

has particularly insisted upon that point- the plan which he has suggested does not seem to be conducive to that result.
 IF YOU HAVE ANY BOARD OF DIRECTORS WHICH IS APPOINTED BY THE GOVERNMENT, YOU WILL NOT ELIMINATE POLITICAL PATRONAGE."

Remember that statement of Sir Wilfrid Laurier, because the situation which he described in 1918 is the one which has existed up to the present day.

As a matter of fact, when a year after, in 1919, the law to incorporate the National Railways was passed, ch.13 of 9-10 Geo.V, the first section was made to read as follows:-

1. The Governor-in-Council may nominate such persons as may be deemed expedient, not less than five, nor more than fifteen, to be directors of the Company, incorporated, and upon such nomination being made the persons so nominated shall be and are hereby incorporated as a company under the name of Canadian National Railway Co."

Moreover, under Sec.2 of that act, the directors so nominated are removable by the Governor-in-Council.

So that the feature to which Sir Wilfrid Laurier objected most strongly was made a part of the Act.

But more than that, you will see that the Government from the beginning, kept several of the directors of the old Canadian Northern Railway Co. such as Mr.Hanna, Mr.Mitchell, Mr.Wood. The auditors' report of 1919, page 128W, shows that Mr.Hanna had obtained under the award, \$43,000. for his 2600 shares, Mr.Mitchell, \$16,666.66 for 1000 shares, and Mr. Wood, \$1,666.66 for 100 shares. And in answer to a question put by Mr.Copp, p.612 of Hansard 1919, Hon. Mr.Reid, giving the names of the directors said that Mr.Hanna and Mr.Mitchell were the only directors who gave their full time to the railway. So that