

wages or otherwise ; therefore we have had the experience of the working of the Railway Act from 1888 to 1903 without any inconvenience resulting and it seems to me it is better to return to that state of things. I would suggest to the hon. senator from De Lanaudière that, if his Bill carries, the word, 'the' should be struck out of the second line in section 141, for the purpose of giving effect to the amendment.

Hon. Mr. CASGRAIN—There is a good deal of force in what the hon. senator from Calgary says about the payment of wages, and I should be willing to accept an amendment making three months wages a privileged claim. The code of Quebec makes that provision, but there should be a limit, and the bondholders should have a first lien on something. There should be a limit to the charges to be created ahead of the bonds. If the leader of the opposition would move in amendment that three months wages should be a privileged claim, I am quite willing to accept such a provision to protect the workingmen.

Hon. Mr. POWER—Oh ! no, pass the Bill as it is.

Hon. Mr. CASGRAIN—We are only reverting to where the law was before. For many years the law stood that way. The attention of some of the capitalists has been called to the law as it stands now, and unless it is amended, you could not raise money on a railway project by issuing bonds.

Hon. Mr. WILSON—This is singular legislation. Very large amounts of bonds have been sold under certain conditions, and at a certain value. The purchasers have looked upon the property as their security, and now we find an application made to enhance the value of those bonds as against the claims of private parties. My hon. friend says he is willing to allow those who furnish supplies for the working of railroads to have a claim against the working expenses of the railway, and to allow employees to have a prior lien on the property of the company to the extent of three months wages. Have we any right to do a thing of that kind? The first charge on a road ought to be for the working and running expenses. Besides,

Hon. Mr. BEIQUÉ.

there are large claims against most railways on account of accidents. Is it proposed to let the people who have sustained injuries go without any redress? If my hon. friend will grant three months wages of employees as a first lien, he must make provision also that the friends of those who may be injured or killed on the railways shall have priority for their claims. The railroads are responsible to the public. They have issued their bonds and sold them, and it is proposed now to enhance the value of those bonds at the expense of those who furnished supplies for the running of the railroad. We ought to protect the public just as well as the bondholders. Very large amounts of bonds have been issued, and are being issued on account of the construction of railroads. What will be the effect of this legislation upon such issues? Certainly this Bill ought to be delayed until we can look carefully into its provisions and see how it will affect the public at large. I hope my hon. friend will move that the committee rise and report progress.

Hon. Mr. SCOTT—The hon. gentleman, speaking in favour of persons investing their money, states that we are giving additional security to the bondholders. Now it is exactly the reverse of that.

Hon. Mr. WILSON—I said we were giving the bondholders protection at the expense of those who are supplying the railways.

Hon. Mr. SCOTT—Where bonds were issued under the law as it stood until five years ago, the position of those bondholders entitled them to have the law placed where it was when they took the bonds.

Hon. Mr. LOUGHEED—Can my hon. friend who represents the government say why the government, when they prepared the existing Act, amended the law as it had stood for forty years?

Hon. Mr. SCOTT—My hon. friend knows very well that there is sometimes a good deal of carelessness in drafting an Act. I think it is very improper, so far as bonds issued before 1903 are concerned, to have changed in any degree the security of those bonds. If it goes abroad now,