men may be laid off. I have seen statements attributed to Mr. Beatty and Mr. Hungerford, certainly to Mr. Beatty, that in the course of natural decrease year by year in the number of the employees there need not be very much interference at all with the number of those who work on the railways. Some high officials of both the Canadian Pacific and the Canadian National Railways have made that statement to myself. At any rate, while I am not disputing my hon. friend's word, I should like him to quote what Mr. Beatty said with regard to forty or fifty thousand men being affected.

Mr. HEAPS: He mentioned a percentage, seventy-five per cent.

Mr. MANION: Yes, and as my hon. friend says, that would work out at forty or fifty thousand. If I remember rightly Mr. Mosher did make a statement before the Senate committee to the effect that it would mean the laying off of some forty thousand men, but I do not agree with him; I do not think that by any method of cooperation that is possible, even by amalgamation, any such number of men would be laid off under any circumstances, even under the present depressed conditions in the country.

Mr. HEAPS: What the minister has just said shows the difficulties that will be encountered throughout the passage of this bill if we have not the experts of the railways to inform us. The fact that Mr. Beatty could make a statement along the line he did would indicate that he must have had certain information on which to base his statement with regard to the saving of \$75,000,000; if he had not some basis for that statement he would not have made it at all. No doubt these figures were given him by experts in his own company and then submitted in the course of a public speech. I would ask the Minister of Railways to reflect for a moment on one of the statements he has made to the committee. He said that in the natural course of events, taking into account those men who leave the railway service each year and those who die off, there need not be much unemployment on the two railway systems. On a moment's reflection, I do not think the minister would have made that statement. Does he not realize that each year there is growing up a new generation looking for work?

Mr. MANION: Not a new generation of railway men.

Mr. HEAPS: It makes no difference. The new generation must be employed somewhere, 53719—241½

and if the possibilities of employment on the railways are being gradually eliminated it means that fewer and fewer men among the rising generation will have any chance of entering the service. Here we have a government who a few years ago pledged themselves to end unemployment in this country; yet the very basis of this bill is to throw twenty thousand persons out of work. That is something that must be considered. In my own constituency there are thousands of railway men whom I shall have to face when I go back and give some information as to what their prospects are likely to be in the immediate future. Am I going to go back and tell them that when this matter was being discussed on the floor of the house the minister was unable to give any information?

Mr. MANION: The hon. gentleman is disputing a statement which he is under the impression that I made. I did not give it as coming from myself; I said that I had read somewhere that Mr. Beatty had made the statement, and I added that other railway men had spoken to the same effect, that there need be no great interference with the railway employees even by amalgamation. The hon. gentleman was very much shocked. As a matter of fact, I was quoting Mr. Beatty from memory. However, perhaps it might be well for me to read the exact words used by Mr. Beatty in a speech he gave in Winnipeg before the Canadian Club. It was the second address delivered by the chairman of the Canadian Pacific Railway, and it was made on February 8:

Railway labour has been disturbed naturally by proposed changes in administration. The necessary adjustments cannot be made without some disturbances of staff. But, wisely handled, these need cause no widespread discomfort or dislocation. The normal turnover of labour will absorb the majority of those displaced as the adjustments are made. The temporary inconvenience involved will not be greater than that resulting from our present situation, and the change will lead to a permanent cure for the worst evils. There is not the slightest reason to fear that a consolidated system, operated by men who have dealt fairly with employees in the past and who know the priceless advantages of esprit de corps, would show lack of feeling in working out the problem of reorganization. I believe that the advent of such a system would immeasureably improve the position of railway labour in Canada.

Mr. HEAPS: The speech I referred to was the one Mr. Beatty delivered in Toronto, not in Winnipeg.

Mr. MANION: This is subsequent to the Toronto speech.