

Hon. Mr. DANDURAND—But it was not imposing an increased burden on the people.

The motion was agreed to.

Hon. Sir RICHARD CARTWRIGHT moved the Third Reading of the Bill.

Hon. Sir MACKENZIE BOWELL—There is one advantage in having the action of the Senate confirmed by the Commons. It concedes to the Senate powers that we have never exercised before.

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

#### LOAN BILL.

##### SECOND AND THIRD READINGS.

Hon. Sir RICHARD CARTWRIGHT moved the second reading of Bill (191) An Act to authorize the raising by loan of certain sums of money for the public service.

Hon. Mr. LOUGHEED—Can my right hon. friend say to what extent the sums authorized to be borrowed and referred to in the first two lines of clause 1, have not been borrowed? It would imply that the authority given to the government has not yet been exhausted.

Hon. Sir RICHARD CARTWRIGHT—It has not been entirely exhausted. The \$50,000,000, of course, will be chiefly required for the purposes of the National Transcontinental railway.

Hon. Mr. LOUGHEED—I am not referring to the \$50,000,000. My right hon. friend will observe that the power to borrow \$50,000,000 is in addition to the unexhausted power, so to speak, yet enjoyed by the government. What margin would that borrowing power represent?

Hon. Sir RICHARD CARTWRIGHT—To the best of my recollection, there is about ten or twelve millions unexhausted. We may or may not require to use a part of this in paying off a certain loan which is optional with us on the 1st of January next, but it is advisable to have a liberal

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allowance in hand in view of large expenditures we are going on with, and the great sum of money that is to be revoted.

Hon. Mr. LOUGHEED—What is the amount of that loan?

Hon. Sir RICHARD CARTWRIGHT—There is twenty million dollars falling due on the 1st of January, which is optional with us to pay.

Hon. Mr. LOUGHEED—At what per cent?

Hon. Sir RICHARD CARTWRIGHT—Four per cent. The option is from the 1st of January, 1910, up to 1935. We can pay at any time, on giving a certain number of months' notice.

Hon. Mr. LANDRY—Is there any sinking fund for that?

Hon. Sir RICHARD CARTWRIGHT—I think not for that particular one.

Hon. Mr. LOUGHEED—How is it proposed to apply this fifty million dollars, if this authority be exercised?

Hon. Sir RICHARD CARTWRIGHT—There is another sum besides that which falls due and must be paid, less what is available from the sinking fund pertaining to it. That loan is for thirty million dollars. A portion of it is provided for by the sinking fund. Then there is a large sum for the Grand Trunk Pacific Railway, and another large sum for the National Transcontinental Railway, and there are miscellaneous sums to a considerable extent for bounties, for militia expenditure, for capital, surveys' account, and for minor public works.

Hon. Mr. LOUGHEED—We have an unexhausted power, so to speak, under the old Act, of ten million dollars, and we have here fifty million dollars. That would make sixty million dollars altogether. Then we have a sinking fund to meet certain maturing loans. What would that amount to?

Hon. Sir RICHARD CARTWRIGHT—Available for the particular loan which matures on the 1st of January, we have, I think, about six or seven million dollars.