

my opinion, amply protect any litigation or suit or claim made by the various municipalities which have contributed to the Credit Valley Railway—contributed so liberally that the Credit Valley Railway gave a bond for the fulfilment of these obligations with the municipalities; for I find, according to this Bill, as originally drawn, and as presented here, that the moneys are to be paid directly to the bondholders and the stockholders of the company, thereby preventing any municipality having a lien, or claim, or suit pending, from obtaining redress. I, therefore, beg to move a new clause, to this effect:

“Nothing in this Act contained shall affect any pending suit or litigation or cause of action, or suit, or any contract, covenant or agreement heretofore made between any of the railway companies hereinbefore named, or between any of them, or any other corporation or individual; and any judgment rendered or execution issued against the said Ontario and Quebec Railway Company in respect of any such suit, litigation, cause of action or suit, contract, covenant or agreement, which shall be returned unsatisfied in whole or in part, shall be satisfied by the Canadian Pacific Railway Company, and shall be chargeable by that Company against the Ontario and Quebec Railway Company.”

I think this will cover all the difficulties that I apprehend in the matter.

Bill amended and reported.

Mr. HAGGART moved the third reading of the Bill.

Mr. BLAKE. I have just one observation to make. As far as I can gather from the statement of the hon. gentleman and the information we have with reference to the Credit Valley Railway, that road was built largely, mainly I might say, with public municipal money. What money was provided from other sources amounted to somewhere about \$10,000 a mile. When we were discussing this subject formerly, it was understood that that road was bonded for \$20,000 a mile, which really represented only \$10,000 in cash. The statement of the hon. gentleman to-night is in accordance with the reports in the newspapers—which intimated that there was a meeting a short time ago to increase the bonded debt of the Credit Valley Railway—that there are bonds to the extent of \$25,000 a mile on this road, on which the Canadian Pacific Railway Company are paying 5 per cent., that is  $2\frac{1}{2}$  per cent. on \$10,000 a mile of private funds, irrespective of the public municipal money which has been put into the road.

Mr. HAGGART. The bonds on the road issued so far are only in the neighbourhood of \$20,000 a mile, and the power to increase that is for the purpose of completing the road and equipping it.

Mr. WALLACE (York). Before this Bill is read the third time, I have an amendment to propose, which was very fully discussed in the Railway Committee. The original promoter of the Ontario and Quebec Railway was Mr. Hubertus, who spent most of three years in making a survey of the country between Toronto and Ottawa, organized a company and obtained a charter, which was afterwards handed over to the company formed by Sir Hugh Allan to construct the Canadian Pacific Railway. That company failed to carry out their contract, and the matter lay in abeyance for a number of years. In the year 1881, the present company applied to this Parliament for a charter for a railway over the same route as that of which the survey was made by Mr. Hubertus. While Sir Hugh Allan's company was in existence, Mr. Hubertus handed over to them the charter and the result of his years of work, and they agreed to pay him \$1,000 in cash and \$2,000 in paid-up stock of the road. The \$1,000 cash was paid but he never received the additional \$2,000. The matter remained in abeyance for some years, until the year 1881, when the present company applied to the Parliament of Canada for a charter, and Mr. Hubertus then put in his claim for the additional \$2,000 that had been promised him. That claim was entertained by the present Ontario and Quebec Railway, when they applied to this Parliament

for their charter, and they agreed to have the matter enquired into and to pay Mr. Hubertus the amount found to be due him. They did make an enquiry. The president of the road gave instructions to two directors to investigate the matter; these two applied to a third to report, and the whole board of directors constituted themselves both judge and jury and found, as might have been expected, a verdict in their own favour, and they declined to acknowledge the claims of Mr. Hubertus. On the matter coming up now, Mr. Hubertus renews his claim for the \$2,000, and this claim is re-endorsed by the first president of the company, Mr. J. M. Currier, also by the Hon. Billa Flint, one of the original Directors of the road, who appeared before the Railway Committee and gave evidence proving that Mr. Hubertus had earned by his exertions a far larger amount than that which he claimed. Mr. Alonzo Wright and other directors of the road have also fully endorsed Mr. Hubertus' claims. The Ontario and Quebec Company made an offer three years ago to the Toronto and Ottawa Company to pay them \$30,000 or \$40,000 to abandon the claims for their work, and we find that the Ontario and Quebec have adopted not only the name and preamble of Mr. Hubertus' road, but they have utilized his exploratory surveys, maps and profiles and all the accumulated work he had done, and have gone on his route from Ottawa to Toronto with very little variation. I move in amendment thereto, that all the words after “that” be left out, and the said Bill be recommitted to a Committee of the Whole, with power to add the following Clause thereto:

“That whereas, H. J. Hubertus was the first promoter of a railway line between Toronto and Ottawa, and with others obtained an Act of Incorporation therefor, and a claim for compensation for exploratory surveys, &c., has been made by him against the Ontario and Quebec Railway Company and the said claim has been recognized by the said Company, and it is expedient to provide for a final disposition of the said claim, it is hereby provided that the amount of said claim shall be determined by the Judge of the County Court of the County of Carleton, Ontario, in such manner and upon such notice to the parties as to the said Judge may seem proper, and the said Judge may decide, according to Equity, and his decision shall be final, and not subject to appeal, and may be enforced in any of the Courts of Law or Equity of the Province of Ontario.”

Mr. MITCHELL. I think it necessary to make a few remarks, after the statement made by the mover of that resolution and to give a very brief history of the facts in relation to this case. The mover of that amendment states that Mr. Hubertus was the first promoter of that road. Long before Mr. Hubertus came to this country that road was projected, and I am informed that a gentleman by the name of Fowler, a great many years ago, projected a road from Ottawa to Toronto, and spent a fortune in it. A number of other gentlemen projected it after Mr. Fowler thought of building it.

Mr. WALLACE (York). Mr. Fowler came after Mr. Hubertus.

Mr. MITCHELL. Suppose he did, Mr. Fowler lost a fortune. I was never aware that Mr. Hubertus had any to lose. Certainly he did not spend any money, as far as I can learn, on the project. The history of the company of which I have the honour to be a director is this, as far as Mr. Hubertus is concerned. On the passage of the Bill through Parliament, three years ago, Mr. Hubertus made a claim for compensation. That claim, so far as the projectors of the road could understand, had really no foundation, the fact being that Mr. Hubertus got a charter for the road, which charter expired by limitation; but prior to its expiry he had sold that charter to Sir Hugh Allan, who had agreed to give him, so far as I could understand, \$1,000 in money and \$2,000 in stock. I believe he got the \$1,000 in money from Sir Hugh Allan, and it is alleged he never got the stock, from the fact that Sir Hugh Allan was unable to float the bonds of the road and go on with its construction. Therefore, that charter fell dead too. Subsequently, another char-