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of Appeal in Ontario holding that the Railway Act did not apply to the Dominion Chartered Company had been rendered and was then binding, and must have been well known to purchasers of the bonds, therefore the question of the interference of the security is disposed of as they were familiar with all conditions that now exist when making the purchase.

The Privy Council later on upset the judgment of the Court of Appeal. Then for the first time it became known that the Railway clause did not apply to this company. This Act is intended to make the Act as it was supposed to be prior to the judgment of the Privy Council. They can convert a temporary limited franchise into a perpetual one in any city, town or hamlet in the Dominion.

Mr. CARVELL: Who wrote that statement?

The CHAIRMAN: It was prepared by the representatives of the attorney general of the province of Ontario. It places before you their views in regard to the case.

Mr. NESBITT: So far as I am personally concerned, I was not in Parliament in 1906, but I think that their suggestion that the Parliament of Canada or the Railway Committee at that time did not know what they were doing is an insult to the committee. I do not see anything of the kind. I do not see why we should suppose that the Railway Committee at that time did not know what they were doing. I do not believe anything of the kind. I believe they did know what they were doing just as we know to-day what we are doing.

Hon. Mr. COCHRANE: The Privy Council said that.

Mr. MACDONELL: They did not do what they thought they were doing.

Mr. NESBITT: What proof have we of that?

Hon. Mr. COCHRANE: Would not the section be futile? Does it throw dust in ones eyes?

Mr. NESBITT: It would not be futile for future companies. Mr. Johnston has just explained to us that according to our Act it did not apply because they were not a railway company. Now, as far as I am concerned I am perfectly willing that the city of Toronto should protect itself in any way it possibly can, but I am not willing to pass retroactive legislation to take away certain established rights. I do not think that is fair; it is practically confiscation.

Hon. Mr. COCHRANE: They have not taken advantage of it as yet except as to buying out another company.

Mr. NESBITT: Mr. McCarthy absolutely denied anything of the kind, and we have as much right to take his word as we have to take the word of other people; they are only guessing. We do not know that this other company have transferred their rights and even if they have, as far as I can see, it does not hinder the city of Toronto from taking over this company and the whole outfit in 1919.

Mr. JOHNSTON, K.C.: They have no right to take over the Toronto and Niagara Power Company.

Hon. Mr. COCHRANE: If they have sold out to the other company they cannot take it over.

Mr. NESBITT: Surely they can, it must be a poor sort of agreement if they cannot.

Mr. MACDONELL: I would move the adoption of the amendment suggested by the Government of Ontario.

Mr. CARVELL: At this late hour of the morning, why try to force anything like that through?

Mr. MACDONELL: I do not want to force it through.