

him a large return; yet aware, of course, that he ran the risk of meeting a loss. The positions were entirely different. The claims of bond-holders who had purchased the bonds as a matter of speculation were entirely different from the claims of those parties mentioned by his hon. friend, who had become bond-holders against their will and contrary to their intention. He could quite understand the difficulty of meeting the case, but, if these amounts were inconsiderable, why should not the promoters undertake to pay these parties and place them in as favourable a position as parties who had not had these bonds forced upon them at a heavy discount.

MR. THOMSON said he did not think that any of the second mortgage bonds, which were paid at heavy depreciation by the company, had been given for running the road. The second mortgage bonds of the company were practically valueless as long as the first mortgage bonds existed, and the effect of this Bill was to make the second mortgage bond a first mortgage bond, with interest guaranteed, which would make the position of the holder fifty per cent. better than before.

MR. CASEY said no doubt the case was one of great hardship. These people had practically been forced to take these bonds in payment of their claims. Of course the House must remember that they could have refrained from taking the bonds and still have held their claim, and waited for the time Parliament would see fit to provide a means by which they could secure justice, but they chose to take what they could get and give a clear receipt. He was not prepared, off hand, to vote for the amendment of his hon. friend. He did not see that it was legal. Although these parties had been cheated out of their just dues by the company, he did not believe that illegal means should be taken to right their wrongs.

MR. STEPHENSON said, after what had been stated by the hon. the First Minister, he felt it necessary to reaffirm the position he had taken before the Railway Committee and adduce the same facts which he had there made use of, and would, therefore, read some extracts from one letter out of the

great many he had received on this subject. The letter stated:

"You are likely aware that the Dominion Parliament allowed them (the C. S. R. Company) to mortgage all the property that they now own, and which they may acquire in future; and, also, that property held by a chattel mortgage cannot be seized or sold for debt. We seized the wood at different points on the road, and the result was we had to pay our own expenses and release the wood. The company then told me that the law held them out of my reach, and that if I did not take \$1,000 in second mortgage bonds, they would not pay me a cent, and that they would not renew their paper. Well, they owed me a large sum and I had to be relieved some way, so I took the bond for part and their paper for the balance, which paper they finally lifted at seventy-five cents on the dollar; and now they have applied to Parliament for new license to rob Canadians. I trust you will do all in your power to stop the Bill and let us hold the bonds we have, as I believe the road is worth the money, and that the present bond-holders will be safe if they can hold what they have."

MR. THOMSON: Who signed that letter?

MR. STEPHENSON: It is signed by W. C. Fletcher.

MR. MASSON: What is the rate of discount?

MR. STEPHENSON: \$2,000 of 1st mortgage bonds at 85c; and \$3,000 of 2nd mortgage bonds at 75c. In view of the facts he had stated, he considered his amendment should pass the Committee and be incorporated in the Bill as an addition to the third section.

Amendment negatived.

Bill ordered to be reported.

House resumed.

Bill reported.

CHANTRY ISLAND CONTRACT—SHERIFF SUTTON.

PERSONAL EXPLANATION.

MR. LANDERKIN: Mr. Speaker, before Public Bills and Orders are called, I desire to make an explanation to the House in regard to some observations I offered the other evening while discussing the motion submitted by the hon. member for Charlevoix. I conveyed the impression in the remarks I then made that Sheriff Sutton was a member of the firm of Batter & Sutton, who tendered for the contract at Chantry Island, and that their tender had been passed over,