

Mr. PETERS: Well, in the case of the Ontario Northland Railway the suggestion was made—and I think it was made by the Canadian National Railways—in respect of express particularly, that this is something similar to two milk companies delivering on the same street, where an arrangement could be made—which would be much more advantageous—for one delivery only.

I would think this should refer to the trains, particularly when they are coming in at the same time. But, there is a difference to this extent: the O.N.R. was the only one operating trackage and the express was shipped via Canadian National Railways and via Canadian Pacific Railway, although they as well as the O.N.R. have a distribution system.

It would seem to me that if the Ottawa terminal is to provide better service at less cost there would be no gain in the express or freight deliveries from that terminal being made by the individual company. I have no argument and there is no suggestion of an argument in respect of the business arrangement and solicitation by traffic agents of transshipment, but it would seem to me that the distribution logically would fall under the terminal and that the terminal easily could provide the distribution, which would account for considerable savings. I think the Canadian National Railways officials have been wrong in their argument as it relates to the O.N.R.

Mr. MACDOUGALL: I do not think there is any hard and fast rule for or against that type of arrangement. Each one of these local terminals in these areas is located at individual points, and I think you probably will find there is a variety of different ideas employed at different places, dependant upon the local circumstances. This terminal company has the power to do what you are speaking of, to handle pickup and delivery services in and about the city of Ottawa, and both the national railway companies have this power and do perform the service today. Whether in two years or five years from now they will turn all of this over to the Ottawa Terminal Company, I am unable to say. That point has not been raised to date. But at the present time, as far as I know, each company will continue to look after its own interest here and will use the services of the Ottawa Terminal Railway Company to do the joint things which are necessary to be done. The purpose of this bill is to empower the Ottawa railway company, when they want to do something jointly, to do it.

Mr. HAHN: I have a question with regard to the effect of all this on industry.

As I read the agreement between the three parties on pages 14 and 15 it is my understanding that industry is going to lose its rail sidings as well as trackage that is to be removed and they will not be compensated in any way other than by being offered land in one of the new industrial subdivisions at a reasonable rate, as well as being given free siding in these new locations. Is that correct?

Mr. MACDOUGALL: I think generally that is correct, but I am not sure that in the detail it is entirely correct. But, as I say, that is the general premise. Those who are served by railways who cannot be continued to be served because of changes being made and because of configuration of the lines will be offered facilities in a new area. And I think the National Capital Commission's policy has been that they will bring them into these new areas and make them whole in these new areas, so they will receive rail services.

Mr. HAHN: Am I to understand that the move to the new area would be at the expense of the company? If this is true, it would seem to me it is working a very great hardship on an industry which is dependant on a rail siding. If you suddenly took the sidings away companies would be forced to come up with the necessary capital to relocate.