

in America that is spending such a large amount of money on betterments and equipment, and the National is supposed to be a new system, with new rolling stock, new stations, and so forth. I think in view of the expenditure of some \$587,000,000 to date on capital, as I pointed out before, on the National Railways, we could get along for a while without new branch lines, sidings and turn-outs, and call a halt on a lot of it that is not immediately revenue producing.

I believe it was wrong on the part of the new Railway Board to countermand the no-politics order. I believe that no good will come from the revocation of that order by the chairman of the board after he had been in office only a short time and had had only a cursory look over the system. I have here the report of the Royal Commission on Railways of 1917 which recommends against the employees of the system being allowed to take part in politics. In May, 1903, there was another royal commission on transportation appointed in Canada which also recommended the same thing. They have had the same experience in the United States, and in Victoria, Australia, where the men went on strike and alienated public sympathy by their attitude in 1903. I think the no politics order was right and proper, and showed the wisdom of Mr. Hanna, and now the new directorate is turning things topsy-turvy and upsetting the no-politics order. I say that is not even in the interests of the men because under public ownership the men need never be afraid of their employers. They will be better treated than under private employers. Their employers can afford to pay because the railway is operating at cost.

In conclusion, I wish the National Railways every success. I believe that before many days are over this magnificent investment of the people of Canada will be able to pay its way. It is a magnificent system, one of the largest and one of the best conducted in the world. We had no strikes on the railway last year. The passenger service in Ontario has never been equalled. So much is that the case that the National Railway is taking business from the Canadian Pacific on all the main lines in Ontario. If we can only do something to keep down the expenses, if we can complete the deepening of the Welland canal and encourage water-borne traffic as a feeder to the Nationals, I believe that a day of prosperity lies before the National Railways.

Mr. CANNON: I listened with great interest to the remarks made by the ex-Minister of Finance (Sir Henry Drayton). I wish to say very frankly that I was astonished to hear my hon. friend express surprise

that the Canadian National Railways were administered in such a way as to take away practically all departmental responsibility. My hon. friend has been in this House for four years now, and if I am not mistaken he was present in 1919 when the legislation that exists to-day was introduced by his own friends. We pointed out at that time that the law should not be what it was. We pointed out at that time also that the law contained clauses which were a real danger to responsible government in Canada. The answer given to our arguments was not the answer which my hon. friend is receiving tonight. It was the usual answer given by the Tory government of that time—closure. That is the only satisfaction we got. The law was put into force, the railways were administered under it, and I really do not understand my hon. friend tonight when he grieves that the Minister of Railways has not got anything more to do with their management than the law enables him to have. I will refer my hon. friend to the debates which took place during 1921 when he was sitting to the right of Mr. Speaker and supporting the government led by the present leader of the Opposition. Dr. Reid who has now gone to the Senate was then Minister of Railways at that time about the administration of the railways and how things were managed. My hon. friend was Minister of Finance in the House at that time, and although I have read the reports in Hansard very carefully I can find nowhere that he protested in the way he is protesting tonight. For instance at page 1663 of the Hansard of 1921, Dr. Reid made the following statement to the House in the presence of my hon. friend:

None of the officials or the minister has anything to do with the expenditure. That is left entirely to the management.

Sir HENRY DRAYTON: Hear, hear. I still agree.

Mr. CANNON: So if the then Minister of Railways could make a statement of that kind in the House of Commons when my hon. friend was Minister of Finance, how can he get up tonight and sincerely express surprise when the present Minister of Railways takes exactly the same position that my hon. friend's friend took two years ago? On the same page of Hansard the Minister of Railways of that day said:

We have a Board of Management operating the Canadian National railways. They were placed in charge, and have been operating the railway. I have not in any way interfered with them. I feel that if the operation of the Canadian National railways is