

This shows that the Act of Incorporation, 1919, after two years has not yet been brought into effect, as admitted by the Government.

As a matter of fact, all the members of the Board ~~xx~~ seem to have been appointed before 1919. If you look at Hansard, p. 612, for March 19, 1919, you will see that in answer to a question (question 2) put by Mr. Copp, which was as follows:

2.-When were said directors appointed and what were their respective occupations immediately prior to their appointment?

the answer of hon. Mr. Reid shows that all the directors, who are the same today with the exception of one, Mr. F.P. Jones, were all appointed in 1918, except Mr. Hanna, who is given as having been appointed in 1914 and Major Bell in 1916.

The only conclusion, therefore, is that the Government having acquired all the shares of the Canadian Northern railway company in 1917 by law and in fact after the award in 1918, appointed those gentlemen in the same way as the directors of any ordinary company are generally appointed. On the other hand, there is not in the Statute of 1917 which gives the Government power to acquire the outstanding capital stock of the Canadian Northern railway anything specifically providing that the Governor-in-Council is empowered to appoint directors. The Governor-in-Council assumed that power from the fact that the capital stock had been acquired under the law of 1917, which is specifically quite a different thing. And as far as Mr. Hanna is concerned, his appoint