

Hon. Sir JAMES LOUGHEED: If I can get a list of the securities I shall be very glad to place it on the Table. I understand that collateral securities have been placed in the hands of those who negotiated the loans, or who hold the loans against the company. Furthermore, entirely apart from that consideration, if the Government of Canada is taking over the road it necessarily follows that it will have to meet the obligations. There is a further consideration. The guarantees that have been given by this Government, extending back for the last ten or twelve years, have to be met by the Government of Canada, and no other alternative has presented itself to the Government than to take over the road. If the road defaulted, as it undoubtedly has done, and would do in the future, the Government of Canada from time to time would have to make good those guarantees which were sanctioned by Parliament and given by the Government. It therefore seems to me that the matter is resolved into Hobson's choice. The Government has no other alternative than to wipe out the original obligation which it assumed by way of guarantee. Of course, no good purpose will be served by weeping over the acts of the late Government and the Government that preceded it in connection with this road. We have to face conditions as they are. The question is, would it have been wise for the Government of Canada to have allowed this road to pass into a state practically of wreckage, and to have met the various guarantees which not only this Government but different provincial governments gave to the road.

Hon. Mr. DANDURAND: Of course, my remarks apply to the unsecured debts of the company.

Hon. Mr. RICHARDSON: As I understand this Bill, it is to provide machinery for paying these short-date obligations before the next meeting of Parliament. The parties who loaned this money evidently gave 100 cents on the dollar. The Government thinks the stock of the company is worth anywhere from one to ten million dollars. If that is the case, there are assets to cover every dollar of those debts, and would we be honest if we repudiated them? As honest men I do not see that we can do that kind of thing. I do not know that I can argue on the question of government control of railroads; but I know that the Canadian Northern railway, if it is run in the same way as the Canadian Pacific rail-

Hon. Mr. BELCOURT.

way has been run for the last few years, will be a very valuable asset to this country.

The motion was agreed to, and the Bill was read the second time.

INSPECTION AND SALE ACT AMENDMENT BILL (FRUIT, FRUIT MARKS AND POTATOES).

SECOND READING.

Hon. Sir JAMES LOUGHEED moved the second reading of Bill 108, an Act to amend the Inspection and Sale Act (fruit, fruit marks, and potatoes).

He said: The purpose of this Bill is to legislate touching the Inspection and Sale Act with regard to fruit, potatoes, etc. For a number of years the fruit-growers and dealers of Canada have been urging that the Inspection and Sale Act, part IX, be amended in order that the grading of fruits may be more clearly defined, that the packages used for the shipment of such fruit may be standardized, and also that the inspection of fruit may be of greater value to all concerned. Last February it was decided to ask the various provincial fruit-growers associations to come to Ottawa for the purpose of discussing this question with the officers of the Fruit Branch. A two-day's convention was held, and the delegates unanimously approved of all the amendments which we are now asking this Chamber to adopt. These amendments have the backing of the fruit interests of the country, and the legislation is practically of their own preparation, they having adopted resolutions approving it. I have no doubt the House will be only too glad to give effect to the recommendations of these associations.

The motion was agreed to, and the Bill was read the second time.

INSPECTION AND SALE ACT AMENDMENT BILL (FOOD CONTAINERS, FIREWOOD AND CEMENT).

SECOND READING.

Hon. Sir JAMES LOUGHEED moved the second reading of Bill 19, An Act to amend the Inspection and Sale Act (food containers, firewood, and cement).

He said: This is a Bill dealing largely with details which can be very much better discussed in Committee. It is proposed to amend the Inspection and Sale Act touching containers of food, firewood, Portland cement, and other articles which are set out in the Bill. Representations have been