

Q. So you did not feel justified—A. We did not feel justified because all the companies wanted to give us coal at that time.

Q. It did seem to me since you were buying coal to be taken at \$7, \$8 and \$10 you could have conceded the point to the miners in Nova Scotia and given them the extra 50 cents a ton.—A. As a rule, they did not ask for more money. It was a question of not being able to supply the coal.

Q. In the majority of cases it was absolutely impossible to pay more?—A. Yes.

Q. But in two instances I find they could have supplied you with coal at a higher price, or would have made an endeavour to do so.—A. The coal consumption for two or three years had been heavier than previously and the railways called on the coal company for more coal than the previous years probably.

Q. How many coal companies are there that you deal with in Nova Scotia or up in the Maritime Provinces?—A. I suppose there are twenty.

Q. Of course those records which you gave to us only cover the larger mines. They do not say anything about the smaller mines.—A. We could not get any coal from the smaller mines at all. Our general Fuel Agent was down there.

The CHAIRMAN: If you want to listen to this, Mr. Gardiner, you better come forward.

Mr. GARDINER: I was going to say this is a great inquiry. The members cannot hear anything at all.

The CHAIRMAN: I don't think that is quite a fair remark, because all the gentlemen at the back of the room have been talking to such an extent that they cannot hear. If they will keep silence and come forward, I will ask the witness to speak a little louder. Will you speak a little louder?

WITNESS: Yes, I am sorry.

Q. You say you dealt with about 20 coal companies in the Maritime Provinces?—A. Yes.

Q. And in the case of the smaller companies you could not get any satisfactory evidence in 1920 that they could supply you with coal?—A. No. I think I have a memorandum here of our contracts for 1920 which shows just exactly twenty companies that we placed orders with.

Q. And the form of contract you have given us covers four of the larger ones?—A. Yes.

Q. Did they supply you with the amount of the original contract,—the smaller companies?—A. They did, yes, pretty well; some did not. For instance, there was a contract with the Port Hood Company for 60,000 tons and they gave us 15,000 tons that year.

*By Mr. Macdonald:*

Q. They were in financial difficulties?—A. Yes

*By Mr. Lewis:*

Q. I notice that apparently the Fuel Controller practically dictates the price to the mines, in the letters I have just read?—A. The Fuel Controller did set a maximum price that year.

Q. When you send out tenders for original contracts, do you say what the price is that you can pay?—A. In normal times we usually get quotations from these companies, and if we feel the quotations are too high, we make them an offer of what we consider a reasonable amount for the coal.

Q. And the coal companies could not possibly exist without they supplied coal to the C.N.R.?—A. Some could and some could not.

Q. And you have to some extent a whiphand over those that could not?—A. I Would not say that.