

from there had stated it was all wrong and would be disastrous. I leave honourable members to surmise what occurred. I suggested to Mr. Smith that after he got here persons interested in the measure had called his attention to the wide latitude allowed by section 6, which provides that assistance up to 25 per cent of the value of the fish shall be on the basis of the board's own estimate of that value; that they had pointed out to him the board need not be guided by the market at all, but could place any value it desired to place upon the fish—in short, that it had a leeway as wide as the universe; and that when he realized these things he saw the light more quickly than Saul did.

Hon. Mr. DANDURAND: That is a surmise.

Right Hon. Mr. MEIGHEN: Yes, that is my surmise. Anyone who will address two such absurd explanations to me cannot complain if I surmise a reasonable one.

Hon. Mr. CALDER: Honourable senators, I am not a member of the Banking and Commerce Committee, but perhaps I may be permitted to make a few remarks. After listening to the debate I feel that something is certainly wrong with this Bill. The arguments made here convince me that in its present form it would not fulfil what I understand to be the purpose, which is to give assistance to the people who actually catch the fish. I am in favour of this, and I submit there should be a reference back to the committee in order to have the Bill amended so as to make that purpose clear. No difficulty need be encountered in doing that.

Hon. Mr. DANDURAND: I take for granted that the majority of honourable members present are in favour of the amendment. I do not know the purport of the principal part of it, but I shall be in a better

position to judge that when the Bill comes back from the committee. I suggest that the committee meet as soon as the Senate rises.

The amendment of Hon. Mr. Tanner to refer the Bill back to the Standing Committee on Banking and Commerce was agreed to, on division.

CANADIAN NATIONAL RAILWAYS FINANCING AND GUARANTEE BILL

THIRD READING

Hon. Mr. DANDURAND moved the third reading of Bill 85, an Act to authorize the provision of moneys to meet certain capital expenditures made and capital indebtedness incurred by the Canadian National Railways System during the calendar year 1939, and to authorize the guarantee by His Majesty of certain securities to be issued by the Canadian National Railway Company.

He said: Honourable senators, on the second reading of this Bill my right honourable friend opposite (Right Hon. Mr. Meighen) raised the question as to why the item "Acquisition of securities, \$3,440,000," was not included in the item "Retirement of maturing capital obligations." I can now give him an answer, from a memorandum which I have received.

"Acquisition of securities" is to provide for the purchase by the Canadian National Railways, jointly with other railways, of securities to be issued by another company; in other words, an increase in the assets of the Canadian National Railways. "Retirement of maturing capital obligations" is to provide for the payment at maturity of serial obligations or for sinking fund payments of securities issued by the Canadian National Railways, or a decrease in the liabilities of the Canadian National Railways. It is therefore not possible to combine these two items.

The details of the item "Acquisition of securities" are as follows:

Vancouver Hotel Company (Joint with C.P.R.):		
Provision for purchase of one-half of the capital stock of the Vancouver Hotel Company, Ltd., to provide for working capital.		\$ 100,000 00
Northern Alberta Railways Company (Joint with C.P.R.):		
General Additions and Betterments:		
Expenditures to December 31, 1938, not yet advanced.	\$ 194,835 50	
Requirements for 1939.	666,122 39	
Balance of purchase price payable to province of Alberta.	5,580,000 00	
	<u>\$6,440,957 89</u>	
C.N.R. proportion (50 per cent).	\$3,220,478 94	
	(say) \$3,220,000 00	\$3,220,000 00
Chicago and Western Indiana Railroad Company:		
Advance to be made to the Chicago and Western Indiana Railroad Company under terms of fourth supplemental indenture dated as of March 1, 1936, between that company and the Bankers Trust Company.		120,000 00
Total acquisition of securities.		<u>\$3,440,000 00</u>