

this executive to appear before them and if they were foreigners what powers would the Railway Commission have to compel their attendance?

Mr. EMMERSON. The Railway Commission have ample power to deal with the railway in Canada even if the board live in Omaha. I do not think it is at all material that the members of the board should reside in Canada. We have corporations the members of whose boards almost wholly reside across the Atlantic, but that does not affect the corporation which has its entity in Canada and is controlled by the laws of Canada and by the Railway Commission. The Railway Commission has power over the entity of the railway in Canada regardless of the residence of the directors; it can stop the railroad trains, abolish a tariff and impose penalties. I might almost say in numberless ways, the Railway Commission have full power to require any railway corporations to fulfil the will of parliament and the requirements of the laws of Canada.

Mr. SPROULE. We had a case only the other day in the Telephone Committee which bears upon the subject. The committee, if we may accept what appears in the papers as correct, invited the manager of the Grand Trunk Railway to come before them. He said that he could not come and that they had better get the vice-president, who made a similar reply and said they should get Mr. McGuigan, but Mr. McGuigan said he could not come. Suppose the president, the vice-president and the managing director were all in the United States, the question which suggests itself to me is what power would the Railway Commission have to insist on one of those members coming before that committee.

Mr. MONK. At that rate where will we stop? You would have to oblige the railway company to have all their employees Canadians as the commission might require the presence of an employee other than a director. Not only would require them to be British subjects but all resident within the limits of the jurisdiction of the Railway Commission. It is perfectly absurd.

Mr. SPROULE. Not at all.

Mr. MONK. At the present moment what jurisdiction has the Railway Commission over directors residing for instance in England? No jurisdiction at all: And to render nugatory all the processes and endeavours of the Railway Commission the directors even if they were all British subjects would simply have to cross the line and go into a foreign country to escape the jurisdiction of the commission and render the acts of the commission absolutely impotent. The whole disposition of The Railway Act seems to me to be going very far under the policy which we ought to adopt

Mr. SPROULE.

of encouraging foreign capital. I do not think that the fact of the majority of the directors being British subjects is any assistance at all to the government or to the Railway Commission in carrying out the principles of the Railway Act. Anyway in this case it is only an executive committee, and I believe that without this disposition of the law the directors of this company could name an executive committee, but even if they could not why should we not give them power? The executive committee is named by a majority of British subjects and I think it is carrying the idea of loyalty a little far to adopt such a restriction as is now proposed.

Mr. SPROULE. I want it understood that I am not objecting; I only desire to get the information to which I think the House is entitled, so it can understand what power the Railway Commission has and whether there is any necessity for that executive committee or not, and whether the appointment of that executive would in any way retard the Railway Commission. I think the government should be able to give that information.

Mr. EMMERSON. That question is purely a question of law as to what power the Railway Commission has, I am not the keeper of the law conscience that has been referred to in this House.

Mr. SPROULE. You ought to know the railway law.

Mr. EMMERSON. I know just exactly how far, in my judgment, the powers of the Railway Commission go, and I know that in the exercise of these powers it is not necessary to have directors either British subjects or residents of Canada. Some hon. gentleman may dispute that statement but it is a statement of fact based upon an interpretation of the powers of the commission, which of course is a legal question. It seems to me that the powers of the Railway Commission can be carried out without the directors being British subjects or without their residing in Canada.

Mr. W. F. MACLEAN. The Minister of Railways does not apprehend what he is doing. He is making it clear that any great foreign railway interest can, if it desires, acquire all the railways in Canada and put their administration in the hands of an executive sitting in New York. That is the object of the Vanderbilt interests at this moment; they want to get a small admission made in connection with this small railway, so that they can put the principle into effect in regard to all the railways in this country. They will not allow the administration of their railways in the United States to be placed in the hands of a small executive sitting in London, Ottawa, or Montreal; they keep that authority in their own country and we should treat