

Members present: Messrs. Broome, Carter, Chevrier, Creaghan, Fisher, Grills, Gundlock, Hardie, Kennedy, Martini, Mitchell, Monteith (*Verdun*), Pascoe, Robichaud, Robinson, Rowe, Smith (*Calgary South*), Smith (*Simcoe North*), and Mr. Tassé. (19).

In attendance: The Honourable George H. Hees, Minister of Transport; Mr. Donald Gordon, Mr. S. F. Dingle, Mr. R. D. Armstrong, respectively President and Chairman of the Board, Vice-President (Operations), Vice-President (Accounting and Finance) of the Canadian National Railways.

The Chairman referred to the Orders of Reference of Wednesday, July 9, which were taken as read.

The Committee proceeded to the consideration of the 1957 Annual Report of the Canadian National Railways.

Mr. Donald Gordon was called. He read the Annual Report and made an explanatory statement respecting the 1958 revised Budget (Capital and Operating).

In answering questions, he was assisted by Messrs. Dingle and Armstrong.

Before adjournment, Mr. Chevrier asked Mr. Gordon for a statement on the dispute concerning the non-operating unions. Mr. Gordon undertook to provide an answer at the next meeting.

At 12.30 o'clock the Committee adjourned until 3.30 o'clock this day.

AFTERNOON MEETING

(3)

The Committee resumed at 5.30 o'clock. The Chairman, The Honourable W. Earl Rowe, presided.

Members present: Messrs. Bourbonnais, Broome, Carter, Creaghan, Fisher, Fraser, Martini, Monteith (*Verdun*), Pascoe, Rowe, Smith (*Calgary South*), Smith (*Simcoe North*), and Tassé. (13).

In attendance: Same as at morning sitting.

The Committee continued its examination of the Canadian National Railways Annual Report.

Mr. Donald Gordon provided answers to questions which were outstanding and was further examined.

At 6.00 o'clock, the Committee adjourned until 8.00 o'clock in the evening.

EVENING SITTING

(4)

The Committee resumed at 8.00 o'clock. The Chairman, the Honourable W. Earl Rowe, presided.

Members present: Messrs. Bourbonnais, Broome, Carter, Chown, Creaghan, Fisher, Fraser, Grills, Gundlock, Kennedy, Loiselle, Martini, Mitchell, Monteith (*Verdun*), Pascoe, Robichaud, Rowe, Smith (*Calgary South*), Smith (*Simcoe North*), and Tassé.—(20)