Government want us to assume an additional indebtedness of \$653,000,000, which will raise our public debt to the fabulous amount of \$2,250,000. I wonder whether the Government have decided upon putting the country in bankruptcy—just as the Canadian Northern seems to be—unless we have already reached that state and, then, a little more or a little less would not make much difference.

I intend to read the first section, as well as the third section of this Act. I will read them in French, which will probably interest the majority of the members of this House.

The first section deals with the acquisition of stock of the Canadian Northern:

1. His Majesty may acquire the six hundred thousand shares of capital stock of the Canadian Northern Railway Company (par value sixty million dollars), not now held by the

[Mr. Proulx.]

Minister of Finance in trust for His Majesty, on such terms and conditions satisfactory to the Governor in Council as may be set out in an agreement to be made between His Majesty and the owners and pledgees of not less than five-sixths, and for a price to be determined by arbitration as hereinafter provided.

The second clause deals with the transfer of stock. The third clause is the one which provides that the Government may pay and settle all the obligations of the Canadian Northern company.

That section reads as follows:

3. (1) So soon as the said five-sixths of the said shares have been transferred as aforesaid, the Governor in Council may assist the Canadian Northern Railway Company, or any company included in the Canadian Northern Railway system, in paying and settling any indebtedness of such company or postponing the payment thereof on such terms as may be agreed upon, and for such purposes may make advances out of the Consolidated Revenue Fund, may guarantee payment in whole or in part, and may give the obligations or securities of the Government in connection therewith.

(2) The Canadian Northern Railway Company, and each company included in the Canadian Northern Railway system, shall from time to time do such acts and things, make and issue such agreements, obligations and securities in connection with the payment or settlement or postponement of payment of the said indebtedness as the Minister of Finance may require.

Well now, Mr. Chairman, when we read those sections of the Bill now before us, we can readily come to the conclusion that this Act is, neither more nor less, but a full waiving of the rights which are guaranteed to us by the special Act passed in 1914.

We are asked to acquire shares of a par value of \$60,000,000, by arbitration, when, in pursuance of a special Act passed by this Parliament in 1914, we have the right to take them without paying a cent. We are entitled to take over the Canadian Northern Railway company's system, without being obliged to pay a compensation to anybody.

The Act says "acquire by arbitration." We know what may mean an arbitration with Mackenzie and Mann.

We are asked to give our consent to legislation by which we are to expose ourselves to pay millions for stock of an insolvent company. I say insolvent, because that is the construction I put upon the remarks made during this debate, by the Minister of Finance and which I find at page 4394 of Hansard (unrevised edition) sitting of August 7, 1917. This is what the hon. Minister of Finance said:

Sir Thomas White: I hope my hon. friend does not think that the Government is without any intimation from the Canadian Northern that they need aid, and is going out of its way to provide aid, or to take over the system. If