

presentations that may have been made to the government in reference to the working of that road.

He said: Mr. Speaker, I present this motion in order to call the attention of the House and especially the attention of the Minister of Railways and Canals (Hon. Mr. Blair) to the very unsatisfactory state of affairs which we all know in Montreal and in the South Shore district. The South Shore Railway Company has received, I suppose, about \$1,000,000 in subsidies. I do not think I am very far from the truth in giving that figure. Still, the government do not seem to have any means of obliging the present owners of the road to work it in any satisfactory way. The road is worked to-day just to keep it alive. There is no service. I know as a matter of fact that there is nothing that can be called a railway service. This is a very unsatisfactory state of affairs and I would beg to call the special attention of the hon. Minister of Railways and Canals to what is taking place now. The road passed, last year, into the hands of foreign capitalists—so-called foreign capitalists—who came before the House and the Railway Committee of the House with big projects. Well, they went to the wall very shortly afterwards in New York. The same men to-day hold the road. God only knows what took place in reference to the South Shore Railway. The number of deals that have taken place in reference to that road are unknown. However, this is not the time to discuss questions of that kind; I only want to call the attention of my hon. friend the Minister of Railways and Canals once more to the state of affairs that is existing now and I hope he will find means to put an end to.

Mr. T. C. CASGRAIN (Montmorency). Mr. Speaker, before the motion is carried I would like to call the attention of the Minister of Railways and Canals (Mr. Blair) to the very unsatisfactory state in which the railway law is in regard to an insolvent railway company. I know for a fact that what the hon. member for St. Mary's, Montreal (Hon. Mr. Tarte) has just said in reference to this railway is absolutely true because I have had occasion to represent some of the parties who are interested in that company. Now, when a claim is urged against a railway company of this kind there is nothing in the law by which a creditor can have his claim recognized and recover under the statute. It is true that in the province of Quebec some years ago legislation was introduced granting the power to a creditor, or to the government, if the government had given a subsidy to the railway, to sequester the road, or to put it in the hands of a sequesterator, who, in another province, would, I suppose, be called a receiver who could operate the road for the advantage of all concerned. But, the difficulty was encountered that when

the road had been declared a road for the general advantage of Canada, it was a question whether the statutes of the province of Quebec could apply to such a road. The constitutional question was raised in the case of the Hon. Mr. Nantel against the Baie de Chaleur Railway Company. Some of the courts of Quebec decided that the law as passed by the provincial legislature was not only constitutional but that it also applied to a railway which had been declared to be for the general advantage of Canada. The question was raised whether this decision was a sound one and it was taken to the Supreme Court. Unfortunately for those who are seeking an authoritative decision upon the point the Supreme Court did not pronounce because of some understanding between the governments, or the parties; at all events, the question was withdrawn and it was not submitted to a judicial decision. I do not see, myself, why the Winding Up Act should not be applied to railway companies just the same as to any other companies. If it were there would be, as in the case which is now before the House, a very speedy remedy for those creditors who have claims against railways and who cannot enforce them in the present state of the law.

The MINISTER OF JUSTICE (Hon. Charles Fitzpatrick). Mr. Speaker, proceedings under the Winding Up Act must necessarily be very complicated but if the hon. gentleman (Mr. Casgrain) will refer to the statutes of 1899 he will see an amendment to the Exchequer Court Act which provides for these cases. I will point out the Act to him. It is 62-63 Vic., cap. 44. I think that Act will meet the case in hand now. I have had some opportunity of considering the question recently and my own view would be that if this does not quite meet the case we might amend it so as to make it applicable to the case in hand. But, I think the Act goes far enough.

Mr. CASGRAIN. I have looked into that Act and I have tried to make it apply to questions arising just as this one has arisen to which I have called the attention of the House, but I do not think it is workable under such circumstances.

The MINISTER OF RAILWAYS AND CANALS (Hon. A. G. Blair). Mr. Speaker, I do not think there will be any objection whatever to the passing of this motion. I may say in regard to what my right hon. friend (Hon. Mr. Tarte) has stated that, to-day, there is an engineer on behalf of the government making an inspection of that road.

Hon. Mr. TARTE. The road is not safe, I understand.

The MINISTER OF RAILWAYS AND CANALS. My hon. friend the member for Chambly and Verchères (Mr. Geoffrion)