

The Montreal Gazette's Ottawa correspondent in his despatch, dated March 17, then deals with the statement. I am glad to explain the position. When the question was asked in the house by—

Mr. REID: It was asked by myself.

Mr. MANION: No, I think the question was asked by an hon. member before my hon. friend drew attention to it. I took the stand then that the railway management considered that the giving out of prices, names and so forth, in regard to tie contracts, as well as to other contracts, was not in the public interest. That was the attitude I took, and I must confess that I expected it to be accepted by the opposition, as it had been accepted on every occasion, so far as I know, when it was taken by the opposition when they were in power. So I was not prepared for the question at the moment.

Mr. LAPOINTE: It is not the same thing at all.

Mr. MANION: It is the same thing.

Mr. LAPOINTE: When the money is given the Canadian National surely there is no reason why the names should not be given.

Mr. MANION: Before I am done I will give all the information my hon. friend wants, and perhaps if the matter is pushed very far I could give a lot of information as to the way tie contracts were handled in the past. However, I made my explanation to the house and the opposition leader rather heatedly objected to that information not being given. I do not question his right to do so, but I made a statement at that time explaining that as far as ties were concerned the railway management had taken the attitude that they had sufficient ties, as is stated in that letter read by my hon. friend. But demands came from all over the country, from every province except Prince Edward Island, where they do not produce ties, pointing out that very little lumber was being cut throughout the country and asking that if possible we should influence the Canadian National management to purchase ties this year in order to give work to the different sections of the country where ties were cut normally.

I discussed the matter with the government and with the railway management. They adhered to the position that they had bought so many ties in previous years that they were overstocked, and due to their decreased earnings they did not require so many ties for replacement. For example, in 1929—rather a significant year—the management bought fourteen million ties. At all events, that was

the attitude they took, and they adhered to the statement that they required no ties and that, if they bought any, we would have to pay for them. Different conferences were held, and in brief that was the position. I discussed the matter with the government; applications and representations were coming from every province of Canada except Prince Edward Island, and in view of these widespread demands, which I think were just because of the decreased cutting of timber throughout the country, the government finally decided to assist the railways in the purchase of a few ties. We discussed the matter with the railway management, and 65 cents was fixed as a maximum because that was about the average price paid last year.

Mr. McINTOSH: Is that for a No. 1 tie?

Mr. MANION: Yes.

Mr. LAPOINTE: Was that a loan or a grant to the railway?

Mr. MANION: If my hon. friend will permit me to do so I will explain that later. Therefore we passed an order in council, a copy of which I think has been laid on the table and a further copy of which I have before me, providing for an advance to the company of sufficient money to buy two million ties at a maximum figure of 65 cents per tie. We did not want the management to go above that average price of last year, but as a matter of fact they went considerably below it. Instead of spending the amount mentioned in the order in council, the \$1,300,000 which represented two million ties at 65 cents, I do not expect that we will have to pay them more than from \$900,000 to \$1,000,000. They were able to cut the price very materially because of the decreased cost of everything. This is the point: They made their own price. We merely passed an order in council permitting them to buy two million ties in their own way, of which we were to pay the actual cost, and I am informed now that the actual cost will be at least \$300,000 less than the amount provided by the order in council, which means a very marked decrease in price.

Mr. POULIOT: The ties must have shrunk.

Mr. MANION: Someone sitting near me has suggested that it would be a good idea if my hon. friend would shrink. However, the railway management then let the contracts for the ties, spreading them from coast to coast. My understanding is that the average num-