

Mr. Gordon then read the 1958 Budget and on motion of Mr. Smith (*Simcoe North*), seconded by Mr. Martini, the said Budget was adopted.

The Committee then turned to the Canadian Railways Securities Trust. This Report was adopted on motion of Mr. Kennedy, seconded by Mr. Tassé.

The Committee then considered the Auditor's Report both for the Canadian National Railways and the Canadian National (West Indies) Steamships Limited.

Mr. J. A. Wilson of George A. Touche & Co. was called. He was assisted by Mr. J. W. Beech. Mr. Wilson made a statement on the depreciation accounting. The Auditors' Report was adopted on motion of Mr. Martini, seconded by Mr. Smith (*Simcoe North*).

The Chairman expressed the Committee's appreciation to Messrs. Gordon, Dingle and Armstrong for the manner in which they appeared, and to the other C.N.R. officials for the diligence with which they provided answers to questions.

It was agreed to consider the items of the Estimates referred to the Committee at the afternoon meeting.

At 12.40 p.m. the Committee adjourned until 3.30 p.m. this day.

AFTERNOON SITTING (6)

The Committee resumed at 3.30 p.m. The Chairman, Honourable W. Earl Rowe, presided.

Members present: Messrs. Bourbonnais, Broome, Carter, Chevrier, Chown, Creaghan, Fisher, Fraser, Gundlock, Kennedy, Loiselle, Martini, Mitchell, Monteith (*Verdun*), Pascoe, Robichaud, Rowe, Rynard, Smith (*Calgary South*), Smith (*Simcoe North*), and Tassé.—(21)

In attendance: Same as at morning sitting.

The Committee considered items 431, 432, 442, 443 of the Main Estimates 1958-59, and item 635 of the Supplementary Estimates of 1958-59 and agreed to recommend their approval to the House.

On motion of Mr. Chown, seconded by Mr. Pascoe, Mr. Gordon's examination was concluded and he was retired.

The Committee then proceeded to the consideration of the Annual Report of Trans-Canada Air Lines, the printed Minutes of Proceedings and Evidence appearing in issue No. 2.

TUESDAY, July 29, 1958.
(8)

The Sessional Committee on Railways, Air Lines and Shipping met at 10 o'clock this day *in camera* to discuss its Third Report to the House. The Chairman, the Honourable Earl W. Rowe, presided.

Members present: Messrs. Bourbonnais, Carter, Drysdale, Martini, Mitchell, Robichaud, Robinson, Rowe, Smith (*Simcoe-North*) and Tassé—(10).