

Sir HENRY DRAYTON: But that is being smoothed away?

Mr. HENRY: It is being smoothed away.

Sir HENRY DRAYTON: It was on a five-cent basis.

Mr. HENRY: That has been. With the exception of the city service, they were all on a basis of a five-cent fare. The inter-urban services have paid.

Sir HENRY DRAYTON: I think they got eight per cent on the inter-urban service.

Mr. HENRY: We lost money on the urban service but the inter-urban more than made up that and gave us operating expenses and interest on the investment and advances.

Sir HENRY DRAYTON: For years it was carrying itself?

Mr. HENRY: Oh yes.

Sir HENRY DRAYTON: The inter-urban service?

Mr. HENRY: Yes.

Mr. MILNE: That is not purely a passenger service.

Mr. HENRY: No, passenger service and freight service.

Mr. MILNE: How did the freight haul compare with the steam haul?

Mr. HENRY: It has to have the same rates. It is under the same scale of rates as the steam rate exactly but it has the advantage of getting closer to the industries in that district.

Sir HENRY DRAYTON: It is a very good feeder?

Mr. HENRY: Very good indeed.

Sir HENRY DRAYTON: That is one that is very good.

Mr. MILNE: Is it cheaper to operate with steam?

Mr. HENRY: It is. Your traffic is heavier, and it is heavier in that district.

Mr. MILNE: The power is purchased?

Mr. HENRY: The power is purchased on a contract from the Hydro Commission. The second line, the Toronto-Suburban, was also part of the Canadian Northern. By the way, these lines were a part of the Canadian Northern System. The Toronto-Suburban extending from Guelph to Toronto had about seven miles of line in what is known as ward seven in the city of Toronto. The franchise with respect to one part of that expired I think in 1921. The franchise with respect to another part expires in 1928. Under an arrangement with the city of Toronto that was taken over. The agreement was effective during the past summer. That left us with this Toronto-Suburban line starting at Guelph and terminating at Lambton.

Sir HENRY DRAYTON: Are you still running to Keele Street?

Mr. HENRY: No, we terminate with the city limits.

Sir HENRY DRAYTON: That is under the recent arrangement?

Mr. HENRY: We did run to Keele Street, along the Dundas and Devenport Road, but the city has now taken over this line, and they have changed or are changing the gauge. We also have a street-car service running up through the municipalities of Mount Forest and Weston on these streets, and then an eight-miles branch from the Northern end of Weston to Woodbridge. We are negotiating with these municipalities now with a view to having them take over these lines as the franchise will expire in about four years. They have the right to acquire them at a valuation.

Sir HENRY DRAYTON: Taking the Lambton and Woodbridge line for example, under the old system a man would take his car to Woodbridge and get off at Keele St.?

[Mr. Henry.]