

possible to deny the right to be heard to any man whose property is taken and who makes a reasonable claim that it has some value. Therefore, I say, under the Act of 1914, if the owners of the equity of redemption were able to show—as I think they have shown—that there is some reasonable claim for some value in the property over and above the encumbrances, we ought not to deny them the right to be heard. It is an elementary principle of common justice embodied in all the provisions of the British Constitution that no man shall have his property taken from him, his rights taken away, or his liberty interfered with, unless he shall have had the opportunity of being heard before a competent tribunal in respect of his claim. Therefore, the principle upon which this Bill is founded is precisely the same as the principle upon which any government would have been obliged to proceed in acquiring this property under the Act of 1914. We prefer this method, for a very good reason which has been explained over and over again—for the reason that by acquiring the stock, although acting upon the same principle which we would have been obliged to follow if we had acquired the physical assets themselves, we do not disturb the corporate entity; we do not interfere with the organization of the road; we do not interfere with its efficiency; we do not interfere with the service which the railway is at present rendering to the people of Canada. And, more than that, instead of bringing the road under the direct administration of a department of the Government, we have its administration carried on by the same corporate machinery which has been employed for the purpose for many years past. I cannot see any fault or any fallacy in that reasoning. We are acquiring absolute control of the road and absolute ownership of the road to as full an extent as if we had acquired the physical assets. We are doing that by the acquisition of the stock, so as to prevent any interruption of the service of the road, or any impairment of its efficiency, and to keep its staff and its organization together, to prevent it from being brought under the direct administration of the Government, and to enable the system of administration which has carried on its work in the past to carry it on in the same way in the future.

There has been some criticism as to the method of arbitration. It is said we should have referred the question to the Judge of the Exchequer Court. No one has a higher

[Sir Robert Borden.]

respect than I have for the Judge of the Exchequer Court; but I would like to point out the authority upon which we based our action and the reasons which led us to the conclusion embodied in this Bill. The method of arbitration has the authority of the Drayton-Acworth report which it pleased some of my hon. friends on the other side of the House to commend most highly, and which I do not pretend for a moment to criticise. Let it be remembered, that report made two recommendations, first, that the country should acquire the Canadian Northern railway, not by the acquisition of its physical properties, but by the acquisition of its stock. The report said something more than that. It declared that the compensation, if any, to the holders of the stock should be determined by arbitration. That is the proposal which the Government has embodied in this Bill and which is now before this House for decision. The only difference between what we propose here and what Sir Henry Drayton and Mr. Acworth propose is this: Under the Drayton-Acworth report the holders of the stock were to be compensated by an allowance in stock. The amount of the allowance was to be determined by arbitration. One of the arbitrators was to be appointed by the trustees representing the Government, one by the Canadian Northern railway shareholders, and the third by the two arbitrators so appointed, or, failing an agreement, the third arbitrator was to be appointed by the senior judge of the Exchequer Court. One significant sentence was added which I will give to the hon. gentleman (Mr. Pugsley) for his consideration. The Drayton-Acworth report recommended that an arbitration tribunal should be established for the purpose of making an award between the Government of Canada and the shareholders of the Canadian Northern, but it did not propose any reservation of the right of this Parliament to determine whether or not the award made by that tribunal should be accepted. No, the Drayton-Acworth report adds this significant sentence to its recommendation: "The decision of the board should be final." We say here, for the same reason, and practically under the very same conditions, that the decision of the board appointed under this Bill should also be final, subject to an appeal to the Supreme Court of Canada if the award should not be unanimous. If the decision was to be final with respect to the compensation in common stock, what reason can be urged for the argument that