

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

Hon. Sir JAMES LOUGHEED moved the third reading of the Bill.

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

QUEBEC HARBOUR BILL.

FIRST, SECOND, AND THIRD READINGS.

A message was received from the House of Commons with Bill (23), An Act to provide for further advances to the Quebec Harbour Commissioners.

The Bill was read the first time.

Certain rules having been suspended:

Hon. Sir JAMES LOUGHEED moved the second reading of the Bill. He said:

This Bill proposes to advance by way of loan to the Quebec Harbour Commission \$1,500,000. Under the legislation of 1913 we made provision for advances to that Commission to the extent of five and one-half millions of dollars.

Hon. Mr. BOSTOCK: That is all we have advanced so far?

Hon. Sir JAMES LOUGHEED: That is all we have advanced up to the present time. Previous to that date there had been made certain advances, which have been duly protected, not only by legislation, but also in the payment of interest and in different other obligations.

Hon. Mr. McSWEENEY: What is the rate of interest?

Hon. Sir JAMES LOUGHEED: These debentures, I understand, bear interest at the rate of $3\frac{1}{2}$ per cent. At the time the agreement was entered into between the Federal Government and the Quebec Harbour Commissioners it was arranged that this rate of interest should be charged. Of course, the Government cannot at the present time negotiate loans upon that basis. But, notwithstanding the extra rate of interest which we shall have to pay, we must regard it as assistance that may be legitimately given to a national undertaking. Since the reconstruction of the Harbour Commission its affairs have been conducted in a most satisfactory way. Its revenue has increased very substantially. For instance, since the year 1913, when the revenue was \$126,000, it has increased to \$288,000, an increase of \$162,000. At the end of last year there was a substantial

surplus, after paying interest and expenses of all kinds, aggregating, I believe, about \$30,000. We therefore regard the loan as one that can be made with the greatest possible safety; provision will doubtless be made to meet the maturing interest as it may fall due from time to time. It is proposed that the advances provided for in the Bill shall be distributed over about two years. I think provision has already been made for the expenditure of about one-half the amount, or at any rate it is anticipated that within two years it will be absorbed in the carrying on to completion of the undertaking as at present designed.

Hon. Mr. BOSTOCK: Is this amount for the extension of works or the completion of works?

Hon. Sir JAMES LOUGHEED: The completion, as designed between the Harbour Commission and the Government.

Hon. Mr. THOMPSON: I understand that the Commission have paid the interest?

Hon. Sir JAMES LOUGHEED: Yes, there has been no trouble whatever with that.

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

Hon. Sir JAMES LOUGHEED moved the third reading of the Bill.

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

WAR APPROPRIATION BILL— \$500,000,000.

FIRST, SECOND, AND THIRD READINGS.

A message was received from the House of Commons with Bill 24, An Act for granting to His Majesty aid for Military and Naval Defence.

The Bill was read the first time.

Certain rules having been suspended:

Hon. Sir JAMES LOUGHEED moved the second reading of the Bill.

Hon. Mr. LANDRY: Before the Bill is read a second time I want to call the attention of my hon. friend, the late Speaker of the House of Commons, to a rule of this House, which he did not quote a while ago, but of which I am sure he knows. It is this:

The Senate will not proceed upon a Bill appropriating public money, that shall not,