

The whole point is this, that if quite irrespective of this estimate—and, after all, we have got to present some kind of estimate, we have got to decide on some kind of a course—notwithstanding this estimate, if that estimate is approved it is the intention of the railway company to curtail capital expenditures in every conceivable way within the limit of our ability to do so. I do not know just offhand how far we can go. That is engaging the attention of the proper officers of the company at this moment.

Mr. HACKETT: Is it your opinion that if the requirement were brought down to date that \$15,000,000 of additional money would be adequate to have in excess of the \$104,000,000.

Sir EUGENE Fiset: He said \$10,000,000 a moment ago.

Mr. HACKETT: I said \$15,000,000.

Sir HENRY THORNTON: Well, I should think that \$10,000,000 would be the figure I would name. As a matter of fact, the mathematical figure is about \$15,000,000 and I am hoping we can squeeze another \$13,000,000 somewhere between now and the end of the year. So I would say that \$10,000,000 is as near a guess as can be made of these things. The way things are going to-day, with conditions that confront us, even the most experienced person cannot do any more than make a guess at it.

Hon. Mr. MANION: Do you mean \$10,000,000 for the six months or for the full year.

Sir HENRY THORNTON: For the full year. I am talking of the whole year.

Mr. HACKETT: By my question I intended not to go beyond the requirements as we know them to-day.

Hon. Mr. MANION: In other words, how far are you beyond your estimate at the present moment.

Mr. HACKETT: Yes, and I understood that you were about \$15,000,000 out at the present time.

Sir HENRY THORNTON: I am afraid, Mr. Hackett, I cannot segregate any six months. I want to answer your questions, I know they are seriously put and I want to answer them seriously.

Sir EUGENE Fiset: Is it not a fact that in making your estimate for your requirements for the present year, that is, 1931-32 you have estimated \$104,000,000, but your own estimates were nearly \$13,000,000 over and above that sum; but you have asked the government only to provide for \$104,000,000.

Sir HENRY THORNTON: Oh, no.

Sir EUGENE Fiset: You just suggested a moment ago that if things go on as they are you will want \$10,000,000.

Sir HENRY THORNTON: Not thirty.

Sir EUGENE Fiset: I said \$13,000,000.

Sir HENRY THORNTON: I am sorry. Well, if anybody can guess this closer than between \$10,000,000 and \$13,000,000 they will make a fortune on the stock market.

Hon. Mr. MANION: I think you are misunderstanding each other a little. It is deficit on interest to the public. In other words, they estimated when they put in this estimate that they would be \$31,500,000 short this year on their interest to the public. In other words, they took practically the figure that they were short last year, 1929, but instead of that the gross earnings are going down month by month; they have gone down \$5,000,000 a month. The result is that the net earnings naturally will be less, and they figure now instead of \$31,000,000 in all probability it will be \$41,000,000 that they will be short on their interest to the public.