ition as represented by hon. gentlemen opposite was that the Grand Trunk assumed obligation. But here we find a director of the Grand Trunk, a man with £50,000 erest in it, and another shareholder, warning their fellow shareholders against this ntract on the ground that it would be disastrous to the Grand Trunk, on the ground at the government were assuming little or no obligation, and the company were uming very heavy obligation. The hon. gentleman (Mr. Clancy) asks me if I dorse it. No. There are extreme views on this question. I no more endorse the treme view on the side of Mr. Allen than I endorse the extreme view on the other le of Hon. Mr. Blair ; the truth is to be found between the two. The scheme is t as bad for the Grand Trunk as described by Mr. Allen ; it is not so bad for Canada my late colleague thought it was.

## FAIR TO BOTH SIDES.

Mr. SPROULE. I suppose the hon. minister (Mr. Fielding) is aware that Mr. llen expressed these views before these last concessions were granted ?

Mr. FIELDING. Mr. Allen's memorandum was read after the last concessions ere granted and at a meeting which was assembled for the very purpose of ratifying e contract as amended by those concessions.

Mr. SPROULE. Is it not the fact that one of the directors intimated that Mr. llen's memorandum was written before the last concessions?

Mr. FIELDING. I think Sir Charles Rivers-Wilson said that he hoped the tter concessions had removed some of Mr. Allen's objections. But the fact remains at Mr. Allen's memorandum was read by his own son at a meeting of the share-olders called not only after the concessions had been made but called for the very urpose of considering and ratifying the contract thus amended. And it is evident at the concessions did not remove Mr. Allen's objections. Otherwise he would not ave sent his son to the meeting to join in a protest. Now, what we learn from this that we should not adopt extreme views. And, inasmuch as Mr. Allen on one de presented the extreme view that this contract was going to be disastrous to the rand Trunk and we declined to believe him, equally we declined to believe the peeches of hon. gentlemen on the other side who presented the other views declaring hat this was a disastrous scheme for Canada. One thing we do know—that the opular financial opinion of the moment was voiced by Mr. Allen rather than by Sir Charles Rivers-Wilson, because, I am informed, immediately after the meeting, the Grand Trunk stocks were depressed on the London market. I have no doubt that if hey have not already come up they will come up, because as the right hon. the Minister of Trade and Commerce (Sir Richard Cartwright) said last year the best kind of a bargain that you can make is a bargain where the interests of both sides are fairly considered and where both sides may be able to make a fair return for their investment.

## AMENDMENTS AGREED UPON.

Now we may consider for a moment why we are dealing with this matter to-day. The hon. gentlemen opposite have opened up the whole question, but in reality we are now met for the consideration of the amendments only. Let us see what they are. They were dealt with very fully in the committee and I shall not weary the House by dwelling on them at any length. The first one,—not the first in order, but I mention it first because it is the one which has been most discussed in the House—is that which relates to the common stock. In the original contract it was provided that the Grand Trunk Company should take and hold certain common stock. They came afterwards and asked that they might be permitted to pledge or use that stock in such a way as would assist them in raising money. We agreed on the understanding that they should retain a controlling interest in the stock. The concession is not of importance as regards any immediate interest ; its only importance is in relation to the capitalization of the railway, in respect of the amount upon which dividends shall be earned and freight rates be based. It has already been pointed out in the debate that in the past the capitalization of a railway had been regarded as of particular import-