

ity. What would my hon. friend do this time next year, when the same question would arise again, and \$20,000,000 more be needed to pay the interest on the underlying securities?

Mr. CARVELL: I do not know. I should be in the same position as my hon. friend was in two years ago.

Sir THOMAS WHITE: I think we had better deal with it now.

Mr. CARVELL: We hope the war will be over this time next year. That is a wish that I am sure every hon. member of this House and every one in this country sincerely joins in, and when the war is over, things will be clear that are now dark. We can then grapple with the whole railway situation, ascertaining exactly what our financial liabilities and the prospects for the future are. But, as it is, we are here embarking the country on a scheme involving an expenditure of \$140,000,000 or \$150,000,000, and under a management which cannot possibly be economical or business-like from any standpoint. I was reading this afternoon the minority report of Mr. Smith, and was very much impressed with two statements that I read. They so thoroughly coincided with my own views that I feel like placing them on Hansard. The first is found on page 102:

Compared with the total outlay involved in producing railroads by the Government for itself, as, for instance, the case of the Intercolonial or the Transcontinental, from three to six times that amount have been used to realize equal results. This shows distinctly the value of enlisting and retaining private enterprise.

If this statement be true, that the governments of this country from Confederation down to the present time have spent in building Government roads six times as much as the Canadian Northern has spent—and he was dealing directly with that company—it is an amazing statement. It so attracted my attention that I read it two or three times. I do not mean to say that the Canadian Northern lines are in as good a state physically as the Government lines. Mr. Smith, after discussing what government ownership would mean, the extra cost of construction, operation and management—and he certainly puts up a pretty strong argument against government ownership—concludes with these words:

Upon these fundamental truths, I base my firm conviction that the brightest outlook for the future of your great Dominion can be assured through the extension of private railroad enterprises. The hope of honour and the reward of public approval must be open to

human kind to get the best results from human endeavour.

I tell you, Mr. Chairman, that if you take away from the Canadian Northern enterprise the hope of honour and reward, the ambition of the human being, you will absolutely divest it of everything that has made it the great enterprise it is to-day, and there is no disguising the fact that it is a great enterprise. I do not know whether money has been taken out of the road or not. I am something like my hon. friend from Welland in that respect—I do not believe that they have handled \$400,000,000 without using a little on the side for their own purposes, although I have no evidence to that effect. I should like, however, to see a statement in writing, not to say an affidavit, that such is not the case. There is no use shutting our eyes to the fact that Mackenzie and Mann have worked up a wonderful railway organization in Canada. Their financing has been a marvel; I do not know how they have done it. They have built up an organization of very bright men.

Mr. LEMIEUX: They have got money from the Government.

Mr. CARVELL: The Government might hand over \$400,000,000 to my hon. friend or myself, but I do not think either of us would get the same results with it that Mackenzie and Mann have. I give them credit for that. I think they are wizards of finance. I do not think the public have given them sufficient credit for the manner in which they have handled that end of the business. Then there is a wonderful personal element running through their whole system. I know a number of their men, and perhaps I may be pardoned for mentioning two who, outside the principals, I regard as the greatest among them—Mr. Hanna and Mr. Moore. These gentlemen have impressed their personality—and many others besides them—on the whole organization from top to bottom. The Government may take over this system and say, "We are going to keep Mackenzie and Mann and some of their organization," but they will not be able to do it. Once the present officials realize that political power is interfering with their management, it will not be six months before they, if not Mackenzie and Mann themselves, will say, "I won't have a member of Parliament dismissing or appointing a man through his political influence." It would not be six months before the whole present organization would be disbanded and gone. I do not see any necessity for doing away with the men who