

ouring to bask in the reflected glory of the president of the Canadian National Railways without there being the slightest foundation for their claiming any credit for his achievement.

The point which I desire to make is this, that if credit be due to anyone in respect to the reduction of the net debt of the dominion that credit is directly due to the management of the Canadian National Railways; for the improved showing which they have been able to make and for the relief which for the last four years they have been able to afford to the treasury of Canada, without one move of the hand or one stroke of the pen by the Finance minister or any of his colleagues, Sir Henry Thornton and his board have accomplished that feat, and to them credit is due and to them the thanks of the country should be returned.

That was three years ago. This is two years ago—the same gentleman speaking. On March 7, 1929, as reported at page 742 of Hansard of that date, my hon. friend the Minister of Justice says:

The result of operations for last year was very gratifying, and I would ask the Minister of Finance to note that the treasury of this country has been relieved very substantially for the last four or five years through the successful operation of Canada's National railway system. On January 1, 1924, an announcement was made by the president that for the first time in its history the national system had produced a net revenue over operating expenses, for the year 1923, amounting to \$4,155,000; in 1924 that revenue had increased to \$18,000,000; in 1925 it had increased again to \$32,000,000; in 1926 the revenue was \$48,000,000; in 1927 it dropped back to \$42,000,000; and for 1928 we have the wonderful result of a surplus in net operating expenses amounting to \$58,000,000. It will take \$50,000,000 of that amount to pay the interest on the bonds which the public hold. I understand the management of the road will pay that interest this year and will still have on hand a balance of \$8,000,000 for other purposes.

That was the year before last.

Mr. DUFF: Who said that?

Mr. RALSTON: That was Mr. Guthrie. He went on to say:

But what about the money it owes to the dominion treasury? The minister intimates that the sum of \$32,000,000 odd is owed this year to the government for interest. It is put down in the books as a debt of the railway, but is purely a book-keeping transaction, and I presume it will be added to the \$1,258,000,000 which the company owed to us at the beginning of the year—

If I may interject, I think my hon. friend was wrong in saying that that amount was owing to the government:

—making the total indebtedness of the system to the dominion treasury about \$1,300,000,000 and to the public about \$1,000,000,000.

In both those respects I think my hon. friend is somewhat wrong. He continued:

In respect, however, to the National railway we on this side of the house are all optimists.

[Mr. Ralston.]

We look upon that railway as practically our own infant and our own creature.

Mr. MACKENZIE (Vancouver): Where is the baby now?

Mr. RALSTON: He went on:

Now, when this wonderful Canadian National railway system has more than justified itself, now that it is rapidly becoming in the nature of a great national asset—

That was in 1929.

—now that we may look forward to a day, not perhaps in my lifetime, but in the lifetime of some here, when this system will start repaying the government of Canada part at least of the money it owes to the treasury, to the day when it will have a clean sheet, as it ultimately will have, in regard to its bonded indebtedness to the public; now that the system is in this, a thoroughly prosperous condition, this government desires to treat it as its own creature. Whereas in 1919 it tried to cast it out as base-born, now it wants to consider it as its legitimate offspring, and to profit by its success. Let me say, in concluding my remarks on this phase of the subject, that the National Railway system in this country constitutes a national monument to the ability and statesmanship and determination of a single man, a member of a former Conservative government, and subsequently Prime Minister of that government. It is to his ability and foresight, to his statesmanship and determination, that the people of Canada are indebted for this wonderful system of National railways.

Now that the road has had a deficit of \$29,000,000 this year, those who were so anxious to claim paternity do not seem to want the infant even on their doorstep, and are proposing to turn it out in a cold world. My right hon. friend I think has not done himself or the road justice. For some reason it suits his purpose to be critical of the Canadian National Railways. I submit that the road is entitled to a fair presentation of its case, and to have its record put on the Hansard of this house just the same as any other public undertaking, and that the presentation which my right hon. friend made on last Monday did not do justice to that splendid experiment in national ownership.

May I read an editorial which sets out better than I could the attitude which I think the people of Canada generally will hold with regard to the Canadian National Railways? It is from the Ottawa Journal of yesterday morning, June 3, and is headed, "Canadian National Finances." It reads:

Mr. Bennett's exhaustive review of the financial position of the Canadian National Railways calls for serious reflection. It does not, however, constitute any basis for attacks upon the system by mere enemies of public ownership. The Canadian National management, during the last few years spent a deal of money. But they spent it, mainly, because the country demanded it, because Canada insisted upon the road giving efficient and first-