

exceptional; and what he proposed was to put it on the same ground with most other companies. In the case of the Grand Trunk Railway, the first mortgage bond-holders had a first lien on nearly all the property of the company; but, even in the case of this great corporation, the fuel was excepted from this rule, so that fuel could be seized along the road by the creditors for supplies and wages. With regard to the Canada Southern, however, there was absolutely no recourse whatever. He thought that he had shown *prima facie*, at all events until his points had been controverted, that this provision did no injustice to anybody, and certainly it was necessary to secure justice for a large section of the people who lived along the road and to whom justice was refused. He hoped that the House would be inclined to do justice in the matter.

MR. PLUMB said he thought it would be remembered that the provisions of this Bill had been very carefully discussed and examined in the Railway Committee. He did not recollect any Bill which had come before the House that had been more carefully scrutinized. He confessed that, for his part, he examined the Bill with an eye of great jealousy. He thought there were provisions in it which it was very desirable that every member of the Committee should carefully examine for himself in order to protect the rights of all parties concerned. When the Bill came before the Committee they found that everything had been done in a very systematic and business-like manner. The first mortgage bond-holders of the Canada Southern Road were virtually, as the hon. member for West Elgin had very properly said, owners of the road, holding, as they did, a good deal more than two-thirds of the interest therein. The interest on these bonds was then three or four years in arrear, but they consented to waive their claim for that interest, which amounted to 25 or 28 per cent. They also consented to waive for three years the difference between 7 per cent., which they were entitled to on their bond, and 3 per cent. for their railway interest, which amounted to 12

per cent. more. They further consented, for the whole twenty years during which their bonds ran, to take 5 per cent. instead of 7. That was the basis upon which the first mortgage bond-holders consented to the scheme for settling the debts of the Canada Southern Railway. No such liability rested upon them like that which the hon. member for West Elgin proposed, and he (Mr. Plumb) did not think they should be hampered by such a provision as that contained in the amendment to the 2nd section. In addition to that, the holders of other bills, which would have been preferential, consented to a compromise upon their securities, many of which were taken at the rate of 30c. or 40c. on the dollar. As a member of the sub-Committee, he must confess, though with great reluctance, that hon. gentlemen opposite seemed disposed to retard the passage of the Bill. These gentlemen too, be it remembered, were permitted, though not members of the Committee, to be present while the Bill was under consideration and to state their objections. Every courtesy was extended to them, and every opportunity given to them to state their views in the best possible manner in which their case could be presented. The Bill, after being reported to the Railway Committee, was passed by them with a very slight change, and that change, he believed, was made in deference to the wishes of these gentlemen who now opposed it. No piece of legislation in regard to railways had ever been more carefully and thoroughly scrutinized in Committee, and he should like the Bill to be promoted in the interests of the public, not for local or private interests, which he felt sure the House would not take cognizance of. They were told by the gentleman who had just addressed the House at considerable length, that the security of the bond-holders was not to be regarded in legislation of this kind.

MR. CASEY: No.

MR. PLUMB said he begged the hon. gentleman's pardon, but he said that this claim would endanger the securities of the bond-holders. The hon. gentleman must admit that, if the