

Hon. Mr. DANDURAND: The sum of \$25,821,707 is made up as follows:

(a) Retirement of maturing capital obligations, miscellaneous maturing or matured notes and other obligations secured or unsecured and payment of sinking funds, not exceeding	\$ 8,152,707
(b) Additions and betterments including co-ordinations and acquisition of real or personal property, not exceeding \$17,669,000 estimated as follows:	
General additions and betterments	\$13,854,994
Less: equipment retirements	8,754,994
	\$ 5,100,000
New equipment purchases	9,129,000
Acquisition of securities	3,440,000
	17,669,000
	\$25,821,707

Right Hon. Mr. MEIGHEN: Is this just an estimate? I have not the Bill before me.

Hon. Mr. DANDURAND: Then I will move that the second reading be postponed until to-morrow, so that honourable members may have an opportunity to look into the Bill.

The motion was agreed to.

LOAN BILL
FIRST READING

Bill 93, an Act to authorize the raising, by way of loan, of certain sums of money for the Public Service.—Hon. Mr. Dandurand.

SECOND READING POSTPONED

The Hon. the SPEAKER: When shall this Bill be read a second time?

Hon. RAOUL DANDURAND: With the leave of the Senate, I would move the second reading of the Bill now.

Right Hon. Mr. MEIGHEN: How much is to be borrowed under this Bill?

Hon. Mr. DANDURAND: This Bill gives authority to the Governor in Council to borrow a sum not exceeding \$750,000,000, for the purposes set out in clause 2 of the Bill. The principal and interest of the loan are to be a charge upon and payable out of the Consolidated Revenue Fund. The Bill is in the same terms and for the same amount as The Loan Act, 1936.

My right honourable friend knows that authority is given to the Government from year to year to borrow money for the purpose of meeting maturities and votes of money made directly by Parliament. Clause 2 of the Bill reads as follows:

The Governor in Council may, in addition to the sums now remaining unborrowed and negotiable of the loans authorized by Parliament by any Act heretofore passed, raise by way of loan, under the provisions of The Consolidated Revenue and Audit Act, 1931, by the issue and sale or pledge of securities of Canada, in such form, for such separate sums, at such rate of interest and upon such other terms and conditions as the Governor in Council may approve, such sum or sums of money as may be required, not to exceed in the whole the sum of seven hundred and fifty million dollars, for paying or redeeming the whole or any portion of loans or obligations of Canada, and also for purchasing and withdrawing from circulation from time to time unmatured securities of Canada, and for public works and general purposes.

Clause 3 reads:

The principal raised by way of loan under this Act and the interest thereon shall be a charge upon and payable out of the Consolidated Revenue Fund.

This measure, which is almost a perennial, is a general authorization to the Governor in Council to meet the obligations of the Government from year to year, as well as liabilities which follow the voting of divers sums by Parliament. There are some years when, because hundreds of millions have been voted in a lump sum, no such Bill is presented.

Right Hon. ARTHUR MEIGHEN: Honourable members, it seems to me it would be as well for this Bill to stand over until to-morrow, so we may at least read it. There will be, I think, no undue delay. I should like honourable members to reflect on the significance of the Bill, and I hope the honourable senator from Inkerman (Hon. Mr. Hugessen) will be present when it comes up, so that he may understand how easy it is for us to pay our debts and deficits.

Hon. Mr. DANDURAND: I do not think any honourable member of this Chamber has ever raised his voice to protest against Canada paying its debts, or to advance the idea that they should be paid by means of the printing press.

Right Hon. Mr. MEIGHEN: I am not a supporter of the printing-press method.

Hon. Mr. BLACK: Could the honourable leader of the Government inform the House as to what portion of the \$750,000,000 will be used for the purpose of refunding outstanding loans, and what will be the rate of interest?

Hon. Mr. DANDURAND: I was just about to move the postponement of the second reading until to-morrow. I will give my honourable friend the information then.

The motion for second reading was postponed until to-morrow.

The Senate adjourned until to-morrow at 3 p.m.