

\$45,000,000 in order to acquire \$40,000,000 of the stock of the Canadian Northern railway, in what financial situation shall we find ourselves involved?

Did you ever hear, Mr. Chairman, of a lender giving \$5,000,000 more than the value of his security? If you had any money to lend, Mr. Speaker, even on a first mortgage, would you lend a sum in excess of the value of the property, and would you advance even the full value of the property pledged as security? Is there a single lender in the world who would advance money to the extent of the actual value of the property? No not a single one, Sir. Generally, the amount of the loan never exceeds 50 per cent of the estimated value. But in 1914 we advanced to the Canadian Northern Railway company \$45,000,000, and all the security we got was \$40,000,000 of stock.

Should the arbitrators who are to be appointed by the Government take that loan of 1914 as a basis for the valuation of the stock, we should have to pay from 75 to 80 million dollars to Mackenzie and Mann, for the balance of the stock which they have on hand, and we would find ourselves in a fine mess, besides all the other liabilities we should have to assume later on.

As already stated by the hon. member for Pictou (Mr. Macdonald) we shall have to assume liabilities of over \$600,000,000. One can fancy the financial straits in which the country will find itself, not only after the war, but immediately after this transaction, when once we have advanced the required amount for the balance of that stock; when once we have been saddled with all the other outstanding liabilities of the Canadian Northern Railway company; when we have to spend millions of dollars to complete the system and to meet all the obligations imposed upon us by the war, in which we are taking part. I say, Sir, that the ratepayers of this country will never be able to pay the interest on the public debt. I am speaking only of the present time, but what will be our position after the war, when we shall have to face expenses about which we know nothing as yet, and which we are incurring during the war? What about our expenditure for munitions and the maintenance of our forces in England and in France, which are now being paid by the Imperial Government, but which after the war will have to be settled by this country and will amount to many millions of dollars? What will be our financial situation then?

Mr. Chairman, I wonder what the Minister of Finance, the Prime Minister and

[Mr. J. E. Marcille.]

the other members of the Government mean by launching the country at a time like this, into such a tremendous undertaking when the country is already saddled with such heavy expenditures.

Mr. Speaker, let me repeat here what the hon. member for South Renfrew stated before this House on the 7th instant, as reported at page 4501 of unrevised Hansard:

Roughly speaking we are entering upon a scheme of purchase, the value of which we do not know yet, with a liability for completion the figures for which we ought to have in our hands, with a further liability for betterment the amount of which we ought to know, and with a still further necessary liability for rolling stock and motive power. These things we must know before we can tell just how far we are going, or what investment we intend to make in this great project of public ownership.

I am not a believer, Sir, in public ownership. We are already in charge of the Intercolonial and we have enough of it; we are tired and sick of it. If we were to take charge of a new transcontinental railway, administered by the Government, it would spell disaster to the country. It could not be otherwise, because a railway cannot be successfully administered, financially, by a Government, more especially by such a Government as we have to-day.

Before this section 3 is agreed to, I should like to make a few remarks concerning the extraordinary measures resorted to by the Government to put this Bill through the House. The proposal must be an exceedingly bad one, or it must have more than an ordinary interest for the Minister of Finance or some of his friends in this House or outside of it, to induce him to adopt such drastic proceedings in order to secure the passing of the Bill. Once before we had to submit to closure. That was about four years ago and then as to-day it was brought into operation in order to secure the passing of a measure detrimental to the best interests of the people of this country. On that occasion the Government had to apply the closure—

Some hon. MEMBERS: The gag.

Mr. MARCILE: On that occasion the Government had also to gag the representatives of the people in order to impose upon the country a policy repudiated by the large majority of the people. Nevertheless, there is some comfort in the knowledge that to-morrow loud protests will be heard from all parts of the country and that in a few hours, when the Minister of Finance goes home he will spend a sleepless night, racked by pangs of remorse over his doings of to-night and at the thought that to-morrow he