Mr. Jackman: On some of the branch lines where traffic during most of the year, at least, is not very heavy, is it cheaper to operate a diesel locomotive with a few cars attached to it than it is to operate the old type of steam locomotive which you use on most of these branches?

Mr. Vaughan: I do not think it would be on the branch lines where traffic is light. Diesel equipment is expensive and you have to get intense use out of diesel equipment to make it pay. It is the availability of the diesel for intensive use which makes it economical.

Mr. Jackman: The capital cost of a diesel engine—I am not speaking of the big moguls or the great big ones, but take a small one such as I travelled on in another country recently—would the cost of a small one capable of hauling three or four cars perhaps, or a half dozen cars—I do not know what would be reasonable—would it be very much more than the cost of a locomotive of the old type?

Mr. Vaughan: I do not know that it would be today; but we, of course, have many light steam locomotives on branch lines which are very suitable for this service. We pay for a diesel switcher, which is a light locomotive, about \$110,000, delivered in Canada duty paid. Some of the steam locomotives we have operating on these branch lines did not cost us \$30,000. They are getting old and obsolete. They use considerable coal. Your argument is, of course, it might be more economical to discard those engines and buy diesel equipment. There are no diesel locomotives as yet manufactured in Canada. The time may come when they will be manufactured in Canada. There are none made here as yet. We ordered some small diesels for Prince Edward Island and they are being partly built in Canada.

Mr. Nicholson: Between Saskatoon and Prince Albert you have a small diesel unit operating. This would appear to be inexpensive. How many of those have you?

Mr. VAUGHAN: 37 for the system.

Mr. Walton: We are not planning any additions to those.

Mr. Nicholson: Would not that type of equipment enable you to compete with the buses a little more successfully? Some of our branch lines are complaining about getting trains three times a week, or a train once a day which picks up the local freight. I imagine something will have to be done if your local passenger service is to be made attractive to these people.

Mr. Walton: One thing which slowed us down in getting more of these cars similar to the one operating between Saskatoon and Prince Albert is the fact that there are only certain places where they can be used to advantage. We have to move them around from place to place at various times. Sometimes the travel gets too heavy for the amount of accommodation there is in a diesel car, or the trailers it can haul, in which case we transfer it to some other place. There are not an unlimited number of places where such a unit could operate satisfactorily. There has been one operating between Saskatoon and Prince Albert for a considerable time and it has done a good job.

Mr. Mutch: How are they in the snow?

Mr. Walton: For real heavy snow, it is advisable to change to a steam locomotive, but in a light snow they would get through.

Mr. McCulloch: In regard to the train which leaves Ottawa at four o'clock to connect with the Ocean Limited, if that train is ten or fifteen minutes late on arrival at Montreal, you have to get out of the Ottawa train, have your baggage taken upstairs and then take it down again to the Ocean Limited. Under the old arrangement we could step off the four o'clock train and cross the platform to the Ocean Limited, but now we cannot do that.