

that the Quebec and Saguenay railway will be taken over by the Canadian Northern?

Mr. MEIGHEN: I know nothing about it.

Mr. PROULX: When the hon. member for Calgary (Mr. R. B. Bennett) was addressing the House I saw the hon. member for Charlevoix and Montmorency applauding him, and I thought that he was going to vote as the hon. member for Calgary did. When the vote came last night, however, he lined up behind the Government.

Mr. BOIVIN: The hon. Solicitor General will remember that when I was speaking upon this resolution a few days ago I made the statement that the \$21,262,000 for construction, equipment, terminals, branch lines, etc., which was due on December 31, 1913, and which is mentioned on page 43 of the blue-book, was not included in the \$100,000,000 required to complete the line. I was contradicted by the hon. Solicitor General and the same evening he was good enough to show me that this \$21,000,000 is included in the \$100,000,000. It is not shown in this blue-book that the \$21,000,000 forms part of the \$100,000,000, but the hon. Solicitor General told me privately that the \$21,000,000 was divided among the six different items which formed the \$100,379,099. Since my humble address in this House a great many other speakers have discussed the matter pro and con and some have asked how this \$21,000,000 will be paid. The answer from the Government benches has always been that part of the \$21,000,000 will be paid out of the \$45,000,000 which we are providing and that the other part of it will be paid out of the \$58,000,000, the proceeds of the securities which will be issued in respect of the expenditures mentioned and the cash in trust accounts for construction. In other words, before this \$58,000,000 can be earned the Canadian Northern must have the \$45,000,000 which we are providing for them and the \$21,000,000 will be paid out of the \$100,000,000. The hon. Solicitor General admitted to me privately—and I do not think that he will consider it any breach of confidence if I say this in Committee—that the heading on page 10 of the blue-book is misleading. Page 10 shows \$100,000,000 under the heading 'Requirements to Complete,' whereas in reality that \$100,000,000 is not merely requirements to complete but requirements to complete and to pay \$21,000,000 of debt. Clause 1 of the resolutions is also misleading. It says:

That His Majesty, on behalf of the Dominion of Canada, may aid the construction, comple-
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tion, equipment and betterment of the Canadian Northern system by guaranteeing payment of \$45,000,000.

As a matter of fact, this \$45,000,000 is not only to aid the construction, completion, equipment and betterment of the Canadian Northern system, but is also to pay \$21,262,000 worth of old debts. The members of the committee on this side of the House would like to know—and I think that we are entitled to a statement from the Government before this clause is adopted—how much of this \$45,000,000 is for new work and how much of it is to pay old debts.

Mr. MEIGHEN: The hon. member is quite right in saying that the item \$100,379,099 appearing on a page of the blue-book and in the return as well, does include \$21,262,000 of unpaid debts on construction, and that the \$21,262,000 is spread over the six items that appear on that page. I did say to the hon. member for Shefford that although the heading was scarcely a complete heading, there is no reason for being misled in connection with it. If hon. gentlemen will read in conjunction with it the supporting statements that appear in the return, four copies of which were filed and laid on the table, they cannot be misled by the statement referred to by the hon. member for Shefford. They show how much of the \$21,262,000 is included in each of the separate lines, and how much in the case of each of the separate lines is required still to be put into the road to complete it. No fuller statement could possibly be called for. The question, however, of the hon. gentleman is this: How much of this \$45,000,000 is to be used to pay that \$21,262,000 and how much is for the rest. Quite obviously, if the \$21,262,000 is paid out of the \$45,000,000, just that much will be paid out and the rest will be for other use.

But what I think the hon. gentleman wants to know is this: can the Government give an assurance that the \$21,262,000 will be paid before the \$45,000,000 goes to the company? I am glad to say that I am in a position to give that assurance. I did not feel that I could go so far as to say, in answer to the question of the hon. member for Pictou, that the Government was to so control the expenditure of \$45,000,000 as to take care of every single item of the \$21,262,000; but I do say this: that the \$21,262,000 will be paid before the \$45,000,000 is paid out. If the necessity arises I am in a position to say that the Government can see to it that the \$21,262,000 is paid.