

Mr. FOSTER (North Toronto). I do not know that my hon. friends wish me to undertake an argument against this. We had some talk about it, and in my imperfect way I placed before the committee the views of the government. While I would like to meet the wish of hon. gentlemen opposite, I am obliged to differ with them in this case. If hon. members have any new light or new arguments, I am still open to be convinced.

Mr. OLIVER. I do not know that we should delay the committee on this question. We explained the matter to the hon. minister the other day, and if the truth did not convince him then, we can hardly expect that it will now.

Amendment negatived.

Mr. KNOWLES. I suppose it would be entered in the proceedings as 'Lost' on division and so save taking a vote.

Mr. FOSTER. (North Toronto). Yes, so far as you can take a vote in committee.

Mr. KNOWLES. I think we have a majority, anyway.

Mr. FOSTER (North Toronto). But majorities should never be oppressive.

Mr. KNOWLES. We had some discussion, in which my hon. friend from Portage la Prairie (Mr. Meighen) took part, as to whether it was possible to amend this Bill in such a way as to prevent subsidiary companies or other means of evasion being employed. I would like to move to amend this section so as to read:

No person owning, managing, operating or in any way interested in a terminal elevator shall buy or sell or be in any way interested in the buying or selling of grain at any point in the western inspection division.

I think that in this way we cover, or at least come a great deal nearer to completely covering and providing against, all the means that the ordinary mind might invent of evading this clause. When we provide in the first line 'no person owning, managing, operating or in any way interested in a terminal elevator,' that would cover any person who was a shareholder in any company that owned, managed or operated such an elevator. Now, what we need is to make it equally tight and fast at the other end, and so I propose to add 'or in any way interested in the buying or selling of grain.' I think that would cover the holding of stock in any subsidiary company engaged in this business.

Mr. MEIGHEN. I regret that the energy of my hon. friend from Moosejaw (Mr. Knowles) has been employed to so little effect. I cannot see that his amendment will go any further towards meeting

Mr. KNOWLES.

the objection than does the section as it stands. And, as I stated when the subject was under discussion before, I do not think that difficulty can be overcome without creating a confusion that would be worse than the present state of affairs. The hon. member's amendment means that no person who deals in any way in grain, or is directly or indirectly interested in dealing in grain, shall be interested directly or indirectly in the handling of grain at a terminal elevator. That, to my mind, is already done by section 123 as it stands. But that does not stop the means of evasion. Take the same illustration that I used before. Five men, A, B, C, D and E, desire to deal in grain and also to act as operators of an elevator. They form two companies, a storage company and a grain company. Now, even under my hon. friend's amendment, these five men can through one company deal in grain and through the other deal in storage. None of these men could do both these things, but they can hold stock in two companies, one of which does one thing and the other of which does the other. Why? Because the grain company is not interested in the storage company, nor is the storage company interested in the grain company.

Mr. KNOWLES. But A, B, C, D and E would be interested, as shareholders in both companies, in carrying on both these things.

Mr. MEIGHEN. But A, B and C are stopped, and must sit quietly at home, while the grain company is not stopped.

Mr. KNOWLES. But you can penalize them for being interested in that company.

Mr. MEIGHEN. You cannot penalize them when there is no guilt. The grain company is not interested directly or indirectly in the storage company. Because the grain company has shareholders, who are also shareholders in the storage company, you can not say that the grain company is interested in the storage company. The storage company might go into liquidation, and the grain company would not be affected. They are utterly distinct corporations in the eyes of the law.

Mr. KNOWLES. Does the hon. gentleman mean to say that if the law says a man shall not be interested in the two companies, that that law is not *intra vires*?

Mr. MEIGHEN. My hon. friend does not say that.

Mr. KNOWLES. That is exactly what I say.

Mr. MEIGHEN. If he is, he cannot deal in grain.

Mr. KNOWLES. He cannot be interested in buying or selling it.