

one which this House might safely pass in the light of past experience.

Hon. Mr. LOUGHEED—With reference to the amendment proposed by the hon. gentleman from De Salaberry, I am of opinion it does not go sufficiently far. As I took the opportunity of observing yesterday, the property and assets of a railway company are about the only tangible means out of which can be realized the claim of the creditor. I think—in fact I have no doubt—that those words were put in advisedly by the Department of Railways in consolidating the Act. It must have been within the mind of the department that scarcely a small railway was to be found within the Dominion of Canada that had not piled up very large liabilities owing to the workingmen, owing to persons who had furnished supplies, and which claims had not been liquidated, and, owing to the complicated nature of realizing a claim out of a railway, those claims stood. Hon. gentlemen who have occupied seats upon the Standing Committee on Railways must recall that nearly every session there came a complaint before the committee of unsatisfied claims against railways. While I may not be able to designate the railways, yet I have a distinct recollection of many instances that have arisen in this direction. Railways in Manitoba, railways in Ontario and railways in Quebec that were afterwards absorbed by the larger railways, or were re-organized by new promoters. Now can my hon. friend who suggests this amendment show any good reason why a firm supplying material for betterments should not have a remedy for the collection of the claim against the property and assets of the company? The property itself, which is the security held by the bondholders, will have been enhanced manifestly to the amount of the betterment which has been made upon the road. If ties, as the hon. gentleman from Hastings has instanced, or if rails have been purchased, why should not the property, the same as a building under the ordinary lien law passed by the province, to the extent it has been enhanced by the furnishing of those supplies be available for the recovery of the claim held by those who furnished the supplies? We know very well that it is an established principle

amongst railway men, amongst all well-conducted railways, that betterments are chargeable, not to capital, but to revenue. Then if the betterments which are made upon the road from time to time are made chargeable to revenue, and that revenue is insufficient to satisfy the payment of those betterments, is it logical to say that the persons furnishing those supplies should not be able to recover from the corpus which they have improved to the extent of the betterments? I can easily imagine any hon. gentleman calling up an instance where bondholders might induce the management to improve a small road very substantially through purchase upon credit of supplies, such as ties and rails, cars, rolling stock and so on, and thus by practically a system of fraud enhance the value of their property to a very large extent, and then snap their fingers at the persons who had furnished those supplies. My hon. friend has referred to the machinery furnished to creditors, mortgagees and others, for realizing upon the railway, through the Exchequer Court. My hon. friend can see how the workman should have an exception made in his favour, but the merchant who furnishes supplies, and cannot have a large claim against the railway, is scarcely in a position to set in motion the machinery of the Exchequer Court, and ask for a receiver, in order that he may collect a couple of thousand dollars from a railway. As pointed out yesterday, almost every mile of railway that has been constructed within the Dominion of Canada, and particularly those railways over which the Dominion of Canada has jurisdiction have generously been bonussed by the Dominion government, and the public are entitled to protection, it seems to me, to a degree beyond that afforded to the bondholder. Every facility should be furnished by law whereby the creditor who has bona fide furnished supplies to the road for betterments thus enhancing the security, could be able to realize out of the road the amount of his claim.

Hon. Mr. SCOTT—The only answer I wish to make to my hon. friend's comments is this: If his views had prevailed the last fifty years the railway mileage of Canada would be many thousand miles less