

regranted by chapter 5 of 1892; the whole not exceeding \$86,800, being a revote of the subsidy granted by chapter 4 of 1894.

Mr. TAYLOR. I think that this motion will have to be amended in order to meet the spirit and intent of the vote that is about to be made. I think it should be amended in this way:

The said subsidy or so much thereof as has heretofore been agreed upon by the terms of an agreement filed in the Department of Railways and Canals, between the said Brockville, Southport and Sault Ste. Marie Railway Company and the creditors of the said company, be paid over to the said creditors or legal representatives of said creditors as stated in the said agreement.

It would be remembered that this road was chartered some twenty odd years ago, a subsidy was voted, the company went on, and they pledged that subsidy to Messrs. Cooper, Fearman & Co. for the rails, spikes and plates. The company failed, went into the hands of a receiver, and was run for a number of years. Action was taken in the courts and the road was finally sold. The company who purchased came here for new legislation and that legislation was refused unless some arrangement was made with the creditors, and there were quite a number of them for labour and right of way as well as the firm of Cooper, Fearman & Co. for supplies. An arrangement was come to by which the balance of the subsidy, amounting to about 50 cents on the dollar, was placed in the hands of the department, the department saying substantially that when the road was completed so that it would pass government inspection the money would be revoted. The company have completed the road so that it has passed government inspection and now this money is being voted, but being voted to the company and they may claim it. I want to see that it goes to the creditors, many of them constituents of mine and many of them of my hon. friend from Brockville (Mr. Derbyshire), and the firm of Cooper Fearman & Co., and that the agreement is carried out in the spirit agreed on. I think this amendment or something like it should be added to the resolution so that it will meet the intention of the government.

Mr. EMMERSON. This matter was first called to my attention by the member from Brockville (Mr. Derbyshire), who represented the interests of the creditors in that road. This subsidy which is now being asked includes \$37,200 already earned, but which could not, under the law, be paid over and as I understand the hon. gentleman from Brockville (Mr. Derbyshire) he would require this money to be paid in such a way as to ensure to those creditors the distribution of that money. My hon. friend from Leeds (Mr. Taylor) suggested that there would be danger of the money going in another direction if it were paid over to

Mr. EMMERSON.

the company itself, and I think it would be the general feeling of the House to act upon the amendment suggested.

Mr. HAGGART. Is the amount earned?

Mr. EMMERSON. Yes.

Mr. HAGGART. Not long ago?

Mr. EMMERSON. Well, it must be two or three years ago. Since I have been in office my hon. friend from Brockville (Mr. Derbyshire) has been at me every day so it must have been prior to that time.

Mr. DERBYSHIRE. Three years ago the chief engineer accepted the road and this \$38,000 was due then. Since 1904 they granted a further grant for extensions, and we want the \$38,000 paid to the people according to the arrangement made at the time the 1904 vote was carried.

Mr. EMMERSON. I would suggest simply that the word 'be' should be changed to 'to be.' Then it would be subject to the general provisions as to the approval of the Governor in Council.

Amendment agreed to.

For a line of railway from Jonquières to La Baie des Ha Ha, in lieu of subsidy granted by chapter 57 of 1903, section 2, item 7, not exceeding 20 miles.

Mr. EMMERSON. This is a portion of the Quebec and Lake St. John Railway. It is a renewal.

Mr. SPROULE. As far as I remember, you have three or four different subsidies for the Lake St. John Railway. Why could you not put them all together?

Mr. EMMERSON. My hon. friend will observe that this is not voted to the Quebec and Lake St. John Railway Company. They are applicants for the subsidy, but the line is subsidized, not the company.

Mr. SPROULE. To whom was the last subsidy voted?

Mr. EMMERSON. It was voted in the same way.

For a line of railway from St. Rose via the east side of Lake Ainslie to or towards Orangedale on the Intercolonial Railway not exceeding 34 miles and for a line of railway from a point on the Intercolonial Railway at or near Mines Road station to the wharf at Caribou Cove, not exceeding 100 miles; in lieu of the subsidy granted by chapter 57 of 1903, section 2, items 18 and 62.

Mr. SPROULE. I notice that you have changed this. Formerly the subsidy was voted to a railway company. Now it is voted to a line of railway.

Mr. EMMERSON. That is for the same reason. That company has not acted on its powers, and a number of people in the locality have represented that there is a strong company willing to take hold of the work. Therefore I thought it better in the interest