

purchase the common or preference shares in these companies. The vital part of this section is the latter portion which authorises the Grand Trunk Railway to guarantee payment of the principal and interest of the bonds, debentures or other securities of the Canada Atlantic. If my hon. friends desire information regarding the amount of stock, they can obtain it from the railway report. That report we had in the Railway Committee, and it showed that Mr. Booth was largely, if not altogether, in control of the stock. So far as regards the question who might be the holder of the stock in the Transit Company or the Vermont and Province line, that is of little importance, because the empowering part of the section only permits the company to purchase the common stock in these companies and does not authorise it to deal in their mortgages or bonds.

Mr. R. L. BORDEN. There might be a little more in this than the hon. gentleman thinks. This section is of a very comprehensive nature. The Grand Trunk Railway may acquire, hold, pledge and dispose of preference and common shares of the capital stock of the Canada Atlantic Railway Company, the Canada Atlantic Transit Company and the Vermont and Province Line Railway Company. It is necessary for the Canada Atlantic and the Grand Trunk Railway to come to this parliament in order that the stock of the former—practically the whole of which is held by Mr. Booth—may be transferred to the Grand Trunk Railway. As the Minister of Finance pointed out a minute ago, the real object of this Bill is to vest the Canada Atlantic Railway in the Grand Trunk Company, although for the purposes of convenience the corporate existence of the Canada Atlantic Company is kept up. This Bill gives the Grand Trunk Company power to dispose of all this stock to any one to whom it may see fit to deliver it. It seems to me that it would not be wise to give it this absolute, unqualified power, and it does not seem necessary to the real object of this transaction, as explained by the Minister of Finance, that we should do this. The Grand Trunk will become, to all intents and purposes, the owner of the Canada Atlantic and be able practically to dispose of that road to any corporation or company either in this country or the United States. Well, I would respectfully submit that that particular piece of legislation ought to receive the attention of the government. Assuming that a Railway Company in the United States had power to take a transfer of stock in any other railway corporation, would it not be quite possible under this charter for the Grand Trunk Railway Company to transfer to that corporation every dollar of the shares it will acquire under this Bill? Are we not going a little too far when we vest in the Grand Trunk Railway Company of Canada a power so extensive as this?

Mr. MACDONALD.

Mr. FIELDING. Could not the Canada Atlantic Railway sell it to-day? Is there any distinction, any new power created by this Bill?

Mr. R. L. BORDEN. The point of the Minister of Finance (Mr. Fielding) may be a good one. But this transfer comes under the jurisdiction of parliament, for a particular purpose, namely, the vesting of the Canada Atlantic Railway in the Grand Trunk Company, and we need to see that it is done in such a way as shall limit the powers granted by the Bill to the purposes for which ostensibly the promoters come before parliament with this measure.

Mr. FITZPATRICK. Is there anything exceptional in this legislation? I have not looked at it until this time.

Mr. R. L. BORDEN. There is, in this respect: Ordinarily you do not find a transfer of a railway taking place by means of this kind. Suppose, for example, this Bill were for the purpose of enabling the Grand Trunk Railway to acquire the Canada Atlantic Railway and to practically do away with the corporate existence of the Canada Atlantic in the future—because it would have no longer any property in regard to which its existence would be necessary—in that case you would have a Bill by which a deed of conveyance of that property from the Canada Atlantic Railway to the Grand Trunk Railway would be validated by parliament. Probably it would be done in some such way. I am suggesting that if you did it in that way, you would not at the same time give the Grand Trunk Railway power to dispose of the railway whenever it might see fit. You would require the Grand Trunk to come back to parliament and to get power to transfer, just as the Canada Atlantic Company acquires power to transfer to the Grand Trunk Company. The Grand Trunk Company adopts this somewhat ingenious method of effecting the transfer, namely, by still keeping the Canada Atlantic Railway as a corporation retaining this property while bringing it under the complete control of the Grand Trunk through one or two of its officers. If we grant this and also grant full power to absolutely dispose of that absolute control of the Canada Atlantic Railway without coming back to parliament we seem to be going a little further than we would go under ordinary circumstances, and further than we have ever gone before, so far as I remember—I speak subject to correction.

Mr. FIELDING. Are we not doing here precisely the same thing as has been done in a number of other cases? I have one particularly in mind—the case of the Canadian Pacific Railway and the Kingston and Pembroke. The Canadian Pacific Railway, I think, did not come here for special powers having in its General Act power to acquire