

Bill they were going to authorize another class to be called second equipment bonds, having preference over other preference shares and ordinary stock. His honourable friend (Mr. Cartier) said the company was not in such a bad state as most of the companies of the States, where most of the original stockholders had disappeared. What was the present value of the stock of the Grand Trunk? Surely worth nothing at all, and yet they were going to increase it by putting in preference bonds over all other stock. He was not going to oppose the Bill on its second reading; but the House had got into the habit of dealing very lightly with the interests of third parties. He thought they should enquire very closely whether those persons to be affected by this Bill would consent to this change or not. There was another point which he wished to notice. They knew the objections made last year to the amalgamation between the Buffalo and Huron and the Grand Trunk. It was now proposed by the ninth clause, to tell the two companies that they may make any arrangement they please, without regard to the interests of the stockholders or the public. This would be a most dangerous power to give to the Company. He hoped the clause would be closely looked into.

Mr. Francis Jones referred to the recent meeting of the Company in London, where the bondholders raised the strong objection to the passage of this Bill. He contrasted the difference between the cost of working the Grand Trunk and the Great Western Railway respectively. In one case, the working expenses amounted to 70 per cent of the gross earnings; while, in the other case, it was only 44 per cent. What caused this great difference in the cost of running the two roads? What an honourable member had said about the dissatisfaction with the management of the Grand Trunk, expressed the sentiments of nine-tenths of the people of the Province of Ontario. There was great dissatisfaction with the management of the road, and he (Mr. Jones) would not allow the Bill to pass without expressing his belief that the Grand Trunk required strict watching, and its management the closest investigation. (Hear, hear.)

Mr. Mackenzie said that if the proposer of the Bill would undertake to produce before the Railway Committee an agreement of the bondholders to accept the Bill, and also show that the sixth clause would not authorize changes contrary to the sense of the Act of

[Mr. Dorion (Hochelaga)]

last session, he (Mr. Mackenzie) would advise his honourable friend from South Perth not to press his motion for postponement.

Mr. Shanly was informed that all the necessary documents would be produced before the Railway Committee when the Bill came before it. With regard to the sixth clause, its object was simply to give power to the Grand Trunk and Buffalo and Lake Huron Companies to arrange between themselves, from time-to-time, certain details of the agreement authorized by the Act of last session. It was found that the agreement hampered the Companies in a manner injurious to their interests and those of the public, and this Bill merely gave the Companies power to arrange their own business in their own way.

Mr. Mackenzie said, unless the House knew precisely the way in which the agreement authorized by the Act of last session would be varied by this Bill, it would be necessary to insert in it a special clause, preventing its change in certain directions.

Hon. Mr. Cartier said the changes which would be operated by the Bill would be fully explained to the Committee when the matter came before it.

Hon. Mr. Howe said a comparison might be made between the Grand Trunk and the London, Chatham and Dover road. The same men that wronged the people of England on this side of the water, wronged them on that. This Company should be watched narrowly. They should produce evidence before the Bill is passed that peoples' rights will not be affected against their consent. Some railroads have been made to cost enormous sums of money, and thousands of human beings have suffered and been ruined by them, while others have been constructed at a cheaper rate, and yielded a profit to stockholders. There are two roads running between Portland and Boston. These roads running parallel and in competition to each other, through a rugged country, are not only paying running expenses, but have a considerable surplus besides. He could imagine a road like the Vermont Central, constructed with insufficient capital, making ruinous discounts, and running through such a country, not paying at all; but the Grand Trunk, running through such a level, fertile country as it does, ought to pay running expenses, and something more. It has been said that the Grand Trunk would have paid last year, if they had not expended so much upon rolling stock. He