

suggestion of the hon. gentleman and wipe out some of the capital liabilities of the Canadian National to the government, then the charge will be made that this government or whatever government takes that step is merely trying to hide some of the cost of the Canadian National to this country. If my hon. friend has any idea that by hiding these costs instead of keeping them in the open, on the books of the Canadian National, we will stop those who want to talk about them, he is much more optimistic with regard to the enemies of the Canadian National than I am.

Mr. EULER: Why, then, are they absorbed in the national debt and not carried on the books as an asset?

Mr. MANION: The answer, obviously, is that they do not consider them worth anything.

Mr. EULER: Then why carry them as a liability on the books of the Canadian National?

Mr. MANION: We do not carry them as Canadian National debts.

Mr. EULER: Who controls the Canadian National?

Mr. MANION: It is controlled to a large extent by the trustees, but of course they could not make a change of that kind without the statutory sanction of this parliament. But I do submit that if we wiped out some of these debts we would be simply hiding them, and the very same people who are going around the country to-day talking about the debt of the Canadian National Railways would make the statement that the government was being unfair to the people of Canada in trying to hide part of that debt. They would use the same figures, because those figures are easily obtainable. Any member of this house can ask for a return showing just how much money has been paid to the Canadian National, the Canadian Pacific or any other railway company, and they have done so. Surely my hon. friend does not suggest that if part of those debts were wiped off, the enemies of the Canadian National would stop speaking about them. If he does make that suggestion I do not agree with him.

Mr. EULER: I do not like to interrupt my hon. friend because he is arguing reasonably to-day.

Mr. MANION: Why "to-day;" I am always reasonable.

Mr. EULER: I should like to ask the minister this question: We know that comparisons are always being made between the Canadian Pacific Railway and the Canadian National Railways. Supposing, for example, that in any one year the Canadian Pacific Railway lost, we will say, the sum of \$25,000,000 or \$50,000,000, would that be charged up as a liability to stand against them forever? No, they would simply absorb the loss and forget it. Why should the Canadian National Railways carry those losses as a debt against themselves and the Canadian government?

Mr. MANION: I do not quarrel with the hon. member for having used that argument. That is what a private corporation would do, undoubtedly—but this does not happen to be a private corporation. It happens to be a public corporation owned and more or less controlled by the government of Canada. I admit quite freely that the hon. member has some right in his argument, but I contend that on the other hand the other side has rights. I submit they could not be prevented from speaking about the hidden debts simply by hiding them.

I wish to point out just how difficult it is to understand the situation. The hon. member for North Waterloo, who is one of the intelligent members in the chamber—and I say that quite frankly—

Some hon. MEMBERS: Hear, hear.

Mr. MANION: The hon. member has been studying the question for many years. He has spoken about public ownership, and yet he stood in this chamber this afternoon and made a wrong statement in regard to interest charges accrued on the books of the Canadian National Railways. I use this illustration simply to point out how difficult it is to understand the matter. The hon. gentleman said that while we are telling throughout the country that the Canadian National Railways deficit was nearly \$100,000,000 there was \$1,700,000,000 charged up by the government against the Canadian National Railways, and that the interest on that amount was being charged against the railways.

Mr. EULER: No, I never said that.

Mr. MANION: The hon. member gave that impression, probably he would correct it.

Mr. EULER: This is the statement: When those who are the enemies of public ownership figure out the deficit on the Canadian National Railways they will take, first, the interest on the funded debt to the public, which this year is about \$50,000,000, and which has to be raised