

After Recess.

House resumed at eight o'clock.

PRIVATE BILLS.

THE BROCKVILLE AND SAULT STE MARIE RAILWAY.

House in committee on Bill (No. 104) to incorporate the Brockville and Sault Ste Marie Railway Company.—Mr. Dymont.

Mr. TAYLOR. This Bill with two other Bills, Nos. 67 and 89, was referred to a sub-committee to hear creditors, and to take into consideration the course that should be adopted in dealing with them. It came before the Railway Committee yesterday. I was unavoidably absent from the committee, and some of my friends asked that the Bill be allowed to stand until I was present, seeing that I had charge of one of the other Bills. The sub-committee, as I understand, did not all concur in the report which was made to the Railway Committee. The Railway Committee also have amended the Bill. This sub-committee heard a number of creditors, parties who were instrumental in building the Brockville and Westport Railway. This railway got into difficulties and was sold, being bought in by some Americans. The road was sold by an order of the court, but the question is now in litigation as to whether the court had full powers to authorize the sale. However, the committee thought it was their duty to report a Bill authorizing and confirming the sale so far as they had a right to do so, but granting additional powers. I understood the sub-committee were agreed on all that. But I see the Bill has been amended by granting powers to bond the road for \$10,000 a mile. That matter was discussed by the sub-committee, and it was agreed, as I understood, by all of them that a clause should be inserted in the Act providing that the proceeds of the sale of these bonds should be applied only for the betterment of the road. They have also amended the Bill by authorizing a stock capital of \$500,000. The sub-committee discussed that also, and as I understood, some of them at least thought that the stock capital, if any was granted at all, should only amount to \$160,000, the amount that was paid for the road, and that the company should not be capitalized for more than the road cost. Then some of the sub-committee—I do not see any of them present—

Mr. GALLIHER. I am here.

Mr. TAYLOR. I mean of my friends. I see opposite two hon. gentlemen who concurred no doubt in this report. The question was discussed as to the advisability of making some reference to the fact that there were claims on the road. Whether they were legal or not, was not the question. When this company came asking for addi-

Mr. LENNOX.

tional powers, the question was whether the sub-committee should not hear these creditors, among whom were those who had supplied the right of way, others who had supplied the material for building the road, others who were contractors, and so forth; their claims amounting to a large sum. But there is no mention of that in the report. However, it was discussed, and my object now is to ask that the Bill be not proceeded with to-night, as I intend to give notice that when the Bill is dealt with again I shall move amendments to it. I therefore ask that the Bill be allowed to stand until I give notice of the amendments and have the matter tested in the House. I am satisfied that when the House comes thoroughly to understand the situation they will do more than simply to confirm the purchase by these gentlemen for \$160,000. The law says that when parties purchase a road they must come to parliament and get confirmatory legislation. I think we should confirm that but go no further. I do not think it is right to give further bonding privileges, or give them any more capital stock. It is the duty of this parliament to recognize the claims of the creditors. This company had a charter and received a subsidy of \$3,200 a mile. That subsidy was assigned to the late James Cooper, of Montreal, for the payment of rails, plates and spikes to equip the track. Only a portion of the subsidy has been earned, and that went to Mr. Cooper. There remains a balance of some \$38,000 that has not been paid because the government retained it till the completion of the road. The road has never been completed, and that subsidy has lapsed. No doubt when this company go on and build the road according to the requirements of the government, the government will give the subsidy. That subsidy has been assigned, and the government have approved of the assignment to pay the subsidy over to the estate of the late James Cooper. He appeared before the sub-committee and stated his case. He has since died, but his estate will have the claim on this subsidy when it is earned. I have no doubt the government will revoke this lapsed subsidy when the money is earned. But this company, when they complete the road, will have by this Bill the right to that subsidy, but there is no reference made in the report of the committee or in the Bill as amended that there is any claim for it. I think there should be some reference made of this. My hon. friend opposite nods his head to the suggestion I make to allow the Bill to stand until I have an opportunity to discuss it with other members of the committee who did not concur in the report as it has been made to the House. I do not know that they made a minority report, but I know they did not concur in the final report, or in the amendments that now appear in the Bill.

The MINISTER OF PUBLIC WORKS (Hon. James Sutherland). This Bill and