

and station facilities and the construction of a hotel and office building. The President of the Canadian National Railway was anxious to proceed immediately with expenditures on the station and station facilities in the amount of \$3.5 million. As this was interrelated with the whole programme, he had indicated that it would be helpful to have the Government's view on the desirability of proceeding with the whole plan including the hotel and office building.

23. The Minister of National Defence said that the programme included expropriation of the Ames-Holden building, at present occupied by thirteen tenants employing a considerable number of people. He understood they had been given notice to vacate the building by August 31st. As there was no other accommodation available for the majority of these tenants, it was suggested that great care should be taken to see that they were not evicted before it became absolutely necessary. There would be a good deal of ill will engendered if the tenants were required to leave the building and it then stood empty for a considerable period of time.

24. The Prime Minister suggested that at present it was impossible to determine whether the whole programme would be a good investment. For instance, no one could tell whether an 850-room hotel would be profitable in Montreal in 1956. It was the duty of the President of the Canadian National Railway to recommend certain steps as and when, in his judgment, the taking of them would be beneficial to the Railway. In this respect he should take into consideration the necessity of maintaining good will and that a building in active use should not be expropriated by the Company unless it had an immediate use for it.

25. The Cabinet, after further discussion, agreed that the Minister of Transport tell the President of the Canadian National Railway that the Government was not prepared to make a decision with regard to the long-term programme for the C.N.R. terminal in Montreal, but that they would expect his recommendations from time to time resulting from the exercise of his judgment on what would be a good investment for the Canadian National Railway.

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