

see how the Solicitor General can inject into that total his \$21,262,000 which is due for work already completed.

Mr. MEIGHEN: The hon. gentleman refers to pages 26 and 27 of the blue-book, and says that the money expended through Mackenzie and Mann is \$305,853,832.06. That is his first error. The statement on page 26, as will appear from the heading, is a statement of receipts available for construction, betterments, equipments, etc., and the \$305,000,000 odd represents the total expenditure for those purposes. But the whole of that expenditure was not made through the agency of Mackenzie, Mann and Company, Limited—the construction department of the road. If the hon. gentleman will follow it a little further, he will see that about \$61,000,000 was made directly by the Canadian Northern over the heads of its construction department; that \$61,000,000 being after the road was taken over, and representing equipments and, chiefly, betterments. His next error is this: he says that the \$21,262,527.26 appearing at the head of page 27 appears there as due Mackenzie, Mann and Company, Limited. That is how it appears in the books of the Canadian Northern railway. Why? Because Mackenzie, Mann and Company, Limited, appear on those books as the construction department of the road, and the money has passed through their hands, except the \$61,000,000 for purposes of construction. But in actuality the money is not owing to Mackenzie, Mann and Company, Limited. Legally it is coming to them, but the money is owing to the contractors who did the work, and Mackenzie, Mann and Company, Limited, only appear as an agency to get the work done. The money is owing to the men who did the work—the contractors—and to banks who loaned the money to contractors to enable them to do the work. It does not appear from page 10 of the blue-book that this \$21,262,000 is included in the \$100,379,099. But if the hon. member for Welland will take up the return on the table and read the next page of it he will see the full explanation. It gives the amount in connection with the British Columbia lines as already found to be \$10,141,780, and it divides that \$10,141,780 among the five branches in British Columbia. The following pages do the same thing for the other lines, so that the apportionment of that \$41,000,000 amongst the various items,

[Mr. German.]

makes up the \$100,000,000 as complete. The hon. gentleman says that these are no requirements to complete at all. Of course they are. The road is not considered completed until it is in a position to be taken off the hands of the contractors and into the hands of the company. You cannot take the road off the hands of the contractors until the contractors' debts are paid; consequently, it is not complete unless they are paid.

Sir WILFRID LAURIER: Will the Solicitor General explain the statement on page 15 of the amount required to complete the road? The statement is made up of the following items:

Montreal terminals	\$ 5,595,734
Construction as above	41,987,565
Amount due on construction	14,954,714
Rolling stock	27,441,086
Betterments	10,000,000

This is stated to be the whole of the \$100,000,000 of expenditure necessary to complete the road with the exception of \$14,954,714 due to contractors. I cannot see why there should be this discrepancy between the \$14,000,000 and the \$21,000,000.

Mr. MEIGHEN: If I get the right hon. gentleman's point, it is that the \$14,954,714 appearing on page 15 is not the same as the amount of \$21,262,000. That is his point, is it not?

Sir WILFRID LAURIER: No, my point is this: You give an amount of \$100,000,000, which it is stated is all that is necessary to complete the road, with the exception of \$14,000,000 of accounts due to contractors. I had understood that in that amount of \$100,000,000 was included the \$21,000,000 referred to by my hon. friend from Shefford (Mr. Boivin). If that is correct, I cannot understand how the statement here is given as only \$14,000,000.

Mr. MEIGHEN: That is the point I was trying to answer. My mind encountered the same point not very long ago. Apparently from that statement, which reaches the very same total, these debts are only \$14,000,000, whereas in the other statement they appear to be \$21,000,000. The explanation given by the auditors, subject to further inquiry on their part, and they have not corrected it since, is that the \$14,954,714 does not really represent all the accounts outstanding. The \$21,000,000 odd is the correct figure. It is to be found in the other items, chiefly in the \$41,987,565. If that