

securities which the Canadian Northern railway have to sell and which are represented in this book at \$58,473,000, will not realize within \$15,000,000 or \$20,000,000 of that anticipation. For instance, 'The Canadian Northern Tunnel and Terminal Company, proceeds of terminal securities,' is placed at \$5,995,734. I venture the statement that there is not a financier in Canada or Great Britain or any place who would to-day give \$1,000,000 for these securities. Where is their value? I cannot bring myself to the position of believing that there is \$1,000,000 of value in those terminal securities. Then there is 'rolling stock, 4½ per cent equipment bonds, \$16,496,332.'

Mr. MEIGHEN: To what terminal securities does my hon. friend refer?

Mr. GERMAN: Canadian Northern Tunnel and Terminal Company. It is given at page 10 of the blue-book.

Mr. MEIGHEN: The hon. gentleman is misled in some way. These are the proceeds of the bonds of the Mount Royal Tunnel and Terminal Company and the sale has been provided for at the time we speak.

Mr. GERMAN: Does the hon. gentleman tell me that the securities which are on page 10 as being securities which will realize \$58,473,982 have been already disposed of and the money obtained?

Mr. MEIGHEN: That is not what I said. I said the item he was complaining of was already decided and the proceeds of the sale arranged for. With regard to the \$58,000,000, the hon. member says they could not sell them for very much. If he will look at the key statement he will find that already \$29,000,000 odd are in the bank of proceeds of those securities already sold, waiting to be earned.

Mr. GERMAN: There is 'the Canadian Northern Pacific Railway 4½ debenture stock, \$6,704,097,' and 'new securities, \$4,854,500.' That is a perfectly good security, I apprehend. Then, there is 'Canadian Northern railway, proceeds of securities in hand and to be earned against above, \$7,634,497' and that is a perfectly good security. Then, there is 'Canadian Northern Ontario railway, proceeds of securities in hand, subsidies to be earned, \$16,788,822.' That is a perfectly good security. Then we come to 'the Canadian Northern Railway Tunnel and Terminal Company, proceeds of terminal securities, \$5,995,734.'

[Mr. German.]

Mr. MEIGHEN: These securities are provided for, the sale is provided for, the arrangement is completed.

Mr. GERMAN: With whom?

Mr. MEIGHEN: I do not know.

Mr. GERMAN: What about the 'rolling stock, 4½ per cent bonds \$16,000,000'? They owe \$23,000,000 on equipment bonds, as I can show my hon. friend.*

Mr. MEIGHEN: I admit that that is right.

Mr. GERMAN: Then how can you put \$16,496,332 to your credit when you owe some \$23,000,000?

Mr. MEIGHEN: The \$23,000,000 are not due. These equipment bonds sell with interest and principal payable so much per year. All payments have been met, both of principal and interest. These are the maturing bonds. Certainly if new bonds are issued they get new rolling stock, that is all. Why should they not sell them? They are not in default.

Mr. GERMAN: Assuming that the whole \$58,473,982 is realized—and notwithstanding the explanation, I beg leave to join issue with my hon. friend and state that that amount of money will not be realized out of these securities—there is \$58,473,982, leaving a balance of \$41,905,117, if the completion of the road only costs \$100,000,000. Assuming that it costs, as good railwaymen say it will cost, \$150,000,000 to complete and to put it at the standard of a transcontinental railway, where is the other \$50,000,000 to come from? There is no place for it to come from excepting the Parliament of Canada, because, as I say, this arrangement is tying up the Canadian Northern Railway system to such an extent that they cannot raise a dollar in the open financial market; they must come to the Parliament of Canada, and the Parliament of Canada must be prepared to go through with this thing to the bitter end, if it starts in now. That is why I say that before we vote this money at all we should know with greater exactness, with a greater degree of definiteness than we have at present, whether or not this money is going to be realized. I venture to say that the members of the Government are no more instructed, so far as any accurate knowledge goes, than I am as to whether or not this money will complete the road. They have the statement of Messrs. MacKenzie and Mann this year, the same as they had it last year, that \$15,000,000 would