

iety to serve the public interest, and to offer the most careful and prudent proposition that could be made on a question of this importance. It is unfortunate that the spirit and wisdom they have displayed was not used for the country's advantage at the time the Grand Trunk Pacific scheme was offered to the country. The gentlemen who have spoken, and their friends in the country, offered to the people of Canada a transcontinental railroad scheme that was so imperfectly safeguarded that the contracting company could not be compelled to take over the 1,600 miles at its enormous cost when it was ready and offered to them. Perhaps in another year, when the Grand Trunk Pacific railway will be before the country for adjustment, we shall have a development of the same wise care over and the same intense interest in the welfare of the country; and I am wondering how honourable gentlemen will be able to argue upon that question, when it comes before us, upon the lines of their argument of the last two days. The Grand Trunk Pacific and the Transcontinental railway have involved and will involve the country in twice or three times the amount of liabilities that we have to undertake in disposing of the question now before the House.

I will not attempt to follow the arguments; I am unable to do so; but the discussion seemed to have narrowed itself down to this: will the country allow the Canadian Northern to go into bankruptcy, with whatever may follow, or will the whole question be referred to the Exchequer Court, or will it be dealt with as proposed under the present Bill? The average mind finds it hard to distinguish between a reference to the Exchequer Court and an arbitration. The latter would be clothed with all the powers exercised by the Exchequer Court, and either body would be sufficient to deal with it; but an arbitration would give to all the parties concerned and all the various interests the consideration that their claims deserved. The question referred to arbitration will be largely the acquiring of the \$60,000,000 stock of the Canadian Northern. It seems to me that as long as that stock is on the market it is a danger to the interests of Canada. That stock might be acquired by a corporation holding large railway interests in this country. The majority of it might be acquired by an American company. Bear in mind that the Northern Pacific and the Great Northern,

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two enormous corporations, lie alongside our great West. I know of no power in this country which could prevent them from acquiring a majority of that stock and taking possession of the road, if they paid all the claims against the Canadian Northern, including that of the Government. I know of no legal objection to their entering Canadian territory and handling the traffic of the country, which they might perhaps run over their own lines. Bear in mind that those two lines join with the Canadian railway systems at a great many points. The possession of the Canadian Northern system by those companies would be a condition to which, I am sure, we would all object. But with the stock in the hands of the Government of Canada, the Government can deal with all the interests as they choose.

If one of us had made advances to a trading company or a manufacturing concern and they were confessedly in arrears and could not pay their liabilities, what would be done? The ordinary course is to obtain possession of the stock of that company, out their directors, put in directors favourable to the claimant, and deal with the various interests of the company through the stock controlled. In my judgment that is the wise course, and the one that the country should adopt.

However, that is not the whole question. Honourable gentlemen who have preceded me have pointed out that the country is today facing a great crisis, one which I am sure we would all have liked to avoid if possible, or defer until a period when the country would be free from the enormous burdens imposed upon it by reason of the war and when we could deal with our entire railway problem. Unfortunately, this particular problem cannot wait. It can be dealt with now and it must be dealt with, for the reason which I have given—the danger that if the outstanding stock were acquired by hostile interests there would be another railway problem before us for adjustment. If I may use the term, the finger of destiny points to the amalgamation of all the railroad interests in this country other than those of the Canadian Pacific railway and the Grand Trunk railway. There is no other course open. As honourable gentlemen have said, that course has been outlined by the Prime Minister as one of the early possibilities.

I think we can all understand, then, the importance of the Government of Canada acquiring upon the best possible terms the possession of the Canadian Northern. The Grand Trunk Pacific and the Transcon-