

6-7 GEORGE V, A. 1918

Q. Yes?—A. All that, you see, insofar as the business is going over public lines, would be eliminated and the difference would go to the credit of net earnings.

Q. On public lines the service is already provided for, and the cost thereof is charged up under the head of "operating expenses?"—A. Yes.

Q. Consequently if there is any difference at all it would be in the nature of a saving?—A. It would be a matter entirely of experiment, but, if you can assume that the Government taking over a public utility of this character, could also exercise the right of fixing the allowance to another carrier, you might very, very materially affect your net earnings.

*By Mr. Stewart (Lunenburg):*

Q. Did you have in your mind express privileges and not operating expenses?—A. No.

*By the Chairman:*

Q. Perhaps I did not make myself clear. The express company knows exactly the cost of its operating expenses which includes the entire cost of the staff, etc.?—A. Absolutely.

Q. I presume that the same staff would be able to carry on the same business if the Government of Canada were to intervene and say: "We will carry on this service ourselves." Would the cost of the service in that case necessarily be increased?—A. I think the cost would be reduced. Here is a case where you have a duplication in operating cost; you have the Dominion Express and the Canadian Express with separate cars and separate staffs. If the Government were operating that service it would, I presume, consolidate these two and the saving in the cost of the operating expenses would be almost the difference between the present cost and the cost of the improved service after the elimination of one car and one staff.

*By Mr. Stewart (Lunenburg):*

Q. Would you not have to increase your staff along the line? The C.P.R., for instance, now have their own agents to act at local points?—A. Yes.

Q. And if the Dominion railways were operating their own service they would require to have agents also?—A. They might have to allow them a commission for the service.

*By Mr. Loggie:*

Q. I think you will find that the C.P.R. allow the express agents to do that for them on commission?—A. That is a detail I am not supposed to know much about, but I believe it to be the case; I know, as a matter of private knowledge, that it is the case.

*By the Chairman:*

Q. Now, you will furnish the Committee with that information with regard to financial and other assistance in the way of land grants rendered to the different transportation companies as soon as you can?—A. You asked me for that information simply with regard to the C.P.R. and the Canadian Northern. If you want the same information with regard to all the railways I can give it.

Q. I should like you to include them all?—A. If it is in detail it will be a very comprehensive statement.

Q. I wish also to have the cost of the Intercolonial railway?—A. I can give you that at once up to the 31st of March last.

The CHAIRMAN: I would like to have it in the statement with the other railways.

Mr. LOGGIE: I think it would be important to have the Intercolonial so that we can compare the Dominion and Canadian Express Companies business on our own lines from the other roads.

WITNESS: I can do that. The Chairman asked me to give the aid to the different railways including the Intercolonial. In the case of the Intercolonial I presume that means the cost, because there has been no aid other than the actual cost.

Mr. J. L. PAYNE.