

vances would not be required indefinitely. There were a few important changes made which I think are worthy of mention.

There had been going on the practice of what we called the switching of votes of money. It had been the privilege of the Canadian National Railway up to about a year ago, if an appropriation of one million dollars, we will say, had been passed for an expenditure in western Canada, to switch that expenditure to eastern Canada, or vice versa. As a matter of fact, in 1930 the switching amounted to well over eight million dollars. No order in council was needed to make the change in many cases. Perhaps it was in some cases, though I doubt it. At all events, this switching was permitted. That was a power which even the government of Canada does not possess, because, as members of the house know, the government cannot devote an item passed for one particular purpose to any different purpose. This switching practice of the Canadian National Railways was discontinued. The question was up last year in this house and the right hon. gentleman who leads the opposition emphatically supported the government in the attitude which they took. That was one of the important changes made, though not necessarily an economy.

Another very useful and important change that was made was the appointment by order in council of a finance committee early in the year 1931. The personnel of the finance committee comprises the president of the road, the legal vice-president, and the Deputy Minister of Railways, who represents myself on the board. The duty of the finance committee was to investigate all the proposed expenditures of capital and to inquire if those expenditures were likely to bring in an adequate return. If they considered that the expenditures were not justified it was their privilege to recommend to the executive committee, and from them the recommendation was made to the directors, that those expenditures should not be made. As a result of the work of that committee in 1931 the figure of twenty million dollars for additions and betterments, called in this bill construction and betterments, was cut down by thirteen million dollars. As a result of the finance committee putting its foot down the Canadian National instead of spending twenty million dollars on additions and betterments last year spent only seven million dollars, and there was held up for the time being at least some thirteen million dollars of expenditure.

Then the management put into effect a number of very important economies amounting to thirteen million dollars which they

[Mr. Manion.]

claimed as special economies. That thirteen million dollars was made up of many items, some of the chief being the paying off of some highly paid but supernumerary officers who were looked upon as deadwood; the cutting off of unnecessary services and markedly non-paying services on some of the branch lines; the curtailing of the services of even some of the trans-Canada passenger trains; the adjustment of salaries and wages; the doing away with the triangular steamship service which had just been inaugurated and was losing very heavily on the Pacific coast; the cutting out to a large extent of club dues, entertainment fees, officers' expenses and matters of that sort; and the cutting off of a steamship subsidy amounting to something like \$200,000 a year which it was decided was lost money entirely. After that subsidy was cut off I was rather interested in noting that the steamships still continued to run. Those items with others made up, they claim, a total of special savings of \$13,000,000 in 1931, and they claim that special savings in 1932 will amount to a further \$15,000,000, not a duplication of the \$13,000,000, but an extra \$15,000,000 in 1932, or a total of special savings in the two years of \$28,000,000. A number of these economies I might say were suggested by the special committee of this house on railways and shipping, which deals with these matters. It is the opinion of those who follow the records of the railway and of the special committee of the House of Commons of which I was speaking, that last year's committee did the best work of any committee which has ever served for this purpose. That committee is made up, as the house knows, of members from all sides of the house, and certainly many of the committee's recommendations were justified.

In addition marked economies were made through greater cooperation than had been formerly taking place between the Canadian Pacific Railway and the Canadian National Railway.

Surely all those economies are an achievement worth mentioning, and may I add that it seems to me there is still much to be done from an economical standpoint. As a result of those economies—I am nearing the end of my remarks, and I can assure my right hon. friend that I have no more articles that I wish to put on Hansard—protests came in from all parts of this dominion. Every section of Canada apparently has a mentality that permits it to advocate economies for every place but its own particular section, and consequently every section took the attitude that services should be cut off elsewhere but that