

Mr. SMART: £540,000.

Hon. Mr. MANION: There was an estimate of \$500,000 roughly to cover that.

Mr. POWER: And 25 per cent of that would be paid.

Hon. Mr. MANION: I would like to have this all put on the record. There is one point I would like to make clear that I did not think of this morning, because we do not want this question misunderstood, and that is that the Canadian stockholders or bondholders, whatever you wish to call them, were not the original debenture holders. The original debentures were sold in England by Mackenzie and Mann, I think. The Canadian holders at the present time were not the original lenders, but bought them up for anything from \$30 to \$50, so that the people to whom the money would now be paid, so far as Canadians were concerned, were not the original lenders. Therefore, the strength of any moral obligation is lessened. Well, that is questionable, but I think it is a point to remember. The people from whom Mackenzie and Mann borrowed the money were the English people. They are the people who made the settlement, and I am inclined to think that there is an article in the trust deed giving the control of the matter to the English stockholders.

Mr. POWER: It does not say they shall have to be Englishmen.

Hon. Mr. FULLERTON: 75 per cent.

Hon. Mr. MANION: I think so.

Mr. SMART: It includes in the trust deed, notice in connection with these things only need be done in England and nowhere else.

Hon. Mr. MANION: That is the point.

Mr. POWER: No doubt it was the intention to keep the control in England.

Hon. Mr. MANION: I wanted to put that on record.

Mr. CANTLEY: If that is so and I understand it properly, the present holders are speculators; they bought the shares up in England after they defaulted.

Mr. POWER: I do not think the Minister would say that, would you?

Hon. Mr. MANION: Oh, no—not after they defaulted. My understanding is this—this is not said with any intent of offence to anybody—I was told this at the time that a Canadian broker got hold of a lot of these shares that were selling down around \$35 or \$30. Mr. Hungerford told me a little while ago he understood they had gone as low as \$30.

Mr. HUNGERFORD: I heard that.

Hon. Mr. MANION: I heard the same. A Canadian broker got quite a bunch of them together and brought them here and sold them here; and without, perhaps, meaning to give a wrong impression, the impression, of course, of the people who bought them over here was that the Canadian National, and through the Canadian National the government, was behind them. I do not say he did that intentionally, but that was the impression that the people got. That is what I was told, and that is why they feel even more bitterly than they would otherwise feel. I am only giving these facts because I feel that all the facts relative to this matter should be given in order not to affect our credit in England. That is my purpose. As I said, the government does not come into the picture. Are there any questions about that before we pass on to something else?

Mr. HANBURY: Is there any more business that it is absolutely necessary should come before us?

The CHAIRMAN: We were discussing the consolidated balance sheet of the Canadian National Railways, and there has been discussion on it. I do not know whether there are any more questions to be asked.