

Mr. GORDON: That raises the general question that always has been raised about the profitability or otherwise of grain moved under Crownest Pass rates. My opinion is that that business is marginal. Other opinions have been expressed to the effect that it is conducted at a loss. That question can be established only by a very detailed analysis.

Mr. JOHNSTON (*Bow River*): Have you the cost per ton mile in handling grain? I notice you gave the over-all ton mile, but what would be the cost of hauling grain per ton mile?

Mr. GORDON: Without a very, very detailed, very expensive and long analysis we could not give you that figure in connection with any traffic for that matter. However we do have the over-all per ton mile rate. This year our average revenue was 1.461 revenue per ton mile. That compares with last year of 1.511 cents per revenue ton mile. That is the over-all average. It is the same thing mentioned in paragraph 6.

Mr. JOHNSTON (*Bow River*): That is from all freight.

Mr. GORDON: Yes. If we take any specific item in here and try to establish a cost accounting of that it becomes a very involved and very difficult answer to give.

Mr. JOHNSTON (*Bow River*): Then how would it be possible for either the C.N.R. or the C.P.R. to claim that they lose money on the haulage of grain when particularly one of your greatest items for freight is grain and your over-all profit is high?

Mr. GORDON: Let me make myself clear. We do know, as a general approach, what our costs are in respect to the specific types of traffic. What I am saying is if we had to produce those costs before a judicial body then we would have to establish a technique which would be time-consuming and very involved. That is why I have always refrained from making an assertion because the minute I made such an assertion I know many people would immediately challenge my figures; they would not believe them.

Mr. JOHNSTON (*Bow River*): When you say that you refrain from making the statement do I take it that the C.N.R. has never proposed that there should be an increase in the Crownest Pass rates?

Mr. GORDON: We never have, so far as I know. We have said in our opinion the rates for moving grain are too low in relation to the cost, but certainly in my time we have never conducted a campaign of saying the Crownest Pass rates should be raised, for the simple reason that we regard that as a matter for parliament. It is a matter for statute and a matter of law. I obey the law; I do not challenge it. I may have opinions about it, on the other hand.

Mr. JOHNSTON (*Bow River*): I think it is common knowledge that the C.P.R. definitely has attacked the Crownest Pass rates.

Mr. GORDON: Anyone who has views about changing the law can express those views properly. If I were called as a witness before a properly constituted body which had for its purpose the examination into the rates I would state my opinion.

Mr. JOHNSTON (*Bow River*): When you made the general statement in respect to the haulage of grain did you not have to go into a very extensive and detailed study of the cost per ton mile of hauling grain.

Mr. GORDON: Yes.

Mr. JOHNSTON (*Bow River*): There was an increased over-all revenue from freight, and grain is one of the large commodities hauled.

Mr. GORDON: Yes. But you must remember this. This is something which gives people a feeling that there are unfair statements being made about the hauling of grain, because of the fact that any time when there is a large grain