

with a railway coming under the legislative authority of the parliament of Canada, shall be subsequently exercised without the sanction of the Governor in Council. 51 V., c. 29, s. 93, Am. by 55-56 V., c. 27, s. 4, Am.

Hon. Mr. BEIQUE—I would suggest that the line

'upon the bonds constituting such issue being withdrawn or paid off and duly cancelled,'

be struck out. The reason is that, under a judgment it has been held that when a company had commenced to exercise the power, they could not continue to exercise them without withdrawing the bonds, or paying off the first bonds issued, although the power had not been exhausted. For my part, I could not reconcile myself to that opinion, and, if we were to pass this Bill after that judgment had been rendered, it would be taken as a judicial interpretation to which we had agreed. The words are not necessary, and the clause would be much clearer.

Hon. Mr. SCOTT—But if one class of securities may be withdrawn from the market, why should not the company have the right to issue others?

Hon. Mr. BEIQUE—This would not affect that right.

Hon. Mr. KERR (Toronto)—You issue the new bonds for the purpose of taking up the old bonds.

Hon. Mr. YOUNG—They must cancel or withdraw the old ones before they issue new ones.

Hon. Mr. KERR (Toronto)—As it is here, it is the converse of that. The phraseology of this clause may be interpreted to mean that you cannot issue new securities until you have paid off and duly cancelled all the old ones, whereas the issue may be for the purpose of taking them up and paying them off.

Hon. Mr. SCOTT—This would not violate that principle. It could be done *pari passu*—one bond paying off the other.

Hon. Mr. KERR (Toronto)—The bonds have to be issued before they can be made use of and sold.

Hon. Mr. LOUGHEED—The 31st and 32nd lines explain it:

But the limit to the amount of the securities fixed in the special Act shall not be exceeded.

Hon. Mr. POWER.

Hon. Mr. POWER—That is sufficient protection.

Hon. Mr. LOUGHEED—Even though they issue a part of the securities, they can, at any time, issue the remainder. I think the hon. gentleman from De Salaberry is right; the words in the clause are misleading. The words I have read fully explain it.

The committee divided on the amendment, which was adopted: contents, 20; non-contents, 10.

Hon. Mr. WOOD—It appears to me, from reading this clause a second time, that the meaning of the words used here is that the directors may, in the first place, issue securities to the full amount that they are authorized to issue under the special Act, and that this clause 4 is intended to convey this idea—after they have issued the full amount of securities permitted by the special Act, their power to issue securities shall not be considered to be exhausted, but they can re-issue securities to the amount authorized by the Act, on the first securities being withdrawn.

Hon. Mr. SCOTT—That is the intention.

Hon. Mr. KERR (Toronto)—The clause as it now stands amended surely means exactly that.

The clause as amended was adopted.

On clause 130,

Hon. Mr. BEIQUE—I suggested that this clause should stand, because I thought it might be necessary to have a paragraph, or subsection, to say that the plan, as thus modified on account of deviations, would be deposited as provided in clause 128.

The clause was adopted.

On clause 149,

Hon. Mr. BEIQUE—There are certain articles of the Code of the province of Quebec which should be added to this clause.

Hon. Mr. LOUGHEED—Why not say the laws of the province of Quebec?

Hon. Mr. BEIQUE—Under the law of registration it is required that documents of a certain nature be registered in a certain way and other documents in another way. It states also that a registration may have