

Sir HENRY THORNTON: We have said over again; it was said before the Railway Committee at the time the appropriation was made, and it has been said since. Since you are on that subject—I do not want you to take my word for it—you may regard me as a prejudiced witness—but I would like you to hear what Mr. Hungerford has to say because he has had a large part in the completion of that arrangement, and he is charged with the expenses of the operating department. Perhaps you would like to hear Mr. Hungerford's viewpoint on the subject, briefly. So, if there is anything you would like, go as far as you please.

Mr. HUNGERFORD: Well, so far as reduction of operating expenses is concerned, we are satisfied that there will be a moderate amount. The principal item of advantage in connection with the Montreal Terminals, particularly that portion relating to the Central Station, is the development of space for commercial buildings, that we are satisfied will bring a very handsome return.

There are about 550,000 square feet of space available on top of the railway itself, and with the valuation of the surrounding properties it runs into a very handsome figure. That will not be realized immediately, of course; it will depend upon the trend and direction of building; but it is a most desirable site in Montreal, perhaps the best, and with the development of the past few years, it seems but a few years until that will be wanted.

Mr. HANSON: After all, Mr. Hungerford, is not that only a collateral advantage and not an advantage which arises directly out of the railway management?

Mr. HUNGERFORD: True, but we not unreasonably can expect that condition of affairs. It is on all fours with the development in connection with the New York Central in New York city, which we are informed bears a very high rate on their investment.

Mr. HANSON: You would not compare New York with Montreal?

Mr. HUNGERFORD: But proportionately.

Sir HENRY THORNTON: An estimate was made some time ago, a summary of the tangible benefits accruing from the construction of the Montreal Terminals, and I will ask Mr. Hungerford if he has that in some detail, and if so whether he will read it.

Mr. HUNGERFORD: No, I have not got it.

Sir HENRY THORNTON: I mean Mr. Fairweather.

Mr. FAIRWEATHER: I may say, I made a careful study of the economies of the Montreal Terminals and drew a picture as at the end of five years and at the end of ten years; because you will readily understand, in connection with such a large undertaking as this, it takes time to demonstrate the economies and the earning capacity of the capital.

Five years after the end of the construction of the Terminal and the co-ordination of the Canadian National facilities in and around Montreal, the estimate is as follows:—

Aerial rights . . . . .	\$500,000
Better passenger facilities . . . . .	100,000
Co-ordination of freight facilities, a very important item . . . . .	200,000
Electrification of the terminals, which will be made possible by the new terminal scheme . . . . .	225,000
Additional freight, due to the fact that we will have thrown into intimate contact with our railways in Montreal industrial territory, particularly in the East end of the city where we are now at a very great disadvantage in servicing industry	900,000
Construction of the belt-line . . . . .	95,000

That is only a partial estimate of the economies of the belt-line, because many of the other items are also reflected in that. That is, the \$900,000 additional freight reflects a belt-line, and also the \$200,000 from co-ordination of the freight facilities of the belt-line. But the economies at this point, in connection with the construction of the belt-line, reflect the economies in the transport of freight from one side to the other side of the City of Montreal by the construction of the belt-line. We will save \$95,000 by that single item.