

Mr. WHITE: What fraction did I purchase, to put it in the terms of my hon. friend?

Mr. MACDONALD: We are dealing with what my hon. friend did last year. My hon. friend came to the House as the sole repository of information in regard to this matter. Hon. members on this side insisted that, before this measure was passed through the House, we should have a full and ample statement from the proper authorities as to the capital stock and the position of the Canadian Northern Railway Company. My hon. friend the Minister of Finance undertook to make that statement to the House.

Mr. WHITE: What statement?

Mr. MACDONALD: The statement as to what the capital and the position of the Canadian Northern Railway Company were in relation to their stock.

Mr. WHITE: The hon. member for Welland (Mr. German) asked me:

Has the balance of the stock been issued?
Mr. White: I am unable to say.

What does that mean?

Mr. MACDONALD: Are we to believe that the minister who was asked to negotiate the matter did not know anything about the stock which he was purchasing?

Mr. WHITE: Why did not you ask me at the time?

Mr. MACDONALD: What was the good of asking my hon. friend, who did not know anything about the matter, whether the stock was authorized or issued? My hon. friend was talking blindly in regard to the proposition. No other Minister of Finance who ever before asked Parliament to ratify an agreement in regard to purchasing stock of any company, was in the position that my hon. friend was in of not knowing what he was buying. That was the position in which my hon. friend was, to put it in the most generous form possible. He is going to ask Parliament in a couple of days to vote a large sum of money for the depositors in the Farmers bank, because, as he says, there has been an error of judgment on the part of his predecessor. If the predecessor of my hon. friend has been guilty of an error of judgment, my hon. friend is guilty of the most positive negligence in dealing with the Canadian Northern, because he should have known whether or not that \$70,000,000 was the total issue

of the capital stock of the Canadian Northern or not. When my hon. friend stated that \$70,000,000 was the authorized stock of the Canadian Northern Railway Company, one-tenth of which the Government acquired, he was mistaken. He knows that. I am surprised that my hon. friend should have manifested so much heat because I have charged him with having misled the House. I am not saying that my hon. friend deliberately misled the House. I say that my hon. friend was guilty of absolute negligence in his dealings with the Canadian Northern Railway Company last year; that he did mislead the House because he was negligent in regard to the matter and did not know what he was speaking about; and that when he told the House that \$70,000,000 was the authorized issue of the Canadian Northern Railway Company he was stating what was incorrect and untrue. If my hon. friend did not know at the time that it was untrue, he could not have deliberately misled the House. If my hon. friend was stating that which was incorrect in regard to the very vital question of the value of the stock he was purchasing, then my hon. friend did mislead the House. My hon. friend, not once or twice, but three or four times, in the course of that debate last year, stated to the House that what the country was getting in exchange for the \$15,000,000 was one-tenth of \$70,000,000. That is the statement I made the other night; and I reiterate the statement to-day, that that is what my hon. friend said.

Mr. WHITE: That is what we did get. We got one-tenth of \$70,000,000.

Mr. MACDONALD: My hon. friend is more than a lawyer; he is a hair-splitter. My hon. friend was speaking about getting one-tenth of \$70,000,000. Does he want to take the position now that, what he was leading the House to believe, was that there was \$70,000,000 issued, although he said it was authorized, and that the company were going to issue \$7,000,000 more and that that \$7,000,000 that he was going to get was to be one-tenth of \$70,000,000, just as a matter of arithmetic? My hon. friend cannot escape on that point. That is not what he said. In regard to that he said:

The Government has made a greater forward advance upon any policy in the past by reason of the fact that it has acquired, in respect of the larger subsidies 70,000 shares or one-tenth of the capital stock of the Canadian Northern Railway Company.

What does that mean? (Reading):