Mr. HAZEN: Less than half?

Mr. VAUGHAN: Yes.

Mr. HAZEN: Less than a third, I would say.

Mr. VAUGHAN: This is what is covers; his contract is for clearing, grading, installation of culverts and trestles. That is what his contract covers.

Mr. JACKMAN: He does not even make the road ready for you. You have to put on the gravel and the top-dressing and everything else.

Mr. VAUGHAN: Yes.

Mr. JACKMAN: If you were to apply modern costs to the whole of your lines you would have a much higher figure on your books?

Mr. VAUGHAN: The replacement cost of our lines to-day would make it much higher.

Mr. JACKMAN: It would be staggering.

Mr. COOPER: The average per mile is \$84,000, according to the investment account.

Mr. VAUGHAN: That is cost.

Mr. COOPER: Yes, recorded cost.

Mr. RED: On the first page of your report it states, "traffic moved in heavy volume and, measured in train miles, was only 3.8 per cent below the traffic of 1945. In revenue earned, however, the decrease was 7.7 per cent." Now, if you turn to page 6 it says there, "In passenger service, passenger miles decreased 31.4 per cent," and, "the average length of haul decreased 9.8per cent."

Mr. VAUGHAN: Yes.

Mr. RED: If the train passenger miles decreased 31.4 per cent and the other 9.8 per cent, how do you arrive at the average of train miles decreasing by only 6.8 per cent?

Mr. VAUGHAN: I think Mr. Cooper can explain that statistic to you.

Mr. COOPER: The passenger train miles decreased only 4.1 per cent.

Mr. REID: It says on page 6, that operating expenses were reduced  $21 \cdot 4$  per cent.

Mr. COOPER: Passenger miles are not passenger train miles; passenger miles represent the number of passengers carried one mile and it has nothing to do with the train miles. The passenger train mileage is shown further on and it decreased only  $4 \cdot 1$  per cent.

Mr. JACKMAN: You are not giving as much service.

Mr. VAUGHAN: We have to run practically as many trains but there are fewer people on them.

Mr. COOPER: The number of passengers per car decreased by 20 per cent. Mr. REID: You speak of car miles decreasing by 20 per cent—

Mr. Cooper: Yes, there was 20 per cent less in the number of passengers

per car than there was the previous year; that is, every car carried on the average 20 per cent less passengers than in the previous year.

Mr. EMMERSON: In other words, more people got a chance to get a seat this year than last?

Mr. COOPER: That is right.

Mr. JACKMAN: I understand you have put an extra train on between Ottawa and Montreal for Friday night; is that so?

Mr. WALTON: No.

Mr. JACKMAN: Did you just change the time?

Mr. VAUGHAN: That was not our train.

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