

of this order, which will be validated by our legislation, not only the property rights involved, but the national interest. The intention of this order was to ensure the continued operation in the public interest of the Grand Trunk Pacific Railway system, and it was not possible to accomplish that in any other way than the one we have taken.

Mr. VIEN: There is some further information required to complete the minister's statement. When the Grand Trunk failed to accept that portion of the line which was constructed by the Government from Moncton to Winnipeg, was any written agreement made between the Government and the Grand Trunk or the Grand Trunk Pacific?

Sir THOMAS WHITE: No.

Mr. VIEN: Then was the company put in default?

Sir THOMAS WHITE: The Government claim they are in default, but the company set up various grounds on which they consider themselves not liable. In reality, the cost was so great that the objection was really on that ground. The interest at three per cent on \$170,000,000 amounted to about \$5,000,000 a year on a line which does not meet its operating expenses.

Mr. VIEN: Was any agreement made at the time of default between the Government and the Grand Trunk or the Grand Trunk Pacific?

Sir THOMAS WHITE: No. The Government stepped in because it had built the line. The title was in the Government. The Grand Trunk Pacific having declined to execute the lease which under the original agreement we claim they were bound to execute, the Government had to provide for the operation of the line, and has been in possession since.

Mr. VIEN: But as the Government did not put the company in default when they failed to take up their obligations it may have given up its right under the agreement to compel the company to do so.

Sir THOMAS WHITE: I think all rights are preserved.

Resolution reported, read the first and second time, and concurred in.

Sir THOMAS WHITE thereupon moved for leave to introduce Bill No. 28, to confirm an order of the Governor General in Council respecting the Grand Trunk Pacific Railway system.

[Sir Thomas White.]

Motion agreed to, and Bill read the first time.

On motion of Sir Thomas White, the House adjourned at 11 p.m.

Friday, March 21, 1919.

The Speaker took the Chair at Three o'clock.

COMMITTEES OF THE HOUSE.

Sir THOMAS WHITE moved:

That the name of Mr. Reid (Mackenzie) be added to the select standing committee on Railways, Canals and Telegraph lines and struck off that on Privileges and Elections; and that the name of Mr. Wright be added to the select and standing committee on Agriculture and Colonization and struck off that on Standing Orders.

He said: I understand this matter has been made the subject of arrangement.

Mr. SPEAKER: It is only by unanimous consent that this motion may be put.

Motion agreed to.

IRRIGATION ACT AMENDMENT.

On motion for the third reading of Bill No. 8 to amend the Irrigation Act.

Hon. ARTHUR MEIGHEN (Minister of the Interior): On the motion for the third reading I desire to ask that the word "lake" be inserted after the word "water-courses" in sub-clause 2 of section 1. I believe this can be done on the third reading if there is no objection on the part of the House. If there is any objection, I will move the House back into committee.

Mr. SPEAKER: That amendment can only be made by unanimous consent; otherwise, in the ordinary course, the practice would be to move the Bill back into committee.

Mr. McKENZIE: There can be no objection to the amendment.

Amendment agreed to, and Bill read the third time.

ST. JOHN AND QUEBEC RAILWAY.

Bill No. 5 to authorize a further extension of time for the completion of the St. John and Quebec railway between Gagetown and Westfield—Hon. Mr. Reid—read the second time, considered in committee—Mr. Boivin in the Chair—and reported.