

requires materials of all types; and there does not seem to be any need at the present time for spending money on post war projects. That may come in a few years, but it does not seem to be here yet.

Mr. NICHOLSON: How about the employment situation? I saw something somewhere in your report—over twenty thousand Canadian National employees who had been on service during the war and of that number there were seven thousand who were back.

Mr. VAUGHAN: There are a few more returned than that, I think, as I recall it, something like nine thousand have returned to service with us at the present time.

Mr. NICHOLSON: You said, a little less than half of those who had joined; does that mean that there were not enough jobs available for those men who came back and wanted to resume their employment?

Mr. VAUGHAN: There will be jobs for every man who joined the forces who was in our service before the war, to the extent that our schedules provide work. They may have to replace some of the temporary help that was taken on in the last two or three years. We have obliged ourselves to give every man who was in our service and who joined up for active service at least his old job, or as good a job as he had when he went away, and to improve it to the extent that he would have had promotions while he was away, always of course in accordance with our labour agreements.

Mr. NICHOLSON: But less than half of those who joined up are now working with you?

Mr. VAUGHAN: They are gradually coming back. Many of these men, of course, have money in their pockets and don't want to go to work immediately they come back, but they are gradually coming back. There are still some to come back.

Mr. PICARD: Can it be said that the passenger service is now back to its pre-war standard? I mean during the war the inevitable results of the pressure on the system meant lowering of standards. Can it be said that now your line is fully back to pre-war standards in respect to passenger facilities?

Mr. VAUGHAN: Not quite. For instance, on our morning train between Toronto and Montreal we have no parlour car. We had them on those trains before the war, but that equipment is being rehabilitated in our shops and will before long be back in service again.

The ACTING CHAIRMAN: I noticed that the train which leaves Montreal for Ottawa at 4.30 does not carry a diner.

Mr. WALTON: Not at the present time.

Mr. JACKMAN: Do you build many of your own cars and locomotives?

Mr. VAUGHAN: We do not usually build new cars. Our locomotives, passenger cars and freight cars generally are built by commercial shops. We do build a few refrigerator cars in our Winnipeg shops from time to time.

Mr. JACKMAN: Do you have any car-building or locomotive building plants?

Mr. VAUGHAN: We have facilities where we could build cars and locomotives if we had the space in them. These facilities are fully occupied with the repairing of our equipment rather than with the building of new equipment.

Hon. Mr. CHEVRIER: You do all your own repairs, do you not?

Mr. VAUGHAN: Yes.

The ACTING CHAIRMAN: Are there any more questions on page 5?

Mr. MOORE: Yes. There is that reference in the fifth paragraph as to competition between the railway and highway services presenting a problem of growing importance. The member for Skeena asked me to ask you a question in