

two systems, then there arises a mutuality of obligation. It cannot be avoided. But unified management involves no mutual obligations of that kind at all; it is merely a system of managing two as one.

Hon. Mr. MURDOCK: Does not the dictionary define them in the same way?

Right Hon. Mr. MEIGHEN: Fortunately, for simple words I do not need a dictionary.

Hon. Mr. MURDOCK: That is a very smart answer.

Right Hon. Mr. MEIGHEN: It is the right answer.

Hon. Mr. MURDOCK: The dictionary describes them as the same thing.

Right Hon. Mr. MEIGHEN: Call it what you like, it is unified management we recommend; and I know what it is, and so does the honourable senator from Parkdale. It is not amalgamation of properties.

The reason one starts from a position of advantage in showing that savings flow from unified management is that it has been a matter of experience all through the history of business that when you have unified management you can immediately get rid of duplicate services. While you have competition it is the hardest thing in the world to do so, because those duplicate services are the very services that compete. Until we get rid of duplicate services, unnecessary services—

Hon. Mr. DANDURAND: Then unification begins.

Right Hon. Mr. MEIGHEN: The honourable member wants to get me away from my point. I am coming to his bogeys in a few minutes. I do not take these fears of the honourable gentleman very seriously; they were born too recently. In the past and best years of his manhood he never had them at all; they are the outgrowth of certain political nightmares of the last few months.

Hon. Mr. DANDURAND: I beg your pardon.

Right Hon. Mr. MEIGHEN: I do not take them seriously.

You can have unification of control and operation without amalgamation. I stand here and say this. I have never seen an instance of unification of management, or, for that matter, of amalgamation of two great enterprises fighting each other in the same field, where tremendous savings were not made. It can be objected to on other grounds; for instance, it can conceivably be objected to on public grounds; but to say that it will not save money is simply to deny the dictates of common sense.

Hon. Mr. DANDURAND: Nobody says that.

Right Hon. Mr. MEIGHEN: Of course not. And until my honourable friend brought in his report nobody ever suggested that as much money could be saved in any other way as by unification. Only through that singleness of objective which comes from a common purse can the utmost savings or any worthwhile savings be realized.

It was contended by Canadian Pacific witnesses that aggregate economies of \$75,300,000 were possible under unification if business returned to the scale of 1930, which they thought was an average year. I do not agree with them, for I think 1930 can be regarded as far above an average year, speaking as from the present time. But I cannot agree with the statement that they failed to substantiate their estimate of economies. In fact, I do not regard arguments of Canadian National officials as meeting the case in any way. The methods adopted by Canadian Pacific witnesses were certainly thorough and impressive. There were twenty-one committees dealing with every phase of railway operations over a space of months, checking and rechecking one against another. These committees, composed of officials of high standing, conducted their studies in a serious way, carrying out the suggestions made by a commission with whose objects they had the utmost sympathy. And the figures arrived at by these committees are lightly described to us by some honourable members as "theoretical." I should like to ask what is meant by "theoretical" savings. It is an easy thing to trip an adjective off the tongue, but is it suggested that railway officials of the type of Mr. Neal, and of various other gentlemen who came before us, were putting something purely imaginary before the Duff Commission and before ourselves? What in the world would they have to gain by that? Were they not able to support their estimates before us? I do not know of any important impairment of their testimony.

I know of general attacks upon it from different angles, and I will deal with them in a moment. Those economies were made up of a vast array of elements; savings in the amalgamation of head offices, savings in reducing supervisorships from two to one over the whole range of railway operation, savings in maintenance of way and structures—those savings aggregated alone about \$14,000,000—savings in maintenance of equipment, estimated at another \$14,000,000, and they were established, dollar for dollar, all along the way. Then there were savings in accounting, savings in unification of hotel and steamship operation, and, most of all, under the head of transporta-