

Mr. HAGGART. The amount authorized to be issued by this Bill is in the neighbourhood of \$16,000,000. We ought to know what they intend to do with this money, especially in view of a statement made by me in this House a couple of years ago in reference to certain parties having an option for the sale of this particular road for \$12,000,000, that was Mr. Webb. It is true that the president of the Grand Trunk Company over in London stated the other day that he intended to utilize \$12,000,000 of this in the purchase of the road, \$2,000,000 to be kept for betterments of that road. Still, that leaves a deficiency of \$2,000,000. It seems an extraordinary amount that you are paying for it, a couple of millions over and above what was thought to be a fair value for that road three or four years ago. Why are we so particularly interested in what might be purely a commercial arrangement between the Grand Trunk Railway and the Canada Atlantic Railway? Let me point out to you how this country is interested. We are taking power under the Bill to take running powers over that road. These running powers are not the running powers ordinarily contemplated as between two railroads. It is not an option, as the Minister of Finance stated here a few moments ago, because on looking at the Bill I find that it says that the minister 'shall' do this.

Mr. FIELDING. My hon. friend must be mistaken. The Bill surely does not state that the minister 'shall' do anything.

Mr. HAGGART. These are the very words. I paid particular attention to it; it is not an option at all.

Mr. FIELDING. My hon. friend is mistaken. It does not say that he shall do anything but that he shall possess certain powers.

Mr. HAGGART. Shall possess certain powers for the purpose of doing it. How is the Railway Commission to fix the price for running powers at all over the road? It contemplates an absolute purchase of an interest in the road. It may be as the Minister of Finance says, that this will never be exercised at all, but the parliament of Canada hands over all the rights or powers which it may exercise in reference to the option and gives it over to the company. It is an absolute necessity to the people of this country to know what amount the Grand Trunk Railway are paying for that road. They ought to know, and the particulars should be given by the promoter of this Bill as to the amount of money he asks for the purpose. I have not heard a single word in justification of it, from the promoter of the Bill or any one here giving a reason why he wants \$16,000,000. Options were held on that road by parties for \$12,000,000, and it is well known in railway

circles that it could be obtained for that price instead of the \$16,000,000 that is being paid at this moment.

Mr. FIELDING. My hon. friend's point seems to be that property is increasing in value in Canada. We cannot deny that; these are growing times under the influence of good government and if this property was offered two years ago at a given sum and if in that two years it has increased in value we cannot alter that fact. We do not desire to turn back the tide of progress, we are rejoiced at this increase in value. The main question seems to be whether it is a fair value, and I think we may safely trust to the purchaser to ascertain that fact. I am not very familiar with the details of this matter, but I believe this was all investigated before the Railway Committee. I understand that the committee inquired into the circumstances under which this road was to be purchased and also as to the price. If the Grand Trunk Company are satisfied that the property has increased in value and are willing to pay that sum for it, in good faith,—and about their good faith I presume there is no question—why should we place any difficulty in their way? If it is a fair price and the proposed purchase of bonds is only a reasonable one and the capitalization generally is only fair and reasonable, what more can we ask?

Mr. HAGGART. The purchase may be all right for the Grand Trunk Railway if we only knew the whole details of it, but unfortunately we are kept in the dark in reference to it. It may be a profitable purchase to the Grand Trunk Railway and they may get it at what they think is a fair value. This is more than the amount for which Mr. Webb had an option and possibly they may have it arranged so that in the end they will get it for less.

Mr. FIELDING. I do not think they will.

Mr. FOSTER. If the promoter of the Bill has any information such as was presented to the Railway Committee as to the bonding powers that are taken, as to the price paid for it and as to whether it is fair and reasonable, surely we ought to have the same information about it? I submit that this committee has received not an iota of information as to the value of the road and as to whether this price would be a fair one. According to the Finance Minister's argument the price might just as well have been \$20,000,000 or \$30,000,000 or \$50,000,000.

Mr. FIELDING. If they are buying in good faith, yes.

Mr. FOSTER. I think it makes a great difference to the country, and the promoter should give us some information.