

Q. Suppose you have six millions of stock, and the profits only pay three per cent or two per cent. Would the shareholders of the three millions stock get the four per cent provided, before the subsequent stockholders got any, or would it be spread over and the Government have to foot the bill for the balance of the three millions? I want to put that as a business question?—A. I will answer you in this way: If we had our three millions going, and the business was not paying us more than four per cent, the question of issuing further stock would be very easily settled, because you could not possibly sell it.

*By Mr. McGregor :*

Q. If you issued six millions of stock, instead of three, you would only have half the amount to divide amongst the whole lot?—A. The point Mr. Davin makes is different from that.

*By Mr. Livingston :*

Q. I think there is a worse feature than that. Supposing, as my friend Mr. Davin says, you build these 240 warehouses and you spread them over this Dominion—of course that would only cover a part of the Dominion, and suppose this company has made four per cent profit besides the four per cent guaranteed. Well, then, there are other parts of the Dominion would want these cold storage houses. Would they not have just the same right as the first cold storage house? Do not you think that one portion of the Dominion would be entitled to a share in this Government guarantee as another?—A. If I could produce figures to show that our company could earn six per cent I should not be here this morning, because we would get all the money we wanted without the Government aiding us. We simply want this guarantee to start with and if we can demonstrate that we can earn six per cent, there will be a cold storage warehouse wherever that six per cent can be earned.

*By Senator Owens :*

Q. Some members of the Committee are under the impression that you will get four per cent in any case on the Government, even if you make six per cent?—A. Not at all. We want the Government to guarantee four per cent to the stockholders.

*By Mr. McDonald (Assiniboia) :*

Q. In case the company does not earn it?—A. Exactly.

Q. If the company earns four per cent the Government pays nothing?—A. That is it exactly. We want to be in a position to guarantee to any person putting his money into this scheme that there will be four per cent on his stock guaranteed by the Government. I have not a shadow of doubt but that we shall earn four per cent.

*By Mr. Semple :*

Q. Then why ask the Government to give a guarantee?—A. To get the business going, as I have explained. We have to show the people there is something behind it. It is a new business which will put the country in the front ranks with the rest of the world. You might on the same principle ask why help the butter and cheese trade?

Q. So many different schemes have been floated and have failed that the Government will have to be careful?—A. I quite agree with you.

MR. McMILLAN.—Let me give you a little advice. You talk about our producing five million dollars' worth of eggs in Canada alone. Now, up to the time the McKinley Bill went into force, two million dollars' worth was the most, and when you talk about five million dollars' worth being produced in Canada, I concluded that you either wanted to gull the farmers or that you were talking about something you knew nothing about. If your scheme is carried out you will not bring up our export of eggs to more than three or three and a half million dollars' worth for the next ten years. Farmers have been gulled so often that it makes them a little suspicious of any new scheme.