

Mr. TASCHEREAU: No, it was another one. I am going to speak about it. It is clause 12.

Clause 12 is more or less a re-enactment, as the Senator has just pointed out, of a provision which was contained in last year's Financing and Guarantee Act, continuing for one year the authority of the Government to buy preferred stock from the C.N.R.

Senator PEARSON: How long has the Canadian National Railways Capital Revision Act been in force now?

Mr. TASCHEREAU: This dates back to 1952, so it has been in force for practically 10 years.

Senator PEARSON: Last year was the final year?

Mr. TASCHEREAU: There were two provisions which expired, one at the end of 1960 and one at the end of 1961.

Senator PEARSON: I see.

Mr. TASCHEREAU: The Capital Revision Act was to be reviewed at the end of 10 years. Pending further study the Government proposes to keep alive these two provisions that I have just mentioned for one additional year.

Clause 13,—

The CHAIRMAN: Those are clauses 11 and 12?

Mr. TASCHEREAU: Yes, sir.

Senator BRUNT: You do not pay any interest on this now, up to January 1, 1961, is that right?

Mr. TASCHEREAU: That is right.

Senator BRUNT: So you are just taking another year?

Mr. TASCHEREAU: That is right.

The CHAIRMAN: Clause 13?

Mr. TASCHEREAU: Clause 13 is designed to take care of our requirements for the refunding of securities which will mature in 1962. The C.N.R. Refunding Act of 1955 contains refunding authority to the extent of \$200 million. This authority will have been nearly exhausted by the end of 1961.

On January 1, 1962 we will have to refund some \$30 million-odd of securities, and clause 13 would enable us to finance this refunding operation.

Senator BRUNT: You are just asking for the extra \$30 million, and that is all?

Mr. TASCHEREAU: Yes. We just want authority to issue substituted securities for those that will mature.

The CHAIRMAN: A refund of \$30 million?

Mr. TASCHEREAU: Yes.

With the committee's permission, I would now like to give the committee a general explanation of the main provisions of the bill, which are clauses 3, 4 and 6.

You will notice that the figure in clauses 4 and 6 of \$76,800,000 does not correspond with any of the figures appearing in clause 3. The reason for this is that clause 3 deals with the total amount of dollars in play in the capital projects that are planned by the C.N.R. for the 18-month period from January 1, 1961 to June 30, 1962.

Senator BRUNT: You said the total number of dollars—did you say "in play"?

Mr. TASCHEREAU: Yes, "at play," I should say.

Mr. VAUGHAN: Current.

The CHAIRMAN: Involved?

Mr. TASCHEREAU: Yes.