

depriving the Canadian Pacific of its integral power of management. It recommended that the railway should no longer be managed by directors chosen by the shareholders, but by a board with respect to which the government of Canada would have the same rights of selection as the railway would. The suggested invasion there was overwhelming. Possibly Mr. Beatty did not intend to endorse that recommendation specifically. My only object now is to point out that the Senate committee of 1925 foresaw a very great impending emergency, and came to the conclusion that the only way to meet it was through some form of invasion of charter rights of the Canadian Pacific. Then later the Royal Commission, after sitting nearly a year, found that the emergency could only be met by another process of invasion, a method which they deemed, in the circumstances, would not be unfair.

I do not think that the existence in the past of tribunals, whose function is the settlement of disputes, has resulted in encouraging enmity between parties. But Mr. Beatty fears that the appointment of the proposed tribunal in this case would have such a result. In the past has the existence of tribunals not conduced to the settlement of disputes without recourse to such tribunals at all? I am sure that that is the thought the Commission had in mind, that the very existence of a tribunal would be conducive to settlement of disputes and that the functions of the tribunal would not be frequently invoked.

I could not add to what I have said, save at the expense of considerable time; and I hope that if the Canadian Pacific feels that any remarks of mine call for further comment they will make it at the present time, so that the committee will have the benefit.

Mr. BEATTY: With the permission of the committee I should like to make one or two observations. I think we are all agreed that the members of the Commission were men of high character, standing and ability. They almost produced a good report. Mr. Meighen seems to think that their conclusions should be given so much weight as to be almost binding upon Parliament. I do not agree with that. The commissioners have made their report and stated the reasons for it *in extenso*. You are capable of making up your minds as to its wisdom or lack of wisdom, practicability or impracticability, and legislating accordingly.

In some respects I think the Commission's views are extraordinarily faulty. In others, their findings of fact are equally so. But in the main they have dealt with a very difficult and complicated question, involving thousands of pages of intricate statistics, in a way that certainly was praiseworthy. But to say that because they have spoken the rest of us must not have any more ideas on railway subjects, is asking me to accept too much.

Senator Meighen questions the propriety of my idea that the commissioners were illogical in fearing that too much authority might be given to a small group of men, and in giving it to one man. If a group of men, say fifteen in number, had committed to them the administration of the railways of the country, under an agreement between the owners of the properties, these men would probably be the ablest and wisest that he could find in this country. I would have no more fear of any unwise act on the part of those men than I would of such an act by one man who would have the power to sign an order that both railways would have to obey, with respect to an administrative question.

Senator Meighen also says that the incentive to co-operation existed in the last few years; I think he said eight or ten years. But the incentive to co-operation did not exist in the last eight or ten years, because we were having good times, our earnings were increasing, our business was booming, and we all thought that we would escape any serious difficulty. The necessities of the situation and the prolonged depression have compelled us to modify our ideas as to what we should do in the next few years, and it is for the next few years in particular that this legislation is presumed to be effective.