

CANADA. the part of the Government against American influence. No one knew, as far as I am aware, that there had been any distinct decision by the Government, but yet everyone in the House distinctly understood, that either the Government, or the greater number of the gentlemen composing the Government, were opposed to American influence being introduced into the Company, and more especially was Sir George Cartier known to be opposed to it. I know myself that on several occasions he expressed himself strongly against the admission of American influence, and appeared to show rather a hostile feeling towards the Allan Company; and to have the idea that they did intend to take the Americans into their organization. For some time he appeared to have that feeling. About the first week in June, I think, the Bills were allowed to go to the Committee.

The Government Bill having been introduced, and its terms made known, the other two Bills were allowed to go to the Committee, and they were passed in exactly the same language. I do not think that there was any difference in them from one end to the other, except in the names of the corporators. The Canada Pacific Company's Bill had been framed with a clause, excluding absolutely all foreigners from being members of its Board, but the Interoceanic Company's Bill, as prepared, provided only for the exclusion of a majority of foreigners from its Board, and permitted a minority of the Company on the Board. Before the Committee, the form of the clause adopted by the Interoceanic Company was inserted in the other Bill, and I believe that both stood, and for that matter stand to this day, allowing a minority of foreign Directors; but up to that time there was this difference, that the Canada Pacific Company had provided for the exclusion of all foreign Directors.

Q.—That is, the draft Bill that you prepared for the Canada Pacific Company expressly excluded Americans?

A.—Yes, it excluded all foreigners.

Q.—The other Bill was in the terms you state, providing for a majority of Canadians?

A.—Yes. The Bills were read a first and second time and referred to the Committee on Railways, and in that Committee their terms were assimilated to each other in the form adopted in the Interoceanic Company's Bill.

Q.—With the approbation of the promoters?

A.—Yes; at least I cannot say that the question was ever submitted to the promoters of the Canada Company's Bill. I was representing them before the Committee, and as the Government were desirous of having the Bills in the same terms, and Mr. Macpherson's Company were unwilling to put in a clause excluding foreigners, I yielded to the suggestion that it would be better not to exclude them absolutely, and to make the Canada Company's Bill the same as theirs. Immediately after the Session there was a sort of provisional organization of the Canada Company. They appointed a President and Vice-President, and caused books to be opened throughout the Dominion. The books were opened in the principal towns in every Province in the Dominion, and notices were inserted calling for subscriptions of stock. The greatest possible publicity was given to these notices, and there was no restriction as to the amount which might be subscribed. The Company were anxious, so far as I knew, to get all the subscriptions they possibly could. The matter remained in that condition.

Q.—About what time were those books open for subscription?

A.—I think early in July, but I am not quite certain as to the date. Immediately after this provisional organization took place, the Company communicated to the Government the fact that they had so provisionally organized themselves, and applied to be granted the contract. They got no immediate answer to that, but shortly afterwards were informed, I think by a letter from the Government, that the Government desired that an effort should be made for an amalgamation between the two Companies.

Q.—Did you say that they applied for the Charter?

A.—They applied for the contract, stating their readiness to construct and run the road in accordance with the Government Act. Shortly after this they received an intimation from the Government that they would like to see an amalgamation of the two Companies, and they immediately communicated with Mr. Macpherson's Company urging such an amalgamation and expressing their readiness to make it on such terms as might be agreed upon; and also communicated to the Government their readiness to do this. Nothing came of it at that time. The elections then came on, and about the commencement of them, I think, I was sent by the Canada Company to Toronto to press upon Mr. Macpherson the amalgamation. I saw him in Toronto, and I also saw Sir John Macdonald there on one or two occasions. The substance of what passed between Mr. Macpherson and myself is detailed with sufficient accuracy in his own printed and sworn statement. The result was that there were only two points upon which there was