

published them should be prosecuted; if true, they were disgraceful—there ought to be a sifting investigation for the honour and credit of this Dominion. A few years ago he attended a meeting, in London, of shareholders of the Grand Trunk—men who had invested ten or fifteen millions in this railroad. They were there utterly powerless to know how they had lost their money or how they were to get it back, except from what the officers of the company might condescend to tell them. The credit of Canada itself suffered from these transactions, and unless the matter was put right, the whole Dominion would not have that credit and position in the mother country which it ought to have; he thought an invaluable service would be done to the credit of the Dominion if a thorough investigation of the whole subject was had. And there was another reason which should cause such an investigation; we were now about to expend on the Intercolonial three millions sterling certain, which would probably reach five millions if the Intercolonial was to be managed after the fashion of the Grand Trunk, and we were to expend it in a line of country which, compared with that traversed by the Grand Trunk, was a wilderness. He was not opposed to the construction of the Intercolonial; he had always been in favour of it, but before the House sanctioned the expenditure of that money they ought to be certain the road would not be managed in the same way as the Grand Trunk had been, and that these three, four, or five millions would not be jobbed away as the money of the poor unfortunate Grand Trunk shareholders had been lost.

**Mr. Mackenzie** asked if the consent of the preference shareholders, whose interests were affected by this Bill, had been obtained. So far as he was aware, there was no petition before the House from those parties asking for this Bill.

**Mr. Shanly** thought the proper place to discuss that point was in the committee.

**Mr. Mackenzie** thought not. It was for the Committee to discuss the details of the Bill. But it lay at the very foundation of all right legislation that no Bill should advance a step without the consent of parties whom it affected in their personal interests.

**Mr. Shanly** said the consent of the preference bondholders had been obtained, and would be produced to the Committee. He did not think the position taken by the member for Hants should interfere with the second

[Mr. Howe (Hants)]

reading of this Bill. The House, if it chose, might order an investigation into the whole affairs of the company; but this Bill simply asked permission for the company to raise a certain sum of money, and to arrange its private transactions with other companies.

**Dr. Parker** thought it would be very objectionable to give the Grand Trunk power to alter the arrangement with the Buffalo and Lake Huron. He would be glad to see such an investigation as that suggested by the member for Hants. He considered that the people of this country had not got the advantages from the construction of the Grand Trunk to which they were entitled. The Company had allowed American producers and forwarders to forward their produce over the road at a much cheaper rate than the people of Canada could get; he believed that in this attempt to compete for Western trade was to be found one principal reason why the road had not proved more remunerative to the shareholders.

**Mr. Mackenzie** called the attention of the House to the extraordinary provision of the 6th clause of the Bill. When the Act of last session was before the House, the private agreement between the two companies which it sanctioned, was appended to the Act as a schedule. Now the 6th clause of this Bill gave permission to the companies to change the 1st, 2nd, 4th, 5th, 6th and 7th clauses of that agreement, without any further reference to the House. The least that could have been done was to have embodied in the Bill the clauses which it was proposed to alter. The first clause of agreement was that which provided for the division of profits between the two companies; the 4th clause provided for raising money; the 5th authorized the Grand Trunk to purchase the Buffalo & Lake Huron Railroad for a special price. The provisions of those clauses were very important.

**Mr. Shanly**—Important only to the Companies themselves.

**Mr. Mackenzie**—Yes, and to a certain number of shareholders also, whose interests might not be consulted by the majority.

**Mr. Shanly**—Are you not in favour of governing by a majority?

**Mr. Mackenzie**—Yes; but he was in favour also of protecting the rights of minorities; he thought this House could not be too careful in passing Bills of this kind, which affected the