

Mr. GRAHAM: It was much nearer amalgamation than anything my hon. friend ever attempted.

Mr. MEIGHEN: Not a particle.

Mr. GRAHAM: The first step towards amalgamation was to form a board under which amalgamation should take place, and for two years the hon. gentleman did not make an attempt to even appoint a board. They gave the one system the name Canadian National, but it was operated by the Canadian Northern and the Grand Trunk as separate entities. Two months after the Privy Council had rejected the appeal this government named a board of directors under the act passed in 1919, and that board set the wheels in motion for the amalgamation of the Grand Trunk with the Canadian National system. The award was handed out on July 28th. On October 4th the new board was appointed,—the House will understand the difficulties surrounding this matter, insurmountable for two years,—and the new board set to work with their counsel to see just how rapidly this amalgamation could be brought about. Even bringing in the Grand Trunk was not so easy, and I am not blaming the hon. gentlemen for not getting it through in two years, but I think they should not blame us for not getting it through in two or three months.

Mr. MEIGHEN: The hon. gentleman cannot be really serious in what he says, if he understands the agreement with the Grand Trunk. Under that agreement the Grand Trunk board remained in control, pending the decision of the arbitrators. In the spring of 1921—only a few months before the award—when they delayed the arbitration as we believed we came to parliament and got authority to put our board in, but it would have been rude injustice to the shareholders of the Grand Trunk to have amalgamated and done away with the Grand Trunk altogether, when there was a possibility that they would require access to data for the purposes of the arbitration.

Mr. GRAHAM: I suppose these were all necessary for the purpose of the appeal?

Mr. MEIGHEN: No. The evidence was in.

Mr. GRAHAM: Consequently my hon. friend's argument applies to us just 4 p.m. as much as to him, and I am not blaming him, as I said before, for going so slowly for two years. There are many difficulties in the way. But I do blame him for saying to the House that in two [Mr. Meighen.]

months we could clear up all those difficulties and amalgamate the Grand Trunk, and I make the further assertion that, in two months we did take the first step towards amalgamation and appointed a Canadian National board, and on January 30, the Grand Trunk became a part of the Canadian National system.

Mr. HANSON: Was there not a Canadian National board then? Were not Mr. Barnhill, Mr. E. R. Wood and Mr. E. T. Riley on that board?

Mr. GRAHAM: There was never any Canadian National board until October 4, 1922.

Mr. HANSON: That was when you promulgated the appointment?

Mr. GRAHAM: There was not any before that. By order in council the systems were called the Canadian National system prior to that, but the board was the Canadian Northern Railway board.

I want now to give the dates, so that we will have them in proper sequence. When the late government took control of the Grand Trunk they appointed a separate board for the Grand Trunk, not an amalgamated board, with Sir Joseph Flavelle as chairman. It became the duty of the present government when we wished to bring about the amalgamation, first, to retire the directorate of the Grand Trunk and the Canadian Northern, for these were the only directors in existence, to make way for whoever we might propose as the new Canadian National board. The new Canadian National board when named was only a board, it had no railway to run except as an operator, and there was not one single mile of railway otherwise under that board; consequently it was necessary to appoint that same board as the board of directors for the Grand Trunk, the board of directors for the Canadian Northern and practically the board for all the subsidiary companies of the Canadian Northern. This continued until the Grand Trunk board was brought in a few days ago by order in council under the act of 1919 and the Canadian Government Railways were brought in. At the present time the Canadian National is operating the Canadian Northern and its lines until such times as they can be brought in, but it is in control, and practically the owner of the Grand Trunk and the Canadian Government Railways, the latter for operation only. I will give the dates now, so that we will have them in sequence.

The formal transfer of control of the Grand Trunk was effected at the initial meeting of