

opposed it. I could not see the economy of the measure at that time, and I fail to see the economy of the measure at this time. I fail to see the true economy of the amalgamation of those particular services as forecast in the proposed bill. When we are considering economy, we have to take into consideration the labour that is going to be displaced, and we also have to take into consideration the lack of competitive services the people of this country are going to receive. True, I recognize the bill passed last year did contemplate such amalgamation as is now suggested; whereas the bill contemplated and forbade any amalgamation of the railway services. If I accepted these bills, it would simply be on this basis, that the legislation is now in effect, and it is perhaps not our duty to put any impediments in the way of the railway companies carrying out the wishes of parliament as expressed in the bill. But my personal view of this matter is, I am opposed to it; I do not think it is true economy, and I think that the people of Canada would suffer from the lack of competitive services in the future.

Hon. Mr. EULER: Mr. Chairman, I have always in the past, as I think many of the committee know, been in favour of doing everything possible to effect economies on the Canadian National Railways; and to that extent, I am entirely in favour of any legislation that may carry out that intention. The only thing that occurs to me in connection with the bill is this: in the new company, the only shareholders will be the C.P.R. and the C.N.R., I take it. Is that correct? They are the only ones that may be shareholders?

Hon. Mr. MANION: Of course, they may issue capital or preference stock, so I suppose they may sell it.

Hon. Mr. EULER: I think the committee should know whether it is the intention that this new company shall consist only of the C.P.R. and the C.N.R., or whether the outside public will be invited to subscribe. I think it is of considerable importance to know that. If my assumption is correct that there shall be only those two shareholders, the C.N.R. and the C.P.R., then one or either of those will have control, I take it, especially if, as I stated, there shall be an equitable allotment of the stock. If that is done, we are almost certain that the two companies will not be absolutely equal so far as the value of their holdings is concerned. Yet I, for one, want very particularly to conserve the interests of the Canadian National, without having any prejudice against the C.P.R. I certainly should not like a condition to arise whereby this new company would be controlled by anyone other than the Canadian National. There might be equality, but I think we ought to have a little information with regard to that fact.

Hon. Mr. FULLERTON: Our idea is that the voting shall be on an equality. We never would agree to anything else. I was asked a question as to whether the Board of Railway Commissioners has control over rates and services with regard to both telegraphs and express. They have complete control.

Mr. HANBURY: Would you kindly read that?

Hon. Mr. FULLERTON: It comes under the heading of Contracts Limiting Liability of Express Companies, section 365:—

No contract, condition, by-law, regulation, declaration or notice made or given by any company or any person or corporation charging express tolls, impairing, restricting or limiting the liability of such company, person or corporation with respect to the collecting, receiving, caring for or handling of any goods for the purpose of sending, carrying or transporting them by express, or for or in connection with the sending, carrying, transporting or delivery by express of any goods, shall have any force or effect unless first approved by order or regulation of the board.