

That telegram is signed:

Louis Landry, Sec. Treas., James Richardson Company Limited
and his 600 employees.

So you will see Mr. Chairman that there is no opposition on the part of the truckers in this regard. I am sure that the establishment of this railroad line will assist the truckers in my riding.

The CHAIRMAN: Thank you very much Mr. English.

Are there any further questions, gentlemen?

Mr. FISHER: Mr. Chairman, I should like to ask a question regarding the rates that Mr. Scott has given us. I understand you gave us the average, Mr. Scott, and I should like to know where you obtained these rates?

Mr. SCOTT: The rates I gave you are not rates strictly speaking as you will appreciate, Mr. Fisher, but are revenues per ton. These were arrived at on the basis of the average of the type of traffic foreseen, in order to establish a tonnage revenue figure which we could apply against the estimated tonnage.

Mr. FISHER: I should like to ask the Canadian National Railway Company officials if they are prepared or have planned to put incentive rates in to this area in order to capture as much traffic as possible?

Mr. DINGLE: I cannot state what rate structure will apply, Mr. Fisher, as I have not discussed this as yet with our traffic people. I can assure you that we will do all we are able to do to generate traffic.

Mr. FISHER: Has the government made any approach to the Canadian National Railways in terms of early management of this railroad during an uneconomical period in order to make sure that the rates are minimal? I raise this question because it has been my experience that as soon as a railroad line has been established the people shipping over it complain about the rates.

Mr. DINGLE: As far as we are concerned at the moment the normal rate structure will apply. Whether there will be adjustments needed or not I do not know.

Mr. FISHER: I understand that you are prepared to go out and secure agreed traffic charges and make arrangements of that kind?

Mr. DINGLE: I would say yes, of course.

The CHAIRMAN: Shall clause 1 carry?

Clauses 1 to 3 inclusive agreed to.

On clause 4—*How payments to be made.*

Mr. BOURGET: Can the minister inform us when we may expect the construction of the line to commence?

Mr. BALCER: The actual survey will commence as soon as the snow begins to melt. We expect to call contracts for the actual construction of the line in the fall.

Mr. BOURGET: Plans have not been started yet for bridges which have to be constructed?

Mr. BALCER: No detailed plans have been made as yet because a detailed survey has to be made when the snow begins to melt.

Mr. BOURGET: Thank you.

Clause 4 agreed to.

On clause 5—*Adjustment of surplus or deficit.*