

And the company avails itself of the proffered refuge absolutely regardless of the condition it is in. That practice has been established by this Government, and advantage has been taken of it, and that is the trouble. Every railroad in the United States that is worth talking about as a railroad has gone through a receiver's hands. There are railroads in Canada that have gone through the same experience, because they got into trouble; and I assure the Minister of Railways that he will not get a black eye from our people by allowing any concern that is not able to carry on to go into the hands of a receiver in order that its affairs may be investigated and settled. We have an appropriate Act on our statute book for that purpose, and we have a regularly established practice in our courts for dealing with such matters. But the Government has no such equipment, because it was never intended that it should be put in the position of exercising the functions of receivership.

I come back to the same point again, that if we want to deal with this matter in a clean, business way, let us settle our accounts between the Grand Trunk Company, the Government and the Grand Trunk Pacific Company. Let us know exactly where we are at, and then we will know what is the obligation of the Grand Trunk to us. After we have done that, if it is good business to buy the road,—that is another matter. But to leave this hiatus about the Grand Trunk Pacific simply means that we will not know where we are at in regard to it. The receiver, (Mr. Reid) will not give us any light about it—apparently he does not know anything about it. Nobody can state how much the Grand Trunk owes us by reason of the obligations of the Grand Trunk Pacific. I hope that the ministers will recognize that that is the proper system to pursue: Do first things first, and clean up as you go. And let me tell my good friend the President of the Council, that I have just as much regard for the memory of my late revered chief as he has, but I submit to him that I cannot allow the business of this country to suffer by reason of the fact that the name of my late honoured chief might in a remote business way be connected with something that did not pan out as well as he expected.

Mr. J. D. REID: The leader of the Opposition (Mr. McKenzie) urges that we clean up the matter of the Grand Trunk Pacific before we deal with the Grand Trunk. He, therefore, urges delay. The Grand Trunk

Railway Company owe \$10,000,000 in respect of certain debentures that were guaranteed by the Dominion Government; the hon. member contends that the Government should sue the Grand Trunk for that \$10,000,000 and make them pay. He urges that we take action against the Grand Trunk Railway Company for default on the bonds of the Grand Trunk Pacific. What that really means is this: Do not buy this road; force it into liquidation, make it go under the hammer or compel it to enter into other arrangements. And what would that mean? My hon. friend is really advocating to-night that the Government delay any action in this matter and thus put the Grand Trunk in such a position that it will be taken over and owned by the Canadian Pacific Railway Company. No one could put up a stronger argument than he has to show that he wants the Grand Trunk to go into the hands of the Canadian Pacific. If we let the Canadian Pacific Railway Company get the Grand Trunk, there will be no future for the Canadian National railway. If the Canadian Pacific owned or controlled the Grand Trunk either directly or indirectly, what chance would the Canadian National railway system have in competition with such a system? If we do not want to continue the operation of the Canadian National railway, then let the Grand Trunk go into liquidation and let the whole system, Canadian National, Grand Trunk and all, go over to the Canadian Pacific.

Now, the offer made by this Government to the Grand Trunk has been before the people of Canada for a year or more, and outside of a few newspapers in eastern Canada, the press and the public are in favour of the Government taking over the Grand Trunk and of our having just two complete railway systems in Canada. I believe that it is in the interest of Canada that we should have two railway systems, and two only. Let us either say, therefore, that we are going to have a complete railway system owned and operated by the Government—and let us say that by adopting this resolution and proceeding along the lines which it sets forth—or that the whole system, Canadian National and Grand Trunk, should be allowed to come under the control of the Canadian Pacific, directly or indirectly. Let us come out in the open; let us have a decision one way or the other, and let the public know of it.

Mr. VIEN: The Minister of Trade and Commerce (Sir George Foster) did not appear to think that this question was one