

That matter was finally decided after examination by the Railway Board, and was closed. Money had been expended towards giving the Canadian National a decent station in Montreal, and the city was highly interested in having that station.

I said in the committee that I had been wondering why the Canadian Pacific Railway was so intent upon preventing the Canadian National from having a decent station in Montreal. I saw in my mind's eye that splendid mass of masonry at Windsor and Osborne, and the unspeakable building of the Canadian National called the Bonaventure station. I wondered what object the Canadian Pacific could have in trying to prevent the Canadian National—a system larger than the Canadian Pacific, and carrying a greater tonnage and more passengers—from having a better station than it had. Of course the two railways have in the city of Montreal organs which are most devoted to them—the Montreal Gazette and the Montreal Star. Here is what I found on the editorial page of the Montreal Star in justification of the Canadian Pacific intervention in the question of the terminal. It explained to me the whole attitude of the Canadian Pacific. Referring to the development of the terminal at the tunnel, which has been in operation for years, it said:

It is bound to be a body blow to the Canadian Pacific Railway, which will be faced with the unfair competition of a new, a modern and lavishly equipped station, at the disposal of its rival only, but paid for by the taxpayers of Canada, including the Canadian Pacific Railway.

Of course that is quite in accordance with human nature. It is natural that the Canadian Pacific should wish the Windsor station could be utilized. But, that plan having been absolutely discarded in 1929 by the report of Sir Frederick Palmer, the matter could surely not be reopened in a committee of the Senate in 1939. That is why I said I was prepared to have the Canadian National officials examined as to why they had decided to start developing their terminal in 1938-39, but I was not ready to allow the Canadian Pacific Railway to intervene, or, as the honourable senator from Westmorland (Hon. Mr. Black) has said, to "poke its nose" into the private affairs of the Canadian National. A vote was taken, and it was decided that we should not reopen that question, which had been definitely settled in 1929.

I shall not traverse the whole ground covered by my right honourable friend, but shall content myself with referring to the essential difference between those members of the committee who were of his opinion and those who agreed with the report. To the majority of the committee united management was

Hon. Mr. DANDURAND.

tantamount to amalgamation—to a monopoly in private hands. We were not ready to accept that principle, and said there should be a fair trial of co-operation, a method which has not been followed since 1933 or 1934. A fair trial would mean earnest co-operation between the two railways in order that under the Act they might do the best they could—which is considerable. I included the Act itself in my remarks of yesterday. As was said by my honourable friend from Lethbridge (Hon. Mr. Buchanan), the people of Canada will not be satisfied that the two railways have done their duty to the country until they have honestly and earnestly tried the co-operative principle which is embodied in the law of Canada.

Hon. Mr. McMEANS: I am sure no one would object to what the honourable gentleman calls a respectable station, but I understand that some \$12,000,000 is to be spent upon it. I believe the very building in which we are now sitting did not cost more than \$15,000,000, and I would ask why such a huge sum as has been mentioned should be spent upon a railway station.

Hon. Mr. DANDURAND: A terminal station must be built for the Canadian National Railways. It is a necessity. Construction was suspended for a few years, but the board of directors of the Canadian National got the Government to consent to contribute 40 per cent of the expenditure by way of relief in order that men who were idle might be employed. With this contribution the Canadian National feels that the proper thing to do is to proceed with the work. The programme covers three years. I may say that when that board was elected every member of the Senate admitted it was a strong board; and those who supported the views of the Canadian Pacific were very much elated when they heard that Mr. Murdoch had resigned from the board. They immediately jumped to the conclusion that he was opposed to the expenditure of this money on the Montreal terminal. The correspondence between Mr. Murdoch and the Minister of Transport, which was published and was deposited, I think, on the tables of both Houses, showed that Mr. Murdoch resigned because he felt that President Hungerford was not sufficiently serious in his defence of the actions of the board of directors, more especially in regard to continuing the work on the Montreal terminal. I may repeat what I said in committee. It so happens that the work was decided upon on the motion of Mr. James Y. Murdoch, a member of the board.