

lings—of some person who is simply earning his salary.

I submit, honourable gentlemen, that the shareholders of the Grand Trunk Railway Company are entitled to gratitude; they are shareholders with the people of Canada; they invested their money in the early days, and they have received very small returns from the investment. They live in a distant country and do not understand the reasons for their non-success. We do. I heard Canada reproached twenty years ago because of losses on the investments which confiding gentlemen in England had made in this railway, and I say that when we gave that charter it was our duty to see that the road was governed by people who understood our conditions; if it was not our duty, it was our interest; and now we should at least step into the breach and endeavour to save the Grand Trunk Railway Company shareholders from themselves.

Hon. F. L. BEIQUE: I think it is acknowledged that for many years to come this country will not be able to look to England or to any part of Europe for capital for the development of this country, which up to this day has been and for a long while to come will be a new country. I think we shall have to go to the United States to a very large extent for capital for the development of Canada, and our ability to obtain capital from that country will be impaired if its citizens cannot become directors of the companies in which they invest their capital. Therefore I think that this Bill would not be in the general interests of this country.

I quite understand the criticism of the honourable gentleman (Hon. Mr. Lynch-Staunton) as far as the Grand Trunk Railway Company is concerned; I have no doubt that the able speech which he has delivered will be distributed to the shareholders of that corporation and will be a lesson to them; but we must not close our eyes to the facts that it is almost entirely British capital which is invested in the Grand Trunk Railway Company, that it was invested because of faith in a charter which was granted by Parliament, and that under that charter it was open to those gentlemen to have their affairs administered by people chosen by themselves. I think it would be a very serious interference to take that right away by a general Act, and to say that in the future it will not be open to the English shareholders in the Grand Trunk Railway Company to elect

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any of the members of the Board although they have contributed all the capital. I think honourable gentlemen will agree that this bill goes too far; it shows the danger of dealing with this question by a general Bill. I think the honourable gentleman should wait until the Grand Trunk Railway Company comes to this Parliament asking for help, when means could be devised to prevent all of the directors being appointed outside of Canada, or to curtail the right of appointment to some extent; but I fail to see the advisability of trying to cure the evil by a general law such as has been suggested. For my part I am not disposed to assent to the second reading.

Hon. Mr. LYNCH-STAUNTON: With reference to the point raised by the honourable gentlemen (Hon. Mr. Béique) I may say that I have a letter from the president of the Toronto, Hamilton, and Buffalo Railway Company, raising the same objection, but I thought that this might be discussed more properly in committee. No doubt there are railway companies in Canada which should not be brought under such a sweeping enactment. The president of the Toronto, Hamilton, and Buffalo Railway says that there are five American directors on their board, but that the majority are Canadians. I quite appreciate that a company which has had no aid from Canada and which has a substantial number of Canadians on its board of directors should not perhaps be treated in the same way as a company which has received a great deal of aid from Canada and has not been built entirely by the capital of foreign shareholders. I did not discuss that point because I thought it might well be considered in committee, and I would ask to have it deferred until then.

Hon. RAOUL DANDURAND: I had intended raising the objection taken by the honourable gentleman from De Salaberry (Hon. Mr. Béique) to the principle of this Bill; but, as that objection has been made, I will simply say a few words in justification of the action of the Grand Trunk Railway Company in promoting the extension of their system and the building of the Grand Trunk Pacific. The Grand Trunk Railway Company, the oldest railway company in Canada, having a system covering the whole of Ontario and much of Quebec, and with important connections with the United States and with the Atlantic seaboard, felt that, when it had gathered valuable freight from the cities and towns of