

Mr. BROWNE (*Vancouver-Kingsway*): In any event the committee is in a position to decide what particular information it will require and how far it wants to go into it.

Mr. FISHER: That is the point.

Mr. BALDWIN: The minister said that each case would be decided on its merits with regard to what the policy or suggestion of the railway will be, and I suppose the government feels the same way.

Mr. BALCER: Definitely, because for instance, the committee will remember that last year on the Pine Point Railway bill we produced the full agreement and all the details. But it was a different branch line from this one, or from these two, because these two are ordinary branch lines and are based on contracts between private companies and the Canadian National Railways. I am advised by the Canadian National Railways that it would embarrass them in future negotiations, if we were to disclose certain facts. But as you will see, the two officers of the railway are here, and they will give you a lot of information. However, with respect to certain information, I shall ask the committee not to press too far, because we will simply hurt the national railways and also hurt the companies who have signed contracts with them.

Mr. DRYSDALE: I should like to get a point clarified. I have a little difficulty in understanding, when you have 52 miles of railway which costs \$8,840,000, how you can build a further eight miles for the same amount of money. A figure of \$1,090,000 was tossed in by the Minister of Transport. What happened there is that the original estimate was so far out that in effect you would be able to build these eight miles free?

Mr. BALCER: That is right, yes.

Mr. DRYSDALE: It was poor estimating, to start with?

Mr. BALCER: No; the expenses turned out to be less than anticipated.

Mr. DRYSDALE: What was the actual cost per mile of the 52 miles? Was it \$147,303?

Mr. BALCER: It was \$6,400,000.

Mr. DRYSDALE: How much does that work out to per mile?

Mr. BALCER: I have a list here in my file showing it.

Mr. DRYSDALE: So the present cost then, per mile has increased to \$136,250 and it would cost an additional \$1,090,000 for the further eight miles? I think that is right; there is an increase.

The CHAIRMAN: Are there any further questions, gentlemen?

Mr. BENEDICKSON: Do these figures work out to establish that the additional eight miles are going to cost exactly the amount that was left over from the construction of the 52 miles, or has there been some special estimating on the new ground, which is the basis of this amended bill? In other words, are we simply told that the extra eight miles will cost no more or no less than what has been left over.

Mr. BALCER: No; it has been further estimated.

Mr. DRYSDALE: What would account for the difference in the actual cost of \$124,000 per mile as compared to the estimated cost of \$170,000 per mile? That seems to be a considerable variation. Under the old estimate it was \$170,000 per mile for the 52 miles and that worked out in actuality to a cost of \$124,000 for 52 miles. I am curious to know where the error was made in estimating.

Mr. BALCER: I think this is a fair question; but, if the committee would agree, I think Mr. Purves would be in a better position to answer this question.