

by adding clause 2 which in effect would repeal section 7 of the Canadian Farm Loan Act and change the appraisal percentage to 75 and the maximum loan to \$20,000. But I have a suspicion that such amendments could be construed or interpreted as being beyond the competency of the Senate, because although they are of a permissive character in their intent, if carried out by the board they could at least potentially increase, not the over-all charge on the exchequer which is delineated by clause 1 of the bill and is Government-recommended and is a Government commitment, but the rate of the charges on the exchequer in the form of loans. I am therefore, not pressing my amendments at this time at all but I do hope that by saying what I have said some form of a response to some of the questions and some of the comments concerning the problem are as may yet be forthcoming at this stage.

Hon. Mr. Aseltine: In reply to the honourable senator, I wish to state that there is nothing at all in the act to prevent a person doing as was suggested by the honourable senator from Toronto-Trinity (Hon. Mr. Roebuck). A deal may be made subject to obtaining a loan.

The other matters mentioned by the honourable junior senator from Winnipeg (Hon. Mr. Wall) are all matters of policy and I have drawn them to the attention of the Government. The act is constantly under process of revision and it would be entirely improper for this house to make any amendments such as suggested by him, because we have no power to do so. They would be in the nature of taxation measures.

Hon. George S. White: Honourable senators, I only wish to say a word in regard to the remarks made by the honourable junior senator from Winnipeg. He is entirely mistaken when he says that a farmer cannot obtain a loan not become effective only on the closing I know I am correct in that, because at the present time two applications have been made through myself by a farmer to buy a farm.

Hon. Mr. Roebuck: May I ask, would the loan not become effective only on the closing of the deal?

Hon. Mr. White: That is correct.

In reply to the other matters raised by the honourable senator I would refer him to page 2297 of the House of Commons *Hansard*, where he will find a statement by the Minister of Finance to the effect that the Canadian Farm Loan Act, the Farm Improvement Loans Act and the Veterans' Land Act are all under extensive study at the present time, with the hope and expectation of making improvements to the Canadian Farm Loan Act. I

think when the results of that study come forward many of the suggestions and criticisms of the present act will be rectified.

Hon. Mr. Wall: May I say that I am fully aware of the statement made by the honourable minister, and I made reference to it when I spoke previously in the house.

I would like to add that it would no doubt be of great interest to some of us in this house if we could have a study that has evidently been prepared by Dr. Booth of the Economics Division of the Department of Agriculture, in which he tries to give some picture of the provincial-federal legislation dealing with farm credit, plus the experiences of some other countries. If it were possible to have that document tabled in this house, I would be very happy to study it.

Motion agreed to and bill read third time and passed.

PRIVATE BILL

WESTCOAST TRANSMISSION COMPANY LIMITED—SECOND READING

Hon. William R. Brunt moved the second reading of Bill S-16, respecting Westcoast Transmission Company Limited.

He said: Honourable senators, Bill S-16, entitled "An Act respecting Westcoast Transmission Company Limited", is a simple bill and one which requires only a short explanation.

The purpose of the bill is twofold: first, to allow the company to increase the number of its directors so as to make possible a wider representation of shareholders on the board of directors; and secondly, to give the company the right it desires to have, to set up an executive committee consisting of not less than three directors, so that the day-to-day operations of the company may be carried on and the problems dealt with in an efficient and expeditious manner.

To deal with the bill clause by clause:

Clause 1 of the bill repeals section 8 of Chapter 37, Statutes of 1949 (First Session), being the act under which this company was originally incorporated. In place of section 8, the following is substituted:

Sections 153, 162, 167, 184, 190, 193 and 194 of Part III of the Companies Act shall not be incorporated with this act.

I may state that the only addition which is made by this particular clause is the adding of section 153 of the dominion Companies Act, which reads as follows:

The affairs of the company shall be managed by a board of directors of not more than nine and not less than three directors.

Honourable senators will note that under this particular section of the Companies Act the number of directors of any company