

Mr. CHARLES MARCIL: The port of Montreal pays its interest.

Mr. McKENZIE: The result is that these ports get more rapidly into debt. They come back for a further loan and the old debt and the new borrowings are incorporated in a new Act, and further sums advanced by the Government. Would the minister be kind enough to tell us how we stand with respect to these various loans made from time to time to ports such as Vancouver?

Mr. BALLANTYNE: I will be very glad, indeed, to give the hon. gentleman the information. As I have already stated, no advance whatever has been made to the port of Vancouver out of money voted by Parliament. A few years ago the Harbour Commissioners floated a loan of \$300,000, but no extensive work has been undertaken there. I think we will all agree that the port of Vancouver is a very important one and that it is going to become more important, but we cannot accommodate the Government steamers, or the other vessels entering the port, unless piers are built. With regard to the port of Montreal, the Dominion Government has from time to time advanced sums totalling \$26,485,000, the rate of interest on some of which loans has been three per cent and on others three and a half per cent. That port has always paid interest on these loans—

Mr. CHARLES MARCIL: Hear, hear.

Mr. BALLANTYNE:—and will continue to do so. There is a Bill now on the Order Paper standing for second reading, under the provisions of which the rate of interest on loans to all harbours that are now under the direct control of the Minister of Marine will be advanced to five per cent, so that the port of Montreal in the case of any future loans will pay five per cent instead of three and three and a half per cent as in the past. I am quite satisfied, from an intimate knowledge of the affairs of the port of Montreal, that it will have no difficulty in meeting its interest even at the advanced rate. The port of Quebec, which is also administered by Harbour Commissioners, has been advanced the sum of \$11,732,548, and the outstanding debentures amount to \$1,150,000. I regret to say that the Harbour Commissioners of Quebec have never received sufficient revenue to enable them to pay any portion of the interest on the moneys that have been voted to them in the past. However, as Quebec is one of Canada's national ports, and its

maintenance is necessary in the interests of the whole country, the successive governments have deemed it advisable to incur the expenditure I have just mentioned. The only three ports that are under commission and to which loans have been, or will be, made, are Vancouver, Quebec, and Montreal.

Mr. J. H. SINCLAIR: Mr. Speaker, could the minister tell us—

Mr. SPEAKER: This proceeding is most irregular. At the instance of the leader of the Opposition, it was understood that an explanation should be offered by the minister at this stage, but that any further questions should be put in committee. The motion is that I do now leave the Chair for the House to go into Committee of the Whole to consider this resolution.

Motion agreed to, and the House went into committee on the resolution, Mr. Boivin in the chair.

Mr. J. H. SINCLAIR: This method of advancing money to the great ports of the country is much better than the method adopted in Halifax, where the Government themselves built the docks, and consequently all the incidental expenditure is a burden on the whole country. My idea is that the ports ought to pay the interest on these loans; the whole country should not be taxed for it. Of course, advances should be made with care, and I would like to be assured by the minister that the revenue of Vancouver Harbour is sufficient to warrant our embarking on this expenditure.

Mr. BALLANTYNE: I went over this matter very carefully with the Vancouver Harbour Commissioners when they were here a few weeks ago. The revenue in the past has been very small, and would not meet the interest on the loan I am now proposing unless the dues were collected at that port as they are collected at Montreal and Quebec. I have instructed the Vancouver Harbour Commissioners to follow the same procedure as is followed at Montreal, and from the figures which they presented to me, they will have no difficulty in paying the 5 per cent interest on this loan.

It is my view that the various Harbour Commissioners ought to provide a sinking fund so that when these debentures fall due the Harbour Commissioners may themselves be able to take them up out of revenues collected. At present these debentures have to be taken up by the Federal Government when they fall due. I hope to make these advances real loans to the various Harbour Boards, so that they