

government—the minister indicated that in his answer to the hon. member for Mount Royal (Mr. Walsh)—but the other night I picked up a newspaper in Hamilton, and one of the reasons offered why support should be given to the Liberal candidate was that the dominion government is spending some \$10,000,000 on equipment there. Now the dominion government is not spending any money on equipment there: the Canadian National Railway is.

Mr. KINLEY: But in the last analysis it is the government.

Mr. BENNETT: No, not in the last analysis. They provide the money with which the railway does it. If we are to treat the railway as being the government, then of course we have an entirely different set of conditions. It imposes upon the minister a terrible responsibility when he says: I set at naught this audit act which has been in force since 1868 being brought down to date in 1931; I set at naught all the provisions of the old railway act and acts affecting the Grand Trunk; and I simply say, I now create willy-nilly a securities company and put a value on these shares, if some day there is any money for them, well and good; but that is the way I take to get around the statutes of Canada. That is not my conception of ministerial or governmental responsibility. I would think that most of the Canadian people, if they ever took the trouble to study or realize it, would like to have a continuance of what has been given from the beginning, namely, a complete report. Even the private railroads in the United States have to do that under the Interstate Commerce Commission; they have provision for depreciation, which we have not. The privately owned railway in this country has to show its outstanding securities. Get the Canadian Pacific Railway Company report published this morning, and in that you will find set out a full statement of the debenture stock, preferred stock, common stock, and where the money came from; Then there will be set out the rentals of leased lines, how much they have to pay each year. This asks nothing more than that.

I have taken a tremendous amount of time dealing with a matter which to me is of no personal importance, but which I conceive to be of the utmost importance to the people of this country, and I would be failing in my duty if I did not express my view, so strongly held. I can only protest against this usurpation of power by the government with its majority, to create a new situation entirely different from that heretofore prevailing in Canada, and the setting up of conditions which

I believe cannot but be inimical to the public weal for the reason that hereafter in this document, the report of the Canadian National Railways, there will be nothing which indicates its entire liability. I plead that the whole of it should be shown. If it is shown as it is here to-day, while I differ as to some of the methods used, I still think it would accomplish the purpose.

Mr. BOTHWELL: I think the leader of the opposition has sized up the whole situation in two questions: Who is to be hurt by the proposed set-up? Who is to be benefited? I believe the answer to the first question is, no one. Answering the second I would say that any investors in the bonds of Canada henceforth will be benefited by having before them a simplified set of accounts from which they learn what the situation is.

Mr. BENNETT: Where?

Mr. BOTHWELL: In the public accounts of Canada.

Mr. BENNETT: But it is there now.

Mr. WALSH: May I ask a question?

Mr. BOTHWELL: Just a moment. It is a duplication between the accounts of the railway and the public accounts. In addition, I believe that the general public of Canada will be benefited, practically all of them. Instead of having the mistakes of preceding governments and organizations over a great many years waved before them day by day, they will have an opportunity to forget those mistakes and start out on a new basis, with the hope of some day seeing this railway in the position of at least being able to pay its debt to the public. My hon. friend from Mount Royal wished to ask a question.

Mr. WALSH: I wanted to ask the hon. member this question: If he was interested in the Canadian National railway and wanted to get a clear picture of the financial position of that company, as a layman where exactly would he first think of looking for that clear picture?

Mr. BOTHWELL: Most certainly I would look at the annual statement of the railway company, and from there I would be directed to the public accounts of Canada, in which I would find what is really the historical record of the Canadian National railways.

Mr. WALSH: One further question. Why is it necessary to issue a statement for the Canadian National railways which contains a reference to another statement, when the whole thing might just as well be given in the annual statement of the railway company?