

Hon. W. B. ROSS: Mining companies must necessarily pay a dividend out of proceeds of what they are taking out of the ground. It is the opinion of the Government lawyers that they can do that as the law now stands, but this section provides that they cannot do it if they have not sufficient assets to pay their debts. When I heard the suggestion of the honourable gentleman this morning I was very much taken with it, but on reconsideration I doubt whether it is necessary. I am told that the Hollinger mine, for instance, is careful to state to their shareholders at every annual meeting how much they have paid in dividends, by way of reminding them that pro tanto they are reducing their assets.

Hon. Mr. BEIQUE: We want the other mines to follow the same good practice.

Hon. W. B. ROSS: But do not make an amendment that will tie the matter up so that they will not know what to do. I do not think there is any necessity for that amendment, but I am not going to oppose it. I think that the practice of the Hollinger mine, and the knowledge the people have when they are going into a mining enterprise, would be sufficient.

Hon. Mr. GORDON: This appears to me to be legislation of a very dangerous character. For instance, take the paper business, you might classify that as of a wasting character.

Hon. W. B. ROSS: No, that term is confined to mining companies.

Hon. Mr. GORDON: But a mining company might figure that they had assets sufficient to meet their outstanding liabilities, and yet there might be accidents that would change that condition. I think when any company is allowed to impair its capital we are travelling on dangerous ground.

Hon. W. B. ROSS: You cannot help it. From the day a mining operation starts it is eating up its capital. A coal company has no capital but a block of coal in the ground, and if they pay a dividend this year, pro tanto they have eaten up their capital.

Hon. Mr. GORDON: But any company starting business must start with money capital.

Hon. W. B. ROSS: That capital has been used to buy the mine and the machinery, and sink the shaft. The chief cost of a coal mine is in sinking the shaft; it will cost four or five million dollars; but the shaft is only a hole in the ground, and the only asset is the coal.

Hon. Mr. GORDON.

Hon. Mr. TURRIFF: To my mind we are passing legislation that is very bad, and this is one effect of bringing legislation down in the last days of the Session. I think no interest would suffer very greatly if this matter were left over till next Session. But if we are going to pass it now it ought to be made clear that the shareholders will know what is being done. I listened this morning for an hour to what was said here, and I do not know now what the section means, and how will a shareholder understand it?

Hon. Mr. BEIQUE: The honourable gentleman and myself think very much alike, and I was trying to give effect to his idea. Companies of that kind are of such a nature that they cannot state what proportion the balance after payment of dividend may represent.

The amendment of Hon. Mr. Beique was agreed to, and the Senate went into Committee on the Bill.

Hon. Mr. Willoughby in the Chair.

The amendment proposed by Hon. Mr. Béique was agreed to, and the Bill, as further amended, was reported.

THIRD READING

On motion of Hon. Mr. Foster, the Bill was read the third time and passed.

At six o'clock the Senate took recess.

The Senate resumed at 8 o'clock.

CRIMINAL CODE BILL

REPORT OF SPECIAL COMMITTEE

Hon. Mr. PARDEE moved concurrence in the Report of the Special Committee to whom was referred Bill 102, an Act to amend the Criminal Code, together with the amendments thereto.

Hon. Mr. DANDURAND: The honourable gentleman who is the Chairman of the Committee will explain the amendments.

Hon. Mr. CASGRAIN: It is not necessary.

Hon. Mr. PARDEE: If the House desires it, I shall be very glad to do so.

Right Hon. Sir GEORGE E. FOSTER: The amendments are long and numerous. Should we not have an explanation?

Hon. Mr. PARDEE: Honourable gentlemen, Bill 102, which was referred to a Special Committee, has been very carefully examined by the Committee and certain changes have been