

measure. But why the unseemly, and indecent haste practiced by the government in ramming this legislation through the house? Why permit the Prescription measure to dawdle along for over a hundred days, with no hint of closure, when closure is applied to the Canadian Northern measure less than thirty days after introduced? Is the need of the men at the front to be considered less immediate than the need of the financiers of Toronto, and their interlocking combinations?

If this legislation is designed primarily to assist the group of financiers to which reference has been had (and no other explanation of the government's action in the matter is forthcoming) then it is obvious that haste is vital and imperative. Hon. Dr. Pugsley moved an amendment late in the debate calling for the approval by parliament of the award

of the arbitrators as a condition of the acquirement of the stock. For obvious reasons this amendment was rejected by the government, which has no intention of entrusting the award to the consideration of another parliament in which they may be in the minority. The Bill must be rushed through parliament; the arbitrators appointed; the award made; and last but by no means least, the money paid over while the present government, and the present minister of finance are still in control.

Haste was imperative. The men in the trenches would be safe enough under a new parliament. But a new parliament might not be so eager to provide "reinforcements" for the Toronto group of financiers as the present body, in which the government holds a majority.

We now include extracts from speeches delivered by ex-ministers and liberal members of Parliament.

THE RIGHT HON. SIR WILFRID LAURIER.

C. N. R. Loans.

Sir, let me tell the whole story, because the story as presented by hon. gentlemen opposite has been only partly told. In 1914, I need not remind the House, the Canadian Northern was practically insolvent; at all events, it could not meet its liabilities or pay its fixed charges, and under such conditions, it was, by law, insolvent. It came to this House for assistance, and the question arose how Parliament should deal with it. Three courses were open to us then as now. The company might go into liquidation, it might be temporarily assisted, or the Government might take it over. We did not then, any more than we do now, favour this company going into liquidation, and in this respect our policy is different from that of the United States where many companies that have been in difficulties similar to those of the Canadian Northern have been allowed to go into liquidation. If I had more time at my disposal I should like to speak for a few moments on the difference in policy between the United States and ourselves in that regard, but I pass on. The Government decided at that time that we should assist the company. It was represented to us that if we advanced the sum of \$45,000,000, that amount would enable the company to settle all their claims, meet all their liabilities, and complete the enterprise and make it a going and prosperous concern. The Government took every possible mortgage they could upon the assets of the company, and it is well in this connection for me to recite the Act to show the extent of the mortgage that was taken by the Government at that time securing the advance of \$45,000,000, and the methods provided for the collection of it. First of all, let me say that the stock was increased from \$77,000,000 to \$100,000,000, by a stroke of the legislative pen, to use the graphic phrase of my hon. friend from Calgary the other day. The Government took \$40,000,000 of the stock, and a mortgage upon the balance and the company bound itself to grant "a first, fixed and specific mortgage or charge upon the shares" of the company. It also undertook to

(b) grant a specific mortgage or charge upon the mortgage securities and shares of stock now or from time to time hereafter deposited with and specifically mortgaged under the Trust Deed of the 30th day of June, 1903.

(c) grant fixed, specific and floating mortgages or charges upon the undertaking of the Canadian Northern and its properties, assets, rents and revenues, and its rights, powers and franchises present and future.

Nothing was omitted. Everything that the company

had in the way of property was covered by the mortgage. Then it was stipulated, and to this the company agreed, that in the event of default the mortgage would be foreclosed and everything would be lost by the company, even their equity of redemption. So far we made no opposition to the proposition made at that time by the Government. We agreed that we should take a complete mortgage upon everything that the company had, and that in the event of default the company should lose everything it had mortgaged. That was the covenant; it is there in the law. Nothing could be more ample or more efficient than the mortgage we then took. But that proposition of the government provided one remedy, and one remedy only. It provided for the Government recouping itself for the assistance it had given to the company, in the event of default taking place. But we were not content with that on this side of the House, because no provision was made whereby the Government could take over the road in the event of it proving a going and prosperous concern. The Government provided for our taking over the road in the event of default, in which case the company would lose everything it had, but the Government made no provision whatever for acquiring the property if the company was able to meet its liabilities, and become a going and prosperous concern. That was the difference between the policy of the Government, and our policy.

The Liberal Policy.

My hon. friend from St. John moved an amendment that in the event of the company becoming prosperous we should make provision to acquire, not from an insolvent but from a solvent company, the property of the road for the benefit of the Canadian people. His amendment contained four different provisions. The provisions were that the stock should not be \$100,000,000, but should be reduced to \$30,000,000, that this stock should be placed in the hands of the Receiver General to be held by him in trust for His Majesty for the period of five years; that if during that period of five years the company discharged its liabilities to the Government, made all the interest payments on the money advanced, and carried out all the obligations it undertook under that agreement, then at the end of the five years the stock should be returned to the previous owners, Mackenzie, Mann and Company, Limited. Then came the other provisions to which I now call the attention of the House:

To provide that the Governor in Council shall have the option at any time within such period of five years,—that is, during the time the company was meeting its liabilities, doing a good business, and becoming a prosperous concern.

To provide that the Governor in Council shall have the option at any time within such period of five years to acquire the absolute ownership of the said stock and of the said Canadian Northern Railway system, and of all the constituent and subsidiary companies