

Hon. Mr. FULLERTON: There is no question that the Profit and Loss statement on page 18 shows a loss of \$115,000,000. But we say that \$47,000,000 is the correct cash deficit for the year for this reason, that this obsolete equipment which was scrapped might have been scrapped last year, the year before, or the year before that. You cannot apply it to the one year by any manner of means. In the second place we say interest on deficits should not be charged, and we say that interest on government loans should not be charged because it is shareholders' capital, and it should receive interest or dividends only if earned. That is our contention, rightly or wrongly.

Hon. Mr. STEWART: It is a matter of contention.

Hon. Mr. FULLERTON: Yes, purely so.

Hon. Mr. STEWART: The figure as shown on page 18 and as stated by the Leader of the Opposition is correct.

Hon. Mr. FULLERTON: Nobody denied that in the profit and loss statement there is shown a loss of \$115,000,000; there is no question about that.

Hon. Mr. STEWART: Then we have the difference of—

Hon. Mr. FULLERTON: There could be no question about that. I thought I made that statement last night.

Hon. Mr. STEWART: I have not the record.

Hon. Mr. FULLERTON: I made that statement last night.

Hon. Mr. STEWART: I have not got the record as printed. It appears to indicate a contradiction between you and the Leader of the Opposition in your statement.

Hon. Mr. FULLERTON: I think I said I was referring to the cash deficit.

The CHAIRMAN: The total deficit mentioned by Mr. Fullerton is \$115,000,000 but if you eliminate the items that he specially mentioned, the real deficit is only \$47,000,000.

Hon. Mr. FULLERTON: When I said that some people liked to pile up the deficit I was referring to the fact that people who are always criticizing us love to ring in this extra charge, the interest owing to the government, in order to pile it up as much as possible. Every newspaper who is in favour of amalgamation uses these figures. Others not opposed to it use cash deficit figures. That is what I was referring to.

Hon. Mr. STEWART: That is what you had in mind.

Hon. Mr. FULLERTON: That is what I had in mind clearly.

Hon. Mr. STEWART: There is no inaccuracy in the statement?

Hon. Mr. FULLERTON: No.

Mr. YOUNG: Mr. Chairman, let us have that statement again. It says that was the loss in one year.

Hon. Mr. FULLERTON: It was not.

Mr. YOUNG: If I read the statement correctly it is not the loss in one year.

Hon. Mr. FULLERTON: It is shown on the books as a loss in one year, but it is really not a loss in one year.

Mr. KINLEY: It is a cost to the Canadian people in one year.

Hon. Mr. FULLERTON: No, I say it is not a cost to the Canadian people in one year.

Mr. KINLEY: Why not?

Hon. Mr. FULLERTON: Take the \$26,000,000. We might have done, as has been done in the past. We might have done differently. We knew the \$26,000,000 was there and might have done nothing. We might have said nothing about it, left it and carried it as it was; but do you think that would be a wise thing to do? We did not think so.