

opinion of the Department of Justice, the authority given in 1941 is a continuing authority.

I wish to add that the loans made from 1932 to 1937 have been repaid out of the proceeds of Dominion-guaranteed railway issues. In 1938 the amount advanced was \$10,737,216.07. The 1938 advances have been repaid to the extent of \$9,019,207.17 out of the proceeds of Dominion-guaranteed railway issues. The balance of the advances made under the 1938 Act, namely \$1,718,008.90, has been repaid from the cash surplus of the Canadian National Railways for the calendar year 1941. In 1939 the amount advanced was \$12,442,522.40. Of this amount \$1,110,409.29 has been repaid from the cash surplus of the Canadian National Railways for the last calendar year. The balance of the outstanding advances, namely, the balance for 1939 and the loans advanced in 1940 and 1941, which were \$7,572,579.77 and \$11,943,000.29, respectively, totals \$30,847,693.17. These outstanding balances are carried on the balance sheet of the Dominion as active assets and the Canadian National pays interest thereon.

In addition to the loans just mentioned, loans have been made also to the railway company in the amount of \$106,094,155.14 to provide for the purchase of £22,952,025 of Grand Trunk Railway Company of Canada 4 per cent perpetual consolidated debenture stock. In Canadian dollars at par that represented an amount of \$111,699,855. This loan also is carried on the Dominion's balance sheet as an active asset.

Finally, I wish to remark that up to June 15 loans aggregating \$1,844,679.44 had been made to the Canadian National Railways for the purchase of sterling securities from Canadian holders under the same terms as those made to the British holders.

I ask permission of the House to have placed on Hansard a breakdown of the amount of \$9,795,000 which I mentioned as expenses for retiring maturing capital obligations.

1942

April 16

Payment to Dominion Government under hire-purchase agreement—1938 .....\$ 517,173 07

April 18

Payment to Dominion Government under hire-purchase agreement—1939 ..... 991,968 32

May 1

Canadian National Railway Company 4½ per cent equipment trust series "J" certificates... 1,000,000 00

May 1

Canadian National Railway Company 5 per cent equipment trust series "K" certificates..... 1,200,000 00

44567-26½

June 1

Canadian National Railway Company 4½ per cent equipment trust series "L" certificates... 1,050,000 00

June 1

Grand Trunk Western Railroad equipment trust—1941..... 285,000 00

July 1

Canadian National Railway Company 2 per cent 1927 guaranteed debenture stock..... 1,008,210 40

July 1

Canadian National Railway Company 2½ per cent equipment trust series "Q" certificates... 650,000 00

July 1

Wellington, Grey and Bruce Railway Company 7 per cent bonds 6,813 33

August 1

Canadian National Railway Company 2½ per cent equipment trust series "O" certificates... 1,430,000 00

September 15

Canadian National Railway Company 2¾ per cent equipment trust series "P"—1938..... 500,000 00

October 1

St. John and Quebec Railway Company 4 per cent stock.... 27,279 77

December 1

Grand Trunk Western Railroad equipment trust—1941..... 285,000 00

December 14

Grand Trunk Western Railroad equipment trust—1929..... 283,000 00

December 14

Central Vermont Railway, Inc., equipment trust—1929..... 124,000 00

December 31

Indebtedness to State of Michigan re Woodward avenue..... 430,000 00.

1943

January 1

Wellington, Grey and Bruce Railway Company 7 per cent bonds 6,813 33

Grand Total.....\$9,795,258 22  
(say).....\$9,795,000 00

I think I have already given a sufficient explanation of section 2; so I will now pass on to section 3. This section is in the usual language, with the difference that I have indicated, the elimination of the proviso:

If neither the capital of the debt as shown in the latest balance sheet of the National Company nor the annual charge for interest is thereby increased.

The only difference between section 4 and the corresponding section of last year is in the amount of advances authorized. All the other sections, namely, sections 5 to 10, are self-explanatory. They simply reproduce provisions which honourable senators will find in the 1941 Act.

Hon. Mr. PATERSON: With regard to the refunding, may I ask the honourable senator