

had they or he done so, it is probable the Interoceanic Company would never have sought incorporation.

"The Committee of the Canada Pacific Company seem anxious to establish that the promoters of that Company are more Canadian than the promoters of the Interoceanic Company, because the draft Charter, as originally submitted to Parliament by the former Company, provided that all the Directors should be British subjects, while that of the Interoceanic Company only required that a majority should be so. The undersigned must express surprise that any importance should seem to be attached to what is manifestly unimportant, if not positively trivial. To make the Company really Canadian, it is necessary that the greater part of the stock should be *bonâ fide* held by Canadians and British subjects.

"It was the purpose of the Interoceanic Company to secure that object, and, it once secured, they saw no reason for excluding any class of their fellow-citizens, whether native born or alien, from participating in the management of the Company.

"Shareholders have the power to control the policy of Companies; Directors are merely their agents or deputies to carry it out. If Canadians hold *bonâ fide* a controlling amount of the stock of the Canadian Pacific Railway, they will see that the Directors, whatever their nationality, manage the undertaking for the advantage of the shareholders and of Canada; but if a controlling portion of the stock is held by citizens and residents of the United States interested in a rival railway, they will see that their Directors carry out their policy regardless of Canadian interests, even if the law required every member of the Board to be a British subject and a resident of Canada; under such circumstances if any of the Directors prove too patriotic to give effect to the designs of the foreign shareholders, they will be removed and more subservient men elected in their stead.

"The Committee of the Canada Pacific Company argue at great length, that under their proposal for amalgamation it would be impossible to alienate any portion of the public subsidies from the purposes for which they were intended, and that an attempt to alienate them, if made, would result in a forfeiture of the agreement.

"The undersigned see no force or weight in this argument. But even if it has some force, as far as it applies, it would be of little moment; for desirable though it be that the advantages resulting from the construction of the railway should be insured to Canadians, yet these advantages are insignificant when compared with those that would follow the ownership of the road after completion, viz. the possession of a vast territory in the heart of the Dominion, and the control of a large trans-continental traffic.

"The undersigned regret that the Committee of the Canada Pacific Company, while admitting the respectability of the Directors of the Interoceanic Company from the Province of Quebec, should have made three of those gentlemen the subject of invidious attack. The gentlemen referred to are too well known, at home and abroad, as successful merchants of high character and wide influence, to require any vindication from this covert and unwarranted attack. They compare favourably with any gentleman upon the Provisional Board of the Canada Pacific Company, or any other Board of Directors in the Dominion.

"The undersigned do not know what is referred to in the following extract from the Memorandum of the Committee of the Canada Pacific Company:—'And as to the other gentlemen whose names appear in the Bill of the Interoceanic Company, but who did not take part in that meeting, the well-known circumstances of their reception into that Company prevent the expectation that they will exercise any influence in its favour.'

"If the insinuation is intended to charge that the names of any gentlemen were introduced into the Charter of the Interoceanic Company, either as Provisional Directors or Corporators, without their knowledge and consent, the undersigned meet that charge by the most unqualified denial. Of the one hundred and seven names which appear in the Charter of this Company, no name was placed there except at the solicitation or with the permission of the gentleman named; but the undersigned have been given to understand that of the eighteen names which appear in the Charter of the Canada Pacific Company, more than one, and that too of the more influential among them, were used without permission.

"The Committee of the Canada Pacific Company deny, in most distinct terms, that that Company have in any way interfered in politics.

"The undersigned can only assume that the Committee desires to state that no interference in politics took place under authority of a formal resolution of the Provisional Directors of that Company.

"The public press has made the whole country aware of pressure having been brought to bear upon the Government by Sir Hugh Allan during the Montreal election.