

sider it a sham or real deposit I will leave it to say. The ten per cent. which is all they are liable by their charter to pay up is invested; the balance is to be held as a security to the Government.

(Hon. Mr. CAMPBELL, hear! hear!)

Hon. Mr. MACPHERSON—Hon. gentlemen who read the charter must agree with me there is no semblance of security. No transfer can be made it is true for six years; therefore those gentlemen cannot on the register of the company assign their stock within that time. But we all know the railway will not be built in six years. We know that ten are allowed. At the end of six years, however, and therefore before the railway is built, the shareholders, without the consent of the Government, can assign their ninety per cent. of stock to whoever they choose—this ninety per cent. which is represented and declared by Government to be their security. I venture to say it is no security or safe guard at all. If gentlemen in New York wish to acquire control of this railway, and if the company or the directors, for they are all one, were so disposed, there is nothing to prevent their selling their interest now and assigning it to others as soon as they can lawfully do so. There can be no question about this, therefore I say the charter is one such as Sir George Cartier said should not be granted by Order in Council, that is, in terms more favorable than were contained in the Acts of incorporation passed by Parliament last session. Who ever heard of restricting a company in the amount of capital they were to invest in their own undertaking? When companies borrow, they generally endeavor to show the capital invested by themselves, as large as they can make it, and that it affords a good basis of security; but in this case it is a merely nominal amount, affording no security whatever. I suppose I shall be told the subsidy forms a basis, but no one can deny that ten millions would be a very much better basis to go to London with, than one million. The provision in the charter which forbids the directors to make further calls, is not only unjust to the creditors, but looks to me very much like a provision to protect the directors of the company from one another. No doubt that is the effect of it. We have all seen in small animal exhibitions which accompany larger ones, what is called the "happy family," and we all know the means taken to prevent the larger and more ravenous from preying on the weaker ones. I believe this provision is introduced here for very much the same reason. Now it must have struck every

hon gentleman who has read the charter as extraordinary that no precaution, no guarantee was taken to ensure the completion, and especially the working of the railway. I have stated in the resolutions I have submitted, that ten per cent. would be a moderate amount of the subsidies money and land—to have reserved for that purpose. If I had said twenty-five per cent. of the land, it would not be too much. Such a reserve would do the company no injury, and be a security to the country. It is utterly impossible that before the railway is completed in accordance with the terms made with British Columbia, that the company can sell seventy-five per cent. of their lands; therefore no injury or embarrassment could have flowed from reserving twenty-five per cent. of the land and ten of the money; but there is no guarantee of this kind provided. There is no specification either for the construction of this road. I venture to say there never has been anything like it. The company undertook to build a railway without a survey. If they differ with the Government there is to be arbitration. They are to refer the difference to arbitration at once, unless the company and the Government can agree, without the intervention of an engineer, and the railway to be taken as a model or standard is the Union Pacific. I doubt whether any gentleman connected with the Canadian Pacific Company, knows anything about that road. Now there is no engineer provided here—no engineers' certificate required the arrangement is without exception the most improvident that ever came under my observation. Subsidies land and money are to be handed over, and without certificates of a Government engineer. If the government and the company differ about the road, disputes are to be left to three engineers. Is that a position to place the country in on this great question? I think not, and I am quite certain when the country awakes to the importance of the question and the position it occupies, people will see they should not be bound by this charter; There is no guarantee for working the road, in fact, working is not mentioned in the agreement between the Government and the company, laid upon the table of the Senate to-day. It is simply about the construction. I fear the country will get very little for their enormous subsidies. The best they can hope for under the present scheme will be an apology for a railway. As soon as such is completed, the Company will be entitled to all their lands. If the road prove unremunerative, the Company will leave the Government to run it, as it