

Hon. Sir RICHARD CARTWRIGHT—That I am advised was given, but it is omitted in the Statute.

The motion was agreed to, and the Bill was read the second time.

The Bill was then read the third time and passed.

CANADIAN NORTHERN RAILWAY EXTENSION BILL.

SECOND AND THIRD READINGS.

Hon. Sir RICHARD CARTWRIGHT moved the second reading of Bill (No. 186) An Act respecting certain aid for the extension of the Canadian Northern Railway. He said: The object of the Bill is simply to settle a question which has arisen, by making clearer the understanding at the time of the Dominion government's legislation last year, and allow the Manitoba government mortgage to rank ahead of the Dominion government in respect to that portion of the mileage not completed at the time of the passing of the Dominion Act and taking of the Dominion mortgage. The legislation is simplified by reason of the fact that the debenture stock under the Dominion mortgage has not been scattered about among third parties, but is in the hands of the bank, and the bank has given its consent to this change. The Bill will simply give effect to the intention of the Dominion parliament at the time the legislation was passed.

The motion was agreed to.

The Bill was read the second and third times and passed.

ADVANCES TO MONTREAL HARBOUR COMMISSIONERS' BILL.

SECOND AND THIRD READINGS.

Hon. Sir RICHARD CARTWRIGHT moved the second reading of Bill (No. 192) An Act to provide for further advances to the Harbour Commissioners of Montreal. He said: This Bill permits interest on advances during the construction of works to be charged to the capital account.

Hon. Mr. LOUGHEED—Can my right hon. friend say how much this accumulated interest represents now?

Hon. Sir RICHARD CARTWRIGHT—I can only say in a general way. I think the amount is in the neighbourhood of \$150,000.

Hon. Mr. LOUGHEED—How long have they been constructing those terminal facilities?

Hon. Sir RICHARD CARTWRIGHT—They have been constructing them during the last three or four years.

Hon. Mr. LOUGHEED—Has the entire advance of \$3,000,000 been made?

Hon. Sir RICHARD CARTWRIGHT—Not yet. The provision is one which is reasonably usual in the case of works which are constructed from time to time under government guarantee, or by advances from the government. We generally allow interest as part of the advance to be charged on the work in process of construction.

Hon. Mr. LOUGHEED—I am a little at sea to understand the last three lines of subsection 2, providing that the said interest may be paid out of the sum of \$3,000,000 which the government is authorized to advance.

Hon. Sir RICHARD CARTWRIGHT—The Governor in Council advanced them an amount for certain works—not to exceed \$3,000,000. Those works may be contracted for at the rate of nominally two or two and half-million dollars. They extend over several years, and, in estimating the total cost, the commission asked to be allowed to be charged as part of this capital advanced, not merely the sums paid out, but interest on them, until the time of completion.

Hon. Mr. LOUGHEED—But it provides that interest may be paid out of the \$3,000,000. If so, the government before advancing \$3,000,000, holds out of it the interest or immediately receives it back from the Harbour Commissioners.

Hon. Sir RICHARD CARTWRIGHT—It simply amounts to this: supposing they have a contract for say two and a-half million dollars with certain contractors. They pay at the rate of five or six hundred thousand dollars a year. The interest on this amount, which, ordinarily speaking, they would have to pay to the government as