general power to acquire by assignment, and the clause is perfectly silent about the rate of interest. Now, in the eighth clause, the Corporation may stipulate for, exact, and take six per cent. on all sums loaned.

Hon. Mr. DICKEY — "Loaned."

Hon. Mr. SCOTT — I am disposed at this moment, without expressing any decided opinion, to think that the courts would consider that the Company having acquired a mortgage would stand in the position of the mortgagee, subject to the conditions of the Company's charter, one of those conditions being the restriction of interest to 6 per cent. They are not entitled to buy that mortgage under the terms of their charter, and, as there is a clause regulating the rate of interest, I am of opinion that the courts would restrict them, in any proceedings they took to recover that mortgage, to the rate they laid down themselves in their own charter. The words are not simply to stipulate for and exact but to "take." The word "take" is used in the large sense there — what they may take is interest on mortgages at six per cent. The point is not one of very great significance or importance, because I find under the provisions of this charter they are compelled to take the principal money whenever the borrower wishes to repay it, by charging three months' interest, and if it is found that they are charging a higher rate than six per cent. the position of the mortgagor is improved in this way: that whereas under ordinary mortgages a party having given a mortgage to run for ten or fifteen years is precluded from paying it off until the expiration of the term, under this Act the mortgagor can pay it off at any time, if he can get better terms elsewhere. Now, I maintain that is a safety valve. If the Company, after having purchased, say, an eight per cent. mortgage, were to attempt to exact eight per cent., it is perfectly open to the party to pay off the mortgage with interest for three months. Now, in reference to the other point that has been raised by the hon. Senator from Amherst, I entirely agree with the observation which fell from the hon. Senator from Richmond, and if I supposed for one moment, in giving my vote on the second reading of this Bill, that I was, in any way, approving or confirming the legislation of Quebec I certainly should not give it; but it is because I believe and am thoroughly satisfied that we are doing no more than enacting the provisions in this Bill that I give it my support. It leaves the question whether the Quebec legislation is within the purview of the Quebec Legislature entirely free. Our legislation does not lend any force to the Quebec law if it is *ultra vires*, and it would not, in my opinion, affect any court in giving a judgment upon a question arising under it. There would be this effect however: if the Quebec legislation was shown to be *ultra vires* of the powers of the Provincial Legislature, this Act could not be put in operation. I think, myself, that the promoters of this Bill erred very seriously when they did not present a perfect measure to Parliament. It would not have embraced many more clauses, and it would have given to the Bill in full. I do not consider it us that degree defective that it would induce me at this stage to throw out the measure. Had it been introduced earlier in the session, I should have taken the ground that the promoters should re-cast the Bill, and then I would have no hesitation in giving it my support. I do not consider the objection strong enough, however, to warrant me in opposing the Bill now, and for that reason I shall give it my support.

The Senate divided on the motion which was agreed to by the following vote: —

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