Abandonment of line.

Extending date or rescinding order.

Rationalization of line between systems.

Losses to be claimed by operating company. (7) Where any dates have been fixed by the Commission for the abandonment of the operation of a branch line or segments thereof, the company shall cease the operation of the line and each segment thereof on the date fixed therefor by the Commission 5 unless before any such date the date is extended or the order fixing the date is rescinded by the Commission under subsection (8).

(8) The Commission may

- (a) on its own motion or upon the application of 10 any person extend the date upon which a branch line or any segment thereof is to be abandoned if the Commission is satisfied that the public interest requires such an extension, but no extension under this para-15 graph shall postpone the abandonment of the line or a segment thereof to a date later than five years from the date of the order fixing the earlier date; or
- (b) with the concurrence of the company and on 20 the Commission's own motion, or upon application by the company, rescind any order fixing the date or dates for the abandonment of a branch line if, after such investigation by the Commission as it may require, the Commission 25 is satisfied that the branch line has become or is likely to become an economic line of railway.

314D. (1) In the exercise of its duties under section 314c the Commission may recommend to railway companies the exchange of branch lines between 30 companies by lease, purchase or otherwise, the giving or exchanging between companies of operating rights or running rights over branch lines or other lines of railway, the connecting of branch lines thereof with other lines of the company or another company, and the 35 abandonment of operation of branch lines in respect of which no applications for abandonment have been filed with the Commission.

(2) Where, pursuant to a recommendation made under subsection (1) by the Commission, a 40 branch line is connected to the lines of another railway company, and the branch line is thereafter operated by the company operating the lines to which the branch line was connected, the operating company may claim under section 314E in respect of any losses attributable 45 to such branch line; and any expenditures incurred by the company in connecting such line to its system shall be a cost of operating the branch line in the year in which the expenditure was incurred.