

whether he is really doing anything of any value to the country.

Mr. URIAH WILSON. If this gentleman is only an ordinary director, why should he not be paid by the railway company? But if he is our special director he should report from time to time to the government and his report should be laid on the table. It appears, from what the minister has said, that the company pays his salary while the company pays the salaries of the other directors.

Mr. GRAHAM. To make it clear let me quote section 43 of the National Transcontinental Railway Act :

During the time of the said lease, so long as the government assumes liability for any portion of the bonds issued by the company, the government shall have the right to appoint one director. Such director shall not receive any remuneration from the company but be paid a salary by the government, not to exceed \$2,000.

Mr. URIAH WILSON. How much money has he drawn?

Mr. GRAHAM. \$2,000 a year since he was appointed. This is the second year.

Mr. URIAH WILSON. Doing nothing.

Mr. GRAHAM. My hon. friend should not say 'doing nothing.' If my hon. friend were on the board of directors of the Grand Trunk Pacific he might find some hard work to do.

Mr. URIAH WILSON. But the minister has told us he knows nothing about it. He knows nothing about the board meetings.

Mr. GRAHAM. Neither does my hon. friend.

Mr. URIAH WILSON. But I'm not getting \$7,000 a year from the country.

Mr. GRAHAM. Since neither of us know anything, neither of us should say that this man is doing nothing for his money.

Mr. URIAH WILSON. I am only saying what the minister said.

Mr. GRAHAM. No, I said that this man did attend meetings of the board?

Mr. URIAH WILSON. When?

Mr. GRAHAM. I cannot give you the dates. The board holds meetings in Montreal and Mr. Brunet represents the government at these meetings. What I do say is that up to date he has never made any written report to the government.

Mr. HAGGART. Has he verbally reported?

Mr. GRAHAM. He has discussed time and again matters coming before the board, with the deputy-minister of the department.

If it is thought better to have a written report that could be easily arranged because under the Act we are entitled to that protection. We must insist on having a representative on the board because if nothing has arisen yet demanding his services, as between the government and the board, something might arise at any time.

Mr. R. L. BORDEN. Has he ever brought up the question of classification?

Mr. GRAHAM. That has not arisen so as to be a distinct issue between the company and the Railway Commission. It is a question that is provided for in the Act.

Mr. R. L. BORDEN. He apparently has not brought it up according to the minister, and it is not so simple as the minister would have us understand. It might work out that the eastern division of the Transcontinental Railway would cost the country \$150,000,000 and that we would be unable to charge the Grand Trunk Pacific a rental for more than \$120,000,000. Therefore it is a very important question. Of course provision is made for arbitration as between the country and the Grand Trunk Pacific, but that arbitration would not in any way bind the contractors, as I understand the provisions of the statute. Therefore the country might find itself in the very unfortunate position I allude to. If it were worth while having a director on that board surely he should be a director who would find out what was going on, who would know that the engineers of the Grand Trunk Pacific and its directors also have been objecting to the classification if as is rumoured that is the case. So, while there is no objection to the appointment of this gentleman, and indeed his appointment or the appointment of some person is made absolutely necessary by the statute, we would not care to have him act as a mere figurehead, performing no other duty than drawing \$2,000 a year from the public treasury of this country. Perhaps the minister would be good enough to send a telegram and find out just how often, within the last twelve months the board met, how many meetings this gentleman has attended and how long each of these meetings has lasted. Then we could ascertain the value of the services of this gentleman per hour. We could let the item pass in the meantime and the minister could give this information later.

Mr. LENNOX. Who is this gentleman and what was his occupation?

Mr. GRAHAM. He was formerly general manager of La Banque Nationale, Montreal. Then I am informed he was on the construction commission of the National Transcontinental Railway.