

Sir HENRY THORNTON: The Minister is exactly right in that statement.

May I just say this, that, of course, in making up this budget one of the factors that we have got to estimate upon is how much money we are going to have at the end of the year to apply on the interest of the funded debt in the hands of the public and that is entirely an estimate, and that estimate in turn, when you get down to brass tacks, depends upon how much your gross revenue is going to be for the year.

Mr. DUFF: It is purely an estimate.

Mr. MCGIBBON: That is your greatest variable point, your estimate.

Sir HENRY THORNTON: That is the variable factor, and that is the factor that we have got to estimate upon.

Sir EUGENE FISET: Don't you think, Mr. Chairman, that at this time it would be advisable for us, in discussing this estimate to have before us Bill 79. It does not exactly fit in with the amount stated in the balance sheet. If we could deal with Bill 79 we could do the work right off the bat and get rid of it.

Mr. HEAPS: I do not think we will get any further. The estimate after all is only an estimate, and I think we might as well proceed.

Sir HENRY THORNTON: I might also say in connection with the question Mr. Hackett has addressed that we have by no means ceased our efforts in the direction of operating economies. There are still further economies that are occurring month by month. It is like squeezing a sponge. The first time you get a lot of water out of it, the next turn you get some more and you keep on turning until finally you have squeezed the sponge dry.

Hon. Mr. EULER: It is not dry yet.

Sir HENRY THORNTON: We do not think it is dry. We think there is still some more to be had out of it, and we are addressing every possible effort in that effort consistent with prudent operation.

Mr. HEAPS: How are the revenues of the Canadian National compared with other Class 1 railways.

Sir HENRY THORNTON: We are practically the same. From an operating point of view there is substantially no difference with relation to both revenues and expenses.

Mr. MACMILLAN: Sir Henry, the result of the crop in Western Canada this year will have quite an influence on your revenues.

Sir HENRY THORNTON: Certainly. I have been trying to guess the crop for the last eight years, and I do not think I have hit it yet. We have all been trying to do it. If anyone of us could accurately estimate the crop of Western Canada we could probably do pretty well.

Mr. HEAPS: You want to find someone whose foresight is as good as his hindsight, then you would be all right.

Sir HENRY THORNTON: Well, if the Angel Gabriel, who presumably is in the confidence of the heavens could come down to earth and tell us a few things we might get somewhere; but I cannot find anybody who can give me any accurate estimate.

Mr. HANBURY: This estimate of \$3,500,000 securities to be issued, in view of the present condition of the money market isn't it likely you won't lose \$3,500,000.

Sir HENRY THORNTON: No. Mr. Grant, will you let us have your experience in that. We have estimated discounts on securities to be issued at \$3,500,000.

Mr. GRANT: Part of that amount has been used in connection with our last issue of \$70,000,000, about \$2,500,000 was utilized as discounts on that last issue. It depends on what kind of security you put out, Mr. Hanbury.