

exceed \$50,000,000. Indeed, if the work is carried out in accordance with the plans submitted in 1931 and 1932, the expenditure will be far in excess of \$50,000,000. At a time when every effort was apparently being made by the Government and by Parliament to bring about substantial economies in the operation of the Canadian National Railways, I was very much distressed to realize that this expenditure was to be made, not for better accommodation for freight—and that is, according to the railway officials, the only traffic which pays—but to provide facilities for passenger traffic, which they say will never pay, and which in fact is declining year by year. If passenger traffic did not pay in 1928, 1929, 1930, 1931 and 1932, how could it be expected to pay now? In view of these facts I was forced to the conclusion that the expenditure implied something more than a desire to build a terminal station in Montreal. As I have said, I hope I am wrong, but if I am I must blame the Montreal newspapers. At the time of the announcement of the proposed expenditure a federal by-election was in progress in St. Henri, and also a mayoralty contest. Apparently these two events made it necessary that something be done in the city of Montreal in order to secure support for certain candidates.

In this connection I would draw attention to what I regard as a pertinent fact. Last session when we had Mr. Hungerford and all his staff before the special committee there was not the slightest suggestion that they contemplated any expenditure on the Montreal terminal.

One of the candidates in the mayoralty contest was Mr. Camillien Houde. It is evident from what occurred that the Federal Government desired to see Mr. Houde defeated. Two federal Ministers and several members of Parliament supporting the Government took a most active part in the campaign in support of his opponent. On January 14 the Secretary of State, Hon. Mr. Rinfret, pledged the Government to fill the Dorchester street hole. Apparently he intended to fill it with the taxpayers' money. In the Montreal Gazette of January 15, 1938, I find this report:

Blaming none other than independent candidate Camillien Houde for the fact Liberal Government plans for a C.N.R. Terminal here were blocked seven years ago, Hon. Fernand Rinfret promised last night that "the Government of which I am part will settle this C.N.R. problem. . . . We will fill the hole on Dorchester street, and solve the problem of the approaches therein." Also to be solved was the "problem of the level crossings," in St. Henry.

Mr. Rinfret was speaking at a campaign meeting for J. A. Bonnier, official Liberal candidate in the St. Henry by-election Monday, in the basement hall of St. Paul's Church, Ville Emard.

The Secretary of State also pledged the Federal Government to maintain direct relief "as long as there are unemployed in Montreal"—even if the municipal and provincial governments should become "fatigued" by the burden.

That was a pretty strong statement for a Minister to make with reference to the policy of a railway system the administration of which was supposed to be free from government interference.

Then I find this report in the Montreal Gazette of January 17, 1938:

Before the general federal elections come, the Canadian National Railways will have their central station in Montreal, declared Hon. P. J. A. Cardin, Minister of Public Works, as he wound up the Liberal campaign in St. Henry division last night at the Levis school in Ville Emard. If the station has not been built—and Mr. Cardin made it clear that with this project there was also linked the elimination of the level crossings—it was because of Camillien Houde, said the Minister.

At an afternoon meeting in Atwater market Hon. Fernand Rinfret, Secretary of State, had made a similar pledge to the 2,000 electors who attended. Both statements clarified and amplified the declaration of Mr. Rinfret on Friday that the Liberal Government would "fill the hole on Dorchester street." . . .

Mr. Cardin talked for about two hours, and was never in better form as an orator. Surely, he said, the people of St. Henry should have more confidence in Mackenzie King, Ernest Lapointe, Fernand Rinfret, and himself, than in Camillien Houde.

It may be stated that the Canadian National management had decided to proceed with completion of the Dorchester street terminal and was not influenced by the Government. In my view the two newspaper extracts which I have placed on Hansard do not so indicate. On the contrary, they imply very clearly that the suggestion came from Ottawa, not from the railway management. It would appear that when the President of the National Railway made his first public announcement in connection with the matter an inspired statement was put into his hands, and that the decision arrived at was not the original decision of the Canadian National management. I have no written proof for my statement, but I have pretty good authority for making it.

But if I need support, I have but to refer to an announcement made by the Minister of Finance in the House of Commons on February 6 last. To me it is a sad admission for a Minister of the Crown to make, but apparently he felt he had "to let the cat out of the bag." Let me give honourable members Mr. Dunning's own words as they appear in the Commons Hansard of that date:

All I desire to say, Mr. Speaker, is this, and this is a really serious word. The administration of a great public utility demands a degree of restraint on the part of all of us to which none of us in this Parliament has so far proved