

## APPENDIX No. 2

MR. CARVELL: I have in my own mind cases where bridges are built within a short distance of each other. There is a big railway bridge and a highway bridge within five or six rods of each other, crossing the St. John river.

MR. NESBITT: Let us leave it to the Board.

MR. BLAIN: In that case you say that one bridge would have done?

MR. CARVELL: Yes, at a very great reduction in cost.

MR. NESBITT: We propose to leave it to the Board, and we limit the Board to the additional cost of construction.

HON. MR. COCHRANE: That would include the cost, if the bridge had to be built stronger.

MR. MACDONELL: Constructing, maintaining and renewing—that is all that is necessary.

MR. CARVELL: If it is desired to have the word “strengthening” put in there, I would agree to it, but I do not think it makes it any stronger.

Section adopted.

On Section 161, Sale of subsidized railways not kept in repair.

MR. CHRYSLER, K.C.: Without desiring to have any discussion about it, I have been asked to bring to the attention of the minister and the committee the provisions of Section 161. Mr. Phippen, of the Canadian Northern Railway, says that he thinks that is not wise legislation.

MR. NESBITT: The whole section?

MR. CHRYSLER, K.C.: Yes. I do not know that the committee will adopt my view, but I think it is my duty to mention it.

MR. JOHNSTON, K.C.: It is I and II George V. and is not amended very much.

MR. CHRYSLER, K.C.: Slightly.

THE CHAIRMAN: After the word “secured” the committee have amended the section by inserting the words “by mortgage or otherwise upon such railway.” That is the only amendment they have made.

MR. CHRYSLER, K.C.: My objection to it will be very brief. Mr. Phippen says in his letters to me that he does not think the punishment will fit the crime, and that is a short statement of it. It is proposed to give to the minister the right to apply to the Board for an order that a railway company, which has been aided by a subsidy from the Government of Canada, and which can not be safely operated by reason of the condition of the railway, shall be put in a safe and efficient condition, which order the Board is authorized to make after notice to the president and manager of the company and the trustees and bondholders, etc. Now on failure of the company to comply with the order, a lien is created by this subsection, which prevails over the lien of the bondholders. The effect of that is to give to the Government, for its money expended in this way, the first lien and charge upon the roadway.

MR. JOHNSTON, K.C.: That is just like the practice in a receiver application.

MR. CHRYSLER, K.C.: A receiver's certificate.

MR. JOHNSTON, K.C.: It is salvage money and protects the property for the bondholders.

THE CHAIRMAN: I understand this legislation has been in force for many years.

MR. CARVELL: I would like to see an amendment passed that when such condition as this exists in connection with a Government railway, the Government would be compelled to take it over.