

Hon. Mr. FERGUSON—We have had no instance presented to us where any harm has occurred, and now they come and ask us to revert to the old order of things. My hon. friend from De Salaberry stated when we were in committee yesterday, that the question of wages is worthy of consideration. I do not think we need concern ourselves very much about the matter of taxes. I only brought that up to illustrate the erroneous state of mind in which my hon. friend the Secretary of State exists. The hon. member for De Lanaudière is trying to put taxes in a place of inferiority to the bondholders' interest, but I do not think he can do it. However, we can put the wages in that position, and I do not think that the amendment which the hon. senator from De Salaberry has moved will make any improvement in that respect. With due deference to the hon. gentleman, I think that this amendment will leave the matter just where it is now, or where it will be after the major part of this Bill passes. Turn to section 141, which is proposed to be amended, and you will find it will read this way after the amendment is incorporated in it:

Subject, as hereinbefore provided, to the sub-
ment of penalties and working expenditure
of the railway, and to the payment of arrears
of salaries and wages mentioned in para-
graph (f) of section 34 of section 2 of this Act
for a term not exceeding two months, &c.

Then it goes on, and all this is subject to the words 'as hereinbefore provided to the payment of penalties, and working expenditure of the railway.' The penalties and the working expenditure of the railways, if the first and main provision of the Bill is passed, will be given a status, and this amendment will be subject to that, and as wages is a part of the working expenditure, declared to be so by the Act, wages will remain in the position it occupied before, and that is a position secondary to the interests of the bondholders. I therefore think that this amendment will not change the position of things in the slightest respect, because this provision with regard to wages will be subject, as hereinbefore provided, to the payment of penalties and working expenditure of the railway, and the secondary standing of the

working expenditure of the railway will be settled with if the amendments of the hon. senator from De Lanaudière becomes law. Therefore, I think this amendment will not put the wages in a better position than before the amendment was proposed. I have put my views on record. I do not feel that it will affect me any, but when we are going to make this change in the law, we should have some good and substantial reason for it. We should be shown that the Act passed in 1903 has worked some harm, that it has prevented bondholders investing their money, that it has in any case operated in wronging the bondholders and preventing them getting their just rights. As none of these things have been shown, it seems to me it would be much better to let the law stand as it is at present.

Hon. Sir MACKENZIE BOWELL—This discussion must be very interesting to those who have remained in the chamber and listened to it. I am quite sure that any senator who has witnessed the exhibition of apparent temper on the part of our usually genial friend the Secretary of State will be pleased to know that something has occurred to arouse him from the lethargy which has characterized him for many months past. I have noticed, in my experience, that whenever the hon. gentleman shows temper there must be some reason for it behind the mere question before the House. Might I ask him if anything has occurred in connection with the sale of the bonds, debentures or other securities connected with the Grand Trunk Pacific Railway, that has led to the introduction of this amendment to the Railway Act?

Hon. Mr. SCOTT—No.

Hon. Sir MACKENZIE BOWELL—Has any objection been taken in the money market of England to the law as it stands affecting the securities which have been offered in the money market, in order to carry on that great work? We have heard it rumored, and it has been stated in the newspapers, and if my memory serves me rightly a Bill has been introduced in the House of Commons by the Finance Minister, asking for some change in the law in reference to the Grand Trunk Pacific Rail-