

friend from Labelle (Mr. Bourassa) or any other member of the House: Does he believe that this road is being over-capitalized? Does he think that the Grand Trunk Pacific Railway can build the road even with the capitalization fixed by this Bill? I think, on the contrary, that the country would have reason to be thankful if the Grand Trunk Pacific could build such a road as is here contemplated according to the provisions of this Bill. It is true that they have taken the power to issue stock to the extent of \$75,000,000 and to bond the road to a large amount, but does my hon. friend believe that the \$75,000,000 stock, if put upon the market, will realize that amount? He knows that it will not. The country ought to be very thankful indeed to the Grand Trunk Pacific Railway if they should build this railway from Moncton to the Pacific coast with the resources provided for in this Bill. What will take place? They have undertaken to build such a railway from Moncton to Quebec, from Quebec to Winnipeg, and from Winnipeg to Fort Simpson. I say that if they succeed in carrying out such an enterprise under this Bill, without any government aid, they will have performed a feat of great magnitude without cost to the country. But they will probably come to the government for assistance. Then, as has been pointed out by my hon. colleagues the Minister of Railways and the Minister of Finance, the terms upon which the government may grant assistance will have to be considered. But because this charter is passed, it does not follow that the government is bound to grant any assistance. If the government chooses either to build the railway itself or have it built by a company—either the Grand Trunk Pacific or any other company—then the terms will have to be submitted to parliament and carefully considered. But until then there is nothing to be said against the argument of the hon. Minister of Finance, that this charter has to be treated as any other charter. If it were not a charter for such a gigantic road, it would have got through before now, but the magnitude of the enterprise excites attention. That, however, should not lead us to imagine that the charter is not such a one as is every day reported by the Railway Committee and passed by this House. I may add that the amendment of my hon. friend from Labelle is not in order.

Hon. Mr. HAGGART. The hon. Minister of Finance has said that it does not matter what the charter is that we are giving this company, and that the government, before granting it any aid, could alter the line and the terms and conditions. My hon. friend from Selkirk (Mr. McCreary) said that this was extraordinary legislation, and that it was the first of the kind he had ever heard of. Well, Mr. Chairman, it is the first legislation of the kind I have heard of. But the hon. Minister of Railways completely floored my hon. friend by producing a Bill, the

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Canadian Pacific Railway Bill, which, he said, was formed on the same lines. Let me point out that it is not formed on any such lines at all. The Canadian Pacific Railway Bill was for the purpose of ratifying a contract made by several individuals, to wit, George Stephen, Duncan MacIntyre, R. B. Angus and some other capitalists in England, with the Minister of Railways to build a certain railway, and under that contract they were given a charter to do so. But how could the Grand Trunk Pacific Railway enter into any contract with the government for the building of a railway except such a railway as is defined in this Bill, and on the conditions therein stipulated? The company is bound by its Act of incorporation. It cannot go outside of that. It cannot enter into a contract to do anything else than is expressly stipulated in its charter. It has no entity outside of its Act of incorporation, and therefore it cannot contract with the government as ordinary individuals could. In the case of the Canadian Pacific Railway, the government granted a subsidy for building a railway from Winnipeg to Victoria, and they got from parliament the power to enter into a contract with the railway company, which had been incorporated for the purpose of building that road. But this case is different. The Grand Trunk Pacific Railway is given by this Bill the power to build a certain defined line on certain conditions, and it could not make any contract with the government which would vary that line or in any other way alter the conditions of its charter. Therefore, I do not see how the contention of the hon. Minister of Finance and the hon. Minister of Railways can hold, namely, that after the Grand Trunk Pacific Railway is given its charter the government may enter into an arrangement with it which would not be in accord with the conditions of that charter. I say that this is new legislation. But the Minister of Finance says it is quite time enough to consider the question whether the government will subsidize this road or not, and on what terms, when that question comes before the House, and that the only thing we are called upon to deal with just now is whether we are giving this company an excessive bonding power. I can remember well the arguments formerly made use of by the hon. Postmaster General (Hon. Sir William Mulock), when he denounced what he called the folly of the late government in allowing over capitalization in the case of the Canadian Pacific Railway, and predicted that when the rates were being fixed or if ever that road should be taken over by the government, the country would have to pay for that over capitalization. I took a different view at that time, and I cannot say that I have considerably altered my opinion since. The parties who invest money in railways will look to the security they are receiving for their investment. What security would investors have in the under-