

Mr. HAHN: Is this the point at which you would discuss the rental of cars and exchange of cars?

The CHAIRMAN: No. I think that comes later.

Mr. GORDON: Yes, that is mentioned later under "Taxes, rents, other income and fixed charges" on page 11.

The CHAIRMAN: Then shall this item be carried?

Mr. HAMILTON (*York West*): Well, Mr. Chairman, I have one point here, the drop in the ton mile revenue in addition to the type of goods that is being carried which is reflected in figure. Is there any indication of other methods of transportation getting some of this business, I mean of this higher classification?

Mr. GORDON: Oh very definitely. That is our main and acute problem in regard to trucking competition.

Mr. HAMILTON (*York West*): Is there anything other than trucking? Are the air lines getting any of that?

Mr. GORDON: No, I do not think so, not in important quantities.

Mr. HAMILTON (*York West*): Not appreciably.

Mr. GORDON: Not in important quantities, at any rate not in regard to freight; but the trucks certainly have gone after our high-valued traffic and that is our big problem.

Mr. HAMILTON (*York West*): In connection with paragraph 7 dealing with your application to the Board of Transport Commissioners, when was this application made? I see it says that it was in June that you got your interim increase of 7 per cent. But when did you actually make your application?

Mr. GORDON: We made our application right after the wage award. I have not the exact date at the moment. But we made it closely following the wage award, you know. I seem to have every other detail except that exact date. It would be around March or April, I think. It was a combined application. I should remember the date but I do not do so. I have not got it in my file. But I can tell you that it was in the hands of the Board of Transport Commissioners or about to be placed before the Board when we were here last year.

Mr. HAMILTON (*York West*): What is the usual length of time that you find elapses before you get a final decision?

Mr. GORDON: It varies very considerably. I do not think I can say there is any normal time. It depends on the character of the opposition. We have had occasions when we got a quick judgment on an interim basis.

Mr. HAMILTON (*York West*): I shall only refer to page 9 for reference; but there your wage rates are now pretty well set for two years, I think, from April or May of this year?

Mr. GORDON: They are subject to the increase that takes place in June of this year. The wage rates are subject to another increase coming into effect on June 1st of this year.

Mr. HAMILTON (*York West*): That is right. They are on a sliding scale.

Mr. GORDON: Yes.

Mr. HAMILTON (*York West*): Was this taken into account in the current application before the Board of Transport Commissioners? Were these increases in wage rates taken into account when you made your application?

Mr. GORDON: Yes, because under the procedure of the Board of Transport Commissioners we have to provide a forecast both of revenues as well as expenses and to include in it anything we know about. And we did know about that increase.