

sary, in issuing a patent, to make the grant in such a manner that the fee simple will be in the patentee; but the ordinary words of limitation are not inserted in the patents, for fear of conflicting with the Torrens system. This Bill is simply to make provision in granting patents to vest them in the patentee.

The motion was agreed to.

INTEREST ACT AMENDMENT BILL.

SECOND READING.

HON. MR. ABBOTT moved the second reading of Bill (X) "An Act to amend Chap. 27 of the Revised Statutes, intituled: 'An Act respecting Interest.'" He said: This is a Bill intended to remedy a difficulty which has arisen about large loans by incorporated companies—such, for instance, as the bonds that are issued by the railway companies for a term of years. It appears to be considered that under the law which enables a mortgagee to pay in his mortgage within the time fixed by the instrument itself, where he thinks proper to do so, a privilege might exist on the part of railway companies and large corporations that have effected loans for long periods of time to pay in those loans before they become due. This, it appears, is likely to affect the values of such securities. It is a subject of enormous importance to Canada that the loans of those who are engaged in improving this country should not be affected, that the value of securities should not be lessened by a legal point of this description. Hon. gentlemen will remember that this clause was introduced at the time when there was a kind of a crusade against the loan companies, in order that the farmers, who had borrowed money at large rates of interest, should be at liberty to pay back the money before the time fixed for the maturing of the mortgage. The law was then enacted, and it is in such general terms that there is a danger that it may be construed to apply to such cases as I have referred to. This Bill is to prevent, in so many words, the application of that law to loans made by incorporated companies for a fixed period of time.

HON. MR. POWER.—When the Bill goes into committee I think it would be desirable to insert some provision that would make it apply to cases of loans which have

already been made to incorporated companies, because this Bill, of course, can only speak from to-day. As to the railway companies of which the hon. gentleman has spoken, all railway companies which have heretofore borrowed money would be presumably governed by the law that was in force at the time of the loan and I think, in order to avoid any doubt of that sort, the Bill should be modified in the direction I have suggested.

HON. MR. ABBOTT—That is the intention of the Bill.

HON. MR. POWER—It does not say so, and this Bill only applies to cases where corporations are the borrowers. The language used by the hon. gentleman might create the impression that it was intended also to apply to cases where corporations are the lenders. I am glad to see that it does not, because there is no reason why a loan company should be in a different position from a private lender.

HON. MR. ABBOTT—My hon. friend will see by the terms of the Act that it is expressly limited to the class of loans that I have already referred to—that is, loans which corporations have made for themselves, not loans which they have made to other people.

The motion was agreed to.

SECOND READINGS.

Bill (89) "An Act to amend the Act to incorporate the River Detroit Winter Railway Bridge Company, and to change the name of the Company to the River Detroit Railway Bridge Company." (Mr. Howlan.)

Bill (91) "An Act to grant certain powers to the Chambly Manufacturing Company." (Mr. Pelletier.)

PONTIAC PACIFIC JUNCTION RAILWAY CO.'S BILL.

SECOND READING.

HON. MR. POIRIER moved the second reading of Bill (87) "An Act respecting the Pontiac Pacific Junction Railway Company."

HON. MR. POWER—I think it would be more courteous to the hon. member from Rideau division to let the second reading of the Bill stand until to-morrow, or some other day. One of the principal provisions