

Sir Thomas also reproaches the commissioners with having neglected the company's credits, mortgaged upon the lands sold (\$7,000,000) and the sums deposited in trust, some proceeding from the land sales (\$2,400,000) and the others from State subsidies not yet utilized (about \$20,000,000). But as, on the other hand, the commissioners have also neglected to add to the liabilities the \$25,000,000 of debentures affecting the catch-penny revenue designed to hide the operation deficits—and the \$4,500,000 of unpaid interests, one has only to add up the three debit figures and the two credit figures, to see that the totals cancel one another. The Minister of Finance has merely tried to fool both the House and the public.

When a man of Sir Thomas White's standing has to resort to such juggling processes, the operation must really be indefensible.

I will not delve any further into this maze. One would need the brains and the pen of an expert. I have confined myself to pointing out the main enormities, the most obvious ones for any man of common sense who takes the trouble to study with some attention the report submitted to the Government and to the House. The report itself shows that the ministers have placed their own experts in the impossibility of giving them an exact account of the concern's actual value.

But before leaving off this dry subject—which conceals perhaps the most monstrous of the numerous raids perpetrated to the State's expense since Confederation—I wish to point out a view which more particularly interests the province of Quebec.

Of the company's \$439,000,000 actual liabilities which the State is ready to assume, \$107,000,000 are presently guaranteed by the province of Ontario and the four Western provinces. British Columbia alone is in it for forty millions. These securities have been given for particular enterprises, of exclusively provincial interest, to-day engulfed in the maelstrom into which the Federal Parliament is preparing to plunge the whole country, for the greatest benefit of the wreckage plunderers who are watching for the wreck. Owing to the company's whole liabilities being assumed by the Federal Government, the province of Quebec, as part of the Confederation, is therefore forced to assume a proportionate share of the \$107,000,000 due by the other provinces. That share must be equivalent to twenty or twenty-five millions, at least. It is a repetition, on an enlarged scale to suit the cupidities of the present day, of the iniquitous operation of 1841, when Lower Canada was called upon to pay her portion of the liabilities of Upper Canada, then practically in bankruptcy.

What do Sir Lomer Gouin and his colleagues think of it? However debatable may have been their administration in other respects, their railway policy has been vigilant, even parsimonious. They have protected the provincial treasury against the raids of Mackenzie and Mann and of other bandits of the same stamp. Will they, without any protest, allow the Federal Parliament to make us pay for the extravagances of the other provinces?

The solution which the most elementary equity would impose is that each province remain indebted to the Federal Government for the obligations it has assumed or secured.

Mr. MORPHY: I would like to know the name of the paper the hon. gentleman has been reading for the last fifteen minutes.

Mr. PROULX: The paper is *Le Devoir* of Montreal and the writer is Mr. Henri Bourassa. If the hon. member for North Perth (Mr. Morphy) understood the article he must admit that the writer must have studied the question very fully.

Some of my colleagues have pointed out that it was a daring injustice towards the province of Quebec to hold her conjointly liable, with the other provinces, for the obligations the latter have assumed towards the Canadian Northern. And this remark is justified, when we find that obligations to the total amount of \$107,514,642.27 have been guaranteed by the different provinces, while the province of Quebec did wisely stand aloof.

It has been suggested, the other day, that instead of entrusting an arbitration committee with the estimation of this capital stock, it would be better to submit the matter to the Exchequer court. Last year, when the Government wanted a maximum valuation fixed for the Quebec and Saguenay, the question was laid before the Exchequer court; but, as the latter did not render a decision favourable to the Government and, more particularly, to the member for Montmorency and Charlevoix (Sir Rodolphe Forget), the Government did not think it wise to go back to the same sign. Now, they want us to believe that this arbitration will be absolutely fair, for all the interested parties, because Sir William Meredith, the Chief Justice of the province of Ontario, shall be asked to give his decision upon that transaction; when actually, the Government's object is to favour the holders of these 60 per cent of the capital stock, the greatest part of which is in the hands of the promoters of this line. It might perhaps be relevant, at this point, to recall the fact that the latter will also have the choosing of the other commissioner. When the Government have had an important commission to appoint, they have always, like the Ontario Government, resorted to the Chief Justice of the province, Sir William Meredith, may be possessed of a deep legal science, he may thoroughly know the jurisprudence of the country, but when it comes to a railway matter, would not another party, another railroad president, Lord Shaughnessy, for instance be more competent to determine the value of the capital stock of any company whatever, for, in such a case, he must rely upon the present and the future receipts of the company? There are other considerations I would like to offer to this