

progressive in every sense. I believe there is now a future before the Grand Trunk and other undertakings which have before been so profitless. That is my opinion, but of course every gentleman can form his own. But here we have brought a plain practical proposition. I think the great majority of opinion is that we ought to have more plant in order to make a considerable and progressive addition to the net revenue. Now the question comes, is this an opportune moment to raise new capital? We tell you in the report that we do not think it is an opportune time to raise money, and we tell you distinctly we do not propose to raise money till the proper time. We merely ask you to enable us to go to the Canadian Parliament to get power to do so when the time is opportune. But we do not propose even then to do so, till we bring the scheme as enacted by the Canadian Parliament, and enable you to vote in your separate classes, and decide as you please. I think no scheme could be more prudent—have greater regard for the rights of each class of security, or be brought forward in a more fair and honest manner. The question is, whether you choose to give your consent to the powers we seek. One gentleman proposes we should adjourn the consideration of the question; and Mr. Smith's amendment goes to deal with that part of the subject which involves the conversion of the postal and military bonds. I don't think I could honestly ask Mr. Hankey and the other equipment mortgage bondholders to go into the scheme, they knowing there was going to be a pre-preference, unless the postal and military revenue was part of the whole affair. I believe that the postal and military revenue will in a few years amount to as much as the difference between the £30,000 and the £102,000. If that is so there will be no pre-preference, and I don't think in that sense there will be. But if that postal and military money is not be thrown into the pot, if Mr. Hankey is not to be secured by having a claim on the postal and military as well as the other moneys of the Company, I don't think I ought to ask him to go in without telling him, in that case there may be a pre-preference. Therefore, if the first part of the resolution is negative, I shall ask you in common justice to divide the equipment mortgage bonds into two classes, No. 1 and No. 2, giving the former to the present equipment mortgage bondholders. But if you will allow us to make this arrangement and throw all the postal and military revenue into the same pot for the protection of the equipment mortgage bondholders,