That article was rather well written and I believe it was making not only a declaration as to certain activities of the Prime Minister in 1928, but also a kind of prophecy that he would go to the economic conference in 1930 as the representative of Canada.

Under his direction, even during the years affected by war depression, the country knows that he was worthy of the confidence placed in him. And now that our young nation has its face turned towards the future and is basking in the light of peace, prosperity and contentment, nowhere will the sun be shining on a more contented people or on a happier land.

Mr. J. A. FRASER (Cariboo): Mr. Speaker, I propose for a few minutes to deal with the statements made by the Minister of Finance (Mr. Dunning) in regard to the financial condition of the country. We are well aware that in connection with dealing with any financial statements, two classes of liabilities must be taken into consideration: first, our direct liabilities, and, second, our indirect liabilities. The Minister of Finance in dealing with the financial affairs of the country dealt only with our direct financial responsibilities. I wish to put upon record our indirect responsibilities or the amount of money for which we are responsible so far as the Canadian National Railways are concerned. I take the following figures from the financial report of the Canadian National Railways:

	1925	1929	Increase
Long-term debt..	$823,099,056	$1,122,559,492	$299,460,436
Current liabilities..	40,859,665	92,701,349	51,841,684
Unadjusted credits..	20,835,114	27,000,614	6,165,500
Total increase..			$357,467,620

On the other hand we had the following decreases:

	1925	1929	Decrease
Liability to the Dominion of Canada, eliminating the interest which is due on outstanding borrowings..	$1,026,620,838	$1,018,596,222	$ 8,024,616
Deferred liabilities..	11,205,429	4,800,661	6,404,768
Corporate surplus..	5,147,861	4,351,342	796,519
Total decrease..			$15,225,903

If we subtract the decreases from the increases, this leaves a net increase in the liabilities of the Canadian National Railways for which we are responsible, and every single dollar of which we have guaranteed, of $342,241,717.

Mr. BOTHWELL: What is the capital expenditure in that same length of time on the Canadian National Railways?

Mr. FRASER: That includes the capital expenditure and everything else. I am talking about the balance sheet of the Canadian National Railways as presented by the company in the report we have before us.

Mr. BOTHWELL: The hon. member has not the figures to show what the capital expenditure was in the period covered by his figures?

Mr. FRASER: I am sorry I have not. I did not take account of capital expenditure. Let us hope they were all capital expenditures and they all increase the standing of the Canadian National Railways in that regard. I am only pointing out the increase in the liabilities of this country so far as the Canadian National Railways are concerned. In addition to that I wish to give the following figures:

Accumulated interest due the Dominion of Canada by the Canadian National Railways on moneys advanced to them

1925	1929	Increase
$161,861,502	$290,088,439	$128,226,937

Adding those two amounts together, we find that the increase of debt was $342,241,717, and the increase of interest, $128,226,937, or a total increase in the liabilities to the Canadian National, so far as the Dominion is concerned, of $470,468,654.

The total amount which has been claimed by the Minister of Finance as a reduction in debt is $257,800,000 in the past five years, which is the same period for which I am giving the figures in regard to the Canadian National Railways. That means, analyzing these reports in any intelligent way at all, that so far as the Dominion of Canada is concerned her total actual liabilities, direct and indirect, during the last five years have not been reduced by $257,800,000, but have been increased by $213,500,000, roughly speaking.