

Sir HENRY THORNTON: This point must always be considered in any comparison between the operations of the Canadian National and the Canadian Pacific—and it is an important factor—the Canadian Pacific Railway was built as one entity, each member supporting the other. There was no duplication of shops, and no duplication of other facilities—

Sir HENRY DRAYTON: No duplication of your own tracks.

Sir HENRY THORNTON: No duplication of our own tracks. The parts of the Canadian Pacific Railway and additions to it were built or acquired because they supported or lent support to the rest of the railway.

Hon. Mr. DUNNING: It was a system to begin with.

Sir HENRY THORNTON: It was a system to begin with. Our railway is a collection of what you might call "fragments" extending from the Atlantic to the Pacific, many of which were built, one to compete with the other, and consequently we have a duplication of facilities. Consider, for instance, Winnipeg; we have a very large shop at Transcona; we have another shop in Winnipeg; two shops within a few miles of each other, and we acquired those shops because when we acquired those separate properties, we acquired the shops along with them. Consequently, we are not as favourably situated as the Canadian Pacific Railway. Take the C. P. R. for instance; their cost per thousand miles run of car repairs is probably the lowest on the North American continent, and has excited not only the wonder, but also the admiration of the railway men in the United States and Canada.

Sir HENRY DRAYTON: But we are getting down to that?

Sir HENRY THORNTON: We are getting down to that.

Sir HENRY DRAYTON: That is where the real trouble is.

Sir HENRY THORNTON: I am merely giving that as an illustration of how they have been able, and quite legitimately, to reduce their expenses because the railway was built as a contained system.

Sir HENRY DRAYTON: There is something there that does not help you, Sir Henry (Thornton), because, as a matter of fact, freight train car repairs, where the units are mentioned per thousand miles; for the Canadian Pacific last year was \$12.35, and for our system \$12.36.

Mr. HEAPS: Should that not be taken for a period of years?

Sir HENRY DRAYTON: It shows how they are getting it. It is a very satisfactory showing for the National system. Of course, I suppose they might say that we have more freight cars, which do not need repairs,—

Hon. Mr. DUNNING: Or that we did not repair as much as was necessary. A dozen things could be said regarding it.

Sir HENRY DRAYTON: The only thing that can be said is, from the figures that come into our report—

Sir HENRY THORNTON: Perhaps the most gratifying thing in the whole report is the fact that the transportation expenses, or cost of moving the traffic, is steadily coming down. There is still room for improvement, but I think the situation will greatly improve as we begin to function more and more efficiently.

The CHAIRMAN: Can you say anything, Sir Henry (Thornton), about how this has been obtained?

Sir HENRY THORNTON: It has been obtained by studying the movements of traffic, co-ordinating the movements of traffic, watching the train loadings, watching the car loadings, and to see that each car is loaded to its capacity as far as possible, and that each engine hauls its full load as far as possible. Constantly, opportunities are being developed for further savings. Every month we find something which can be improved upon, so that by constant vigilance and keeping a constant watch on the situation, month by month, and year by

[Sir Henry Thornton.]