

(2) The board may in any case or by regulation—

- (a) determine the extent to which the liability of such company, person or corporation may be so impaired, restricted or limited; and
- (b) prescribe the terms and conditions under which goods may be collected, received, cared for or handled for the purpose of sending, carrying or transporting them by express, or under which goods may be sent, carried, transported or delivered by express by any such company, person or corporation.

And the same position applies to telegraph companies.

The CHAIRMAN: Will you explain Mr. Hanbury's question as to the possibility of outside subscriptions?

Hon. Mr. FULLERTON: Our idea is that the stock will be held solely by the two companies. We have no idea of having public subscriptions in any way; it is purely an amalgamation of the express facilities of the two companies.

Hon. Mr. EULER: As the bill is framed, would it be possible to offer the stock for public subscription?

Hon. Mr. FULLERTON: I suppose it would, as the bill is framed.

Hon. Mr. EULER: Don't you think it should be confined to the two companies, and made definite?

Hon. Mr. FULLERTON: It could be made definite, of course.

Hon. Mr. EULER: I think it should be.

Hon. Mr. FULLERTON: We never had the slightest idea of bringing the public in in any way.

Hon. Mr. EULER: I think the bill should say that. You cannot tell what may happen in the future. They may offer some for public subscription and thereby give control to one railway company or the other. Of course, so far as I am concerned, I would not object to the Canadian National securing control.

Mr. POWER: I do not see how you could prevent the C.P.R., which had fifty per cent of the stock, from offering that stock to the public, if it so desired.

Hon. Mr. EULER: This is to prevent their getting control.

Mr. POWER: It would be difficult to prevent any issue of stock to the public because the C.P.R. will always have its portion, and presumably they could do what they liked with it; they could do what they liked with that portion which remained in their treasury; they may issue it in the same way as they issue other stock to their shareholders.

Hon. Mr. EULER: Suppose at the outset you did not issue all the stock, but held a certain amount of it in the treasury, and later on the Company decided to offer that stock for public subscription, the balance of that stock would give control to either the C.P.R. or the C.N.R.

The CHAIRMAN: Voting control.

Hon. Mr. EULER: Exactly; I think that should be provided for.

Mr. BOTHWELL: I should like to ask a question in regard to those two departments, the telegraphs and express departments. Have those two departments been losing the Canadian National and the C.P.R., or have they been paying their way? I think the committee would like to get information in connection with that.

Mr. FAIRWEATHER: That is a very difficult question to answer. Of course, we cannot answer for the Canadian Pacific. These are ancillary services and it entirely depends upon what inter-corporate charges you make as to whether you show them as a profit or loss. For instance, take the express. Un-