

Mr. MONTGOMERY: Mr. White, I am at liberty to make my own assumption.

Mr. WHITE: Not to make it publicly.

Mr. MONTGOMERY: I will make my assumption publicly as often as I wish.

Mr. WHITE: Not without having them contradicted by me.

The CHAIRMAN: That is the first time I knew there was water used.

Mr. MONTGOMERY: I mentioned the word water because I assumed that that is my learned friend's reason for putting that in. That is my assumption, whether you agree with it or not.

Hon. Mr. MACKENZIE: That is my assumption too.

Mr. WHITE: I would be inclined to think I was right if I did assume that. I carefully refrained from making any characterization at all, leaving it entirely to the committee to draw their own conclusions.

The CHAIRMAN: Taking the figures down and checking them, I was going to ask the witness myself, and I had it in mind to use the word "water" in my question.

Mr. MONTGOMERY: I have anticipated it in my question.

*By the Chairman:*

Q. The question I was going to ask the witness was: is it fair to assume from the figures supplied to you by the auditors of the company that \$7,079,000 is what is usually characterized by the unthinking masses of the people as water?—A. My answer would be yes.

The CHAIRMAN: I followed the figures carefully.

Mr. MONTGOMERY: You will permit me then to start again upon that question. Perhaps I have no hope of convincing you, Mr. Chairman, but yet I would like—

The CHAIRMAN: You provoked this yourself, Mr. Montgomery, by the suggestion of water.

Mr. MONTGOMERY: But, Mr. Chairman, I think I just have your statement that I merely anticipated the question that you were about to ask.

The CHAIRMAN: I was not going to ask it at all. I was almost on the point of asking it but I did not for fear it might create in the minds of some members of the committee an anxiety that probably should not be created, but you having opened it up, I think I was almost bound to ask the question.

*By Mr. Jacobs:*

Q. Is there anything in the books at all fixing the value of these?—A. There is nothing in the statements, Mr. Jacobs, that I have been furnished with.

*By Mr. Montgomery:*

Q. Consequently, the value of those contracts would be absorbed in the \$2,250,000?—A. Yes, sir.

Q. And also the value of the various agreements which had been made with the Dominion government and the Quebec government?—A. Correct.

Q. And are you not in a position to place a value on those?—A. No, sir.

Q. Consequently, are you in a position to say that it is "water"?—A. I cannot say that.

Q. You cannot say that?—A. No.

*By the Chairman:*

Q. What is your answer?—A. I could not say it is water.