

Mr. BENNETT: I should like to ask the minister this question. On page 27 of the annual report of the Canadian National Railway system for the year ended December 31, 1935, the following words appear:

Funded Debt—Principal and Interest—

Name of security.....
 Issuing company.....
 Date of issue.....
 Date of maturity.....
 Principal outstanding at Dec. 31, 1935.....
 Interest accrued 1935.....
 Total issues guaranteed by
 dominion government.

Then there appear various guarantees:

Guaranteed by province of New Brunswick.
 Guaranteed by province of Ontario.
 Guaranteed by province of Manitoba.
 Guaranteed by province of Saskatchewan.
 Guaranteed by province of Alberta.
 Guaranteed by province of British Columbia.
 Total issues guaranteed by provincial governments.
 Carried forward.

Then appears the same heading—"Funded debt—principal and interest (continued)." Then under the name of the security there appear, under "Equipment trust issue," series U.S.R.A., E, F, H, J, and so on; and the total of "Equipment trust issues" is set out. Then "Other issues" are given—four per cent Canada Atlantic; Wellington, Grey and Bruce; Northern railway third preference bonds, and so on. Then the total of these other issues is given. Then there appear these words:

Total debt held by public (including therein \$11,792,798.65 par value held in special funds and accounts) as per balance sheet, \$1,154,779,000.78.

The interest payable for the year under review is given, \$53,468,792.22.

The question I wish to ask the minister is this: Will that appear in the balance sheet hereafter?

Mr. HOWE: Yes.

Mr. BENNETT: That answers my question. Now I turn to page 29, "Loans from Dominion of Canada"—and this will give my hon. friend from Moose Jaw his answer if he will read it. The loans with respect to the Canadian Northern railway, Grand Trunk railway, Grand Trunk Pacific railway, Purchase of railway equipment, Canadian National railway, are set out in detail, the total being \$679,873,935.08. Then there is a heading:

Temporary loans from Dominion of Canada for redemption of funded debt, pending refunding—interest paid by railway.

The total is \$74,726,975. Will that appear also?

Mr. HOWE: Part will and part will not.

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Mr. BENNETT: That is the point.

Mr. HOWE: The part that was invested in the property to create earning power will appear, not as a loan but as proprietor's equity, which is the proper position as between the dominion and the railways. The part that was advanced for deficits will disappear.

Mr. BENNETT: As a matter of fact, it will be recalled that the deficits did not show after 1933. While I disagree with what is being done, my difficulty disappears to some extent. I direct attention to these words at the top of page 29:

Loans from Dominion of Canada.

That is the caption. Then under Canadian Northern railway we have all the loans set out, eleven. Some have been converted since. Then the same for the Grand Trunk railway; then the Grand Trunk Pacific—loan, bonds, loan, loan, loan, receiver account, interest guaranteed by Dominion of Canada, interest guaranteed by provinces of Alberta and Saskatchewan. Then we come to purchase of railway equipment, the amount being \$59,926,000.82. Then we have the Canadian National Railways, and all the loans are given. The total is \$679,873,935.08.

That, I submit, should appear and should have added to it, merely for purposes of information—that is all I am pointing out—the additional sums that have been paid by the country since that time.

Mr. DUNNING: Since 1932?

Mr. BENNETT: Yes. I wish to assure the minister that as an individual I am not concerned about this—not a bit. I should like to feel, however, that any friend of mine who might happen to pick up that report and read it would know exactly what the financial position of the system was; that is all. There is no confusion in respect to the dominion because the minister in his report proposes to say: "Note. This is part of the national debt of the country." The debt of the state is to be given.

I can summarize my position by asking the minister merely to do this: to provide—and I think it should be done in the statute itself—that the annual accounts of the railway company shall show; (a) what I have read; (b) loans from the dominion government, giving the date of such loans, and the amounts and when payable; (c) loans guaranteed by the dominion government, with date, amounts and when payable; (d) amounts advanced for deficits, 1932, 1933, 1934, 1935,