

*Supply—Railways—C.N.R.*

They claimed \$1,350,000 and the Exchequer Court confirmed the price tentatively arranged between the parties at \$1,200,000. If it were not for detaining the committee I would read the judgment which would give the figures, and I am sure every hon. member would be convinced that the Canadian National Railways through the Canadian government have made a deal which is a bargain and which is clearly in the interests of the railway system.

Now, as to the Paris building, the Canadian National could not purchase it. But my hon. friend compares us to branch lines. Now, the places for the branch lines will stay there; they are not liable to leave; no one is liable to take possession of the property. When the opportunity came to get a good location in the city of Paris, rightly or wrongly the president took advantage of the situation as I have outlined. We hope that before the House meets again the country will have been convinced that this is a good proposition; the Canadian National Railways, being relieved of all financial responsibility, will have a home and a place to do business in one of the best locations in the city of Paris.

Mr. BAXTER: It is not a question whether this is a good buy or a bad buy; that is not involved in it. What is involved in it is that it is a purchase or an arrangement made, if I understand the minister aright, without any consultation with the minister or without the minister being informed that such a proceeding was in contemplation. Of course, if we are coming to that, all possible sense of responsibility is gone. A few years ago—I was not in this House—some hon. members who are not now sitting where they were then criticized very severely the attitude of the then government because the railway transactions were not apparently to be submitted to the House until after they were concluded. Well, if that was a good principle then it ought to remain a good principle in the minds of those who first laid it down. I can well understand that one cannot go that whole length, and I would not press the minister to do it, but I suggest that the money of the people should not be spent without even a single minister of the Crown having the slightest intimation of what is projected by this body which has been organized to manage National Railways. It does not appear that even a single director of the company had any knowledge of the matter, outside of the president. I want to know if I am right in that; I am inferring it from the discussion that has taken place

[Mr. Graham.]

here. If I am right—well, there will be an imperial Caesar set up before whom we must all bow the knee.

Mr. GRAHAM: I have not any information as to whether or not it was before the directors; I did not make inquiries. I know that a number of directors were conversant with it; the solicitor, who is a director, advised that the transaction was legal in every respect.

Mr. BOYS: Is there a written agreement between the syndicate and the owner or owners of the Paris site?

Mr. GRAHAM: I do not know.

Mr. BOYS: It was really bought, I understood, for the purposes of the National Railways. If that is so, surely there would be a written agreement, and then if the National Railways are to be in a position to get the benefit of it there would have to be at least a trust agreement between the syndicate and the National Railways. If there is not, and the syndicate have a written agreement to control the situation they could hold up the National Railways in the ultimate purchase by them. Now, that is a very undesirable situation. I understood the minister to say that this building had been bought for the National Railways. If that is so and there is absolutely nothing in writing that the minister knows of, either with the owners in Paris or with the syndicate in New York, surely the National Railways are in great jeopardy—that is all I can say—if this is a very valuable site which they want to get.

Mr. GRAHAM: I think my hon. friend will find that the interests of the Canadian National Railways are fully protected by the London office.

Mr. BOYS: I am not saying they are not, but I am asking the minister to let us know that they are.

Mr. GRAHAM: So far as my hon. friend's question regarding the agreement is concerned, that is but another way of getting the information that I say it would not be fair to give.

Mr. BOYS: I have carefully refrained from asking the minister for the terms of the agreement or even for the names of the members of the syndicate. But surely this committee can be told—

Mr. GRAHAM: I do not know that there is an agreement.

Mr. BOYS: If that is so, what right has the minister to say that this is for the National