

13. The only change is the use of the word "securities" in the place of words indicating the particular sort of securities.

Section 12 of the Act reads as follows:—

"12. The Governor in Council may, from time to time, as the interests of the public service require, change the form of any part of the then existing funded debt of Canada, including any *debentures* for which Canada is liable, by substituting one class of the securities aforesaid for another or for such *debentures*, if neither the capital of the debt nor the annual charge for interest is thereby increased: Provided that in any case in which *four per centum Dominion stock* or *five per centum Dominion stock* or *debentures* is or are substituted for securities bearing a higher rate of interest, the amount of the capital may be increased by an amount not exceeding the difference between the then present value of the security bearing the higher interest and that of the *four per centum stock* or *five per centum stock* or *debentures* substituted for it.

2. No such substitution shall be made, unless the consent of the holder of the security for which another is substituted is obtained, or such security is previously purchased or redeemed by or on account of Canada.

3. Such substitution may be made by the sale of the one class of securities and the purchase of those for which it is desired to substitute them."

14. The proposed section widens the scope of the section in the present Act and leaves interest rate to the discretion of the Governor in Council.

Section 13 of the Act reads as follows:—

"13. The Governor in Council may, from time to time, as the exigencies of the public service require, in the event of the Consolidated Revenue Fund being at any time insufficient to meet the charges placed thereon by law, direct the proper officer to raise by temporary loans chargeable on the said fund, in such manner and form, in such amounts, for such periods *not exceeding six months*, at rates of interest *not exceeding seven per centum per annum*, as the Governor in Council directs, such sums as are necessary to enable the said fund to meet such charges.

2. The sums to be so raised shall never exceed the amount of the deficiencies in the Consolidated Revenue Fund to meet the charges thereon, then due or payable either as principal or interest, and shall be applied to no other purpose whatsoever.

3. An account in detail of all such temporary loans shall be laid before the House of Commons within the first fifteen days of the session next ensuing."