

There were on the map other lines, coloured yellow, and they appear in this statement:

Statement of Canadian National Lines included in Canadian Pacific Line Abandonment Programme as submitted to the Royal Commission (Exhibit 50, Senate Inquiry), which are shown as yellow on the map submitted by the Canadian National to the Senate Committee, 1939.

(Exhibit 106)

Note: Lines which are shown as yellow on the map indicate lines on which the operating revenues are sufficient to pay operating expenses and to leave something over towards taxes and interest charges, but not sufficient to meet these charges fully.

Ottawa, Ont. (Federal)—Capreol, Ont., 304 miles.  
 Papineau, Que.—Fresniere, Que., 13 miles.  
 Beaverton, Ont.—Capreol, Ont., 212 miles.  
 Conmee, Ont.—Superior Jct., Ont., 159 miles.  
 Brandon Jct., Man.—Brandon, Man. (M. & B. Jct.), 25 miles.  
 Brandon, Man.—Maryfield, Sask., 75 miles.  
 Hope, B.C.—Vancouver, B.C., 79 miles.  
 Total, 867 miles.

These two statements indicate that 41 per cent of the Canadian National lines which Sir Edward Beatty thought should be abandoned are classified green and 37 per cent yellow. This means that of the Canadian National lines which Sir Edward picked for abandonment only 32 per cent show red on the map—or a shade under one-third of his 5,050 miles.

This statement of Sir Edward's was the only one sufficiently clear and detailed to be tested. Those 5,050 miles were to produce savings of \$16,000,000, or more than \$3,000 per mile. When a few hundred miles were agreed upon for abandonment, it was found that the savings did not amount to \$1,000 per mile; again less than one-third of the Canadian Pacific Railway estimate. It will be seen that the judgment of the Canadian National officials proved to be the sounder.

President Hungerford stated that the rest of the \$75,000,000 of proposed savings—\$56,000,000 to \$59,000,000—would, likewise dwindle to about one-third when seriously put to the test, and this result could be realized as well by co-operation. Quite a number of these savings lack a basis for serious examination, because no precise detail was given which could be tested. The reason was explained by a certain number of witnesses in the committee, and I have here, from page 887 of the committee proceedings, the reply of Mr. E. P. Flintoft, K.C., principal Counsel for the Canadian Pacific Railway, to Senator McRae, regarding a request for information on station abandonment. Here it is:

Senator McRae is suggesting that we go into details of the same character as those which we stated would be embarrassing to the company if they were gone into. As Mr. Pyne

Hon. Mr. DANDURAND.

said, "I should be afraid to go home if I told Senator Haig what I was proposing to do in detail in respect to these matters."

Hon. Mr. Dandurand: Would you not be in danger of going home one of these days?

Mr. Flintoft: I was just going to say that while Mr. O'Brien fortunately does not go home to Vancouver—

Hon. Mr. McRae: I do.

Mr. Flintoft: —at the same time he might meet with a stormy reception on his return home if he gave such details with regard to Montreal. If the committee approves, I should like to withhold details of that character.

Replying to the request of Senator Horsey for information concerning details, Mr. Flintoft answered at page 889.

Hon. Mr. Horsey: You make all the savings explicit and clear to the public as far as abandonment is concerned, and then you stop.

Mr. Flintoft: We did not dictate the policy. The information in regard to track abandonment was furnished to the Duff Commission in confidence, under a definite understanding that it would not be made public. Unfortunately, however—no, it is not right to say unfortunately, because I would not say any action taken by this committee was unfortunate—but I may say that we objected to making information of this sort public, because we thought it might be prejudicial to both sides. However, it was the desire of the committee that the information should be made public, and notwithstanding the fact that it was furnished in confidence to the Duff Commission and was not made a part of their public record, we did furnish it to the committee at their special request. We have already experienced unfortunate repercussions from the fact that that information was made public, and that strengthens our view that it is unwise to make this information public, which may, and does undoubtedly, prejudice the company that reveals it in its day-to-day business.

And at page 890, commenting on the statement of Senator Calder with regard to the Canadian Pacific disclosing which terminal is going to be used, Mr. Flintoft said: "We can't."

Then, at page 754, Mr. R. G. McNeillie, when asked by Mr. Biggar about details of train service proposals, said:

We feel we should not be asked for that detail information. If unification comes in, the problem of what trains are to be taken off or left on will be under the management of the unified organization, and we do not know what the traffic may be at that time. I do not think we should give out at this time details of something that is going to happen a year or two later.

Answering Senator Calder concerning train service details, Mr. McNeillie said at page 755:

We feel it would very seriously affect us in a competitive way if we gave that information out at the present time.

At page 761, in answer to a question put by myself concerning routes where train miles were to be saved, he said: