

sometimes that a little outside influence is being used when I see certain questions on the Order Paper, the answers when given disclosing to our opponents information detrimental to our system. But when we get the Grand Trunk railway and add it to our present system then a policy of absolute confidence in management must be continued. Therefore, I appeal to every member of this House, as well as to every citizen of Canada, to assist the Government in carrying out the operation of this great railway, owned by the people of Canada, on the same basis as that of our Canadian Pacific Railway system.

Now, Mr. Chairman, the Canadian Pacific Railway system is a great one. It has done great work for Canada, and the fact of the Government owning and operating a system equal to that of the Canadian Pacific railway should not in any way allow any influence, or advantage to be exercised against the Canadian Pacific Railway. The operation of this system must be put in the hands of men who must carry it out on the same lines as though it were a private corporation. They must compete for traffic. They must prove they are able to satisfy the public, and must not take improper advantage of any powers they might have by being owned and controlled by the Government of Canada. I believe there is plenty of room for the two systems, and plenty of room for them both to be prosperous; and all systems, whether private or Government-owned, will be under the jurisdiction of the Board of Railway Commissioners. No preference in any way will be given to the Government railway systems. There is no doubt the Canadian Pacific Railway are against the Government taking over the Grand Trunk Railway system. They were opposed to the Government taking over the Canadian Northern railway; and much greater will be their opposition to the Government taking over the Grand Trunk system. They fear this may lead eventually to complete public ownership of the railways in Canada. They no doubt realize and know the Government could not do otherwise than take over the Canadian Northern system, no private individual or individuals could take over the Canadian Northern under the conditions. They realize that no private individual or individuals could take over the Grand Trunk Pacific and realize the Grand Trunk railway can do nothing other than join up with the Canadian Government system.

The only other alternative would be to hand all our presently owned Govern-  
[Mr. J. D. Reid.]

ment railways to the Canadian Pacific, and I do not believe for one moment the people of Canada would stand any such suggestion. During the war the three Canadian railways, namely, Canadian Pacific, Canadian Northern and Grand Trunk carried on their operations most harmoniously. Then in addition there was what has been known as the Canadian Railway War Board, which really means co-operation in every way to assist each other, and in the public interest. They have worked so well together that I sincerely hope and trust the good work they have done so harmoniously will continue.

When the House goes into committee all information required by every member of this House will be furnished. I think this matter is one that requires the most serious consideration of the House so that all the facts may be known. For that reason while members of the House expected to get away within a day or two may I hope and trust that they will take a great interest in this matter—discuss it thoroughly—give us the benefit of their advice. I am sure after it has been thoroughly discussed the House will pass the resolution and pass the Bill. Documents containing a large amount of information have already been laid on the Table, and other information necessary will at once be furnished. Let us then join together and do all we can to try and work this railway situation out of the great tangle which it has got into and let us try and make it one of the greatest assets that Canada has.

Mr. VIEN: Did I correctly understand the minister to say that the Grand Trunk Pacific was taken over because the Grand Trunk was in default with respect to the interest on the bonds?

Mr. REID: What I wished to say was that the Grand Trunk railway is taken over because it is found that it is in difficulties on account of the position that it is in with respect to the Grand Trunk Pacific. The Grand Trunk Railway Company guaranteed a large amount of the bonds of the Grand Trunk Pacific railway. They must pay the interest on those bonds, they are liable for it, but if they had to pay the interest on those bonds it would prevent them from paying dividends to their shareholders because the interest is a first charge on the earnings of the Grand Trunk.

Mr. VIEN: My question was not that. I understood the minister to make a statement in his opening remarks to the effect that the cause of the receivership which was instituted by Order in Council last