

are using all the New Brunswick coal we can economically. I think it will be found we are using much more New Brunswick coal than anybody else is. Another thing I should like to mention is nearly all, all except two, of the New Brunswick mines are located on the Canadian Pacific Railway.

Mr. HEAPS: May I ask if you have the prices that you pay for the New Brunswick coal?

Mr. VAUGHAN: The price of New Brunswick coal, screened coal, \$4 a ton.

Mr. HEAPS: What do you pay in Nova Scotia?

Mr. VAUGHAN: It works out about the same.

Mr. HEAPS: May I ask at the same time what the United States railways pay for their coal?

Mr. VAUGHAN: The United States railways would pay for their coal an average of less than \$2.

Mr. HEAPS: Are you bringing coal now from Vermont?

Mr. VAUGHAN: We are not bringing in coal from Vermont; we are bringing some coal from the United States for the central territory.

Mr. HEAPS: Virginia coal?

Mr. VAUGHAN: No; we bring in American coal—the American coal we use in Canada is very largely coal that comes from our own mines, the Rail and River Mines, which supplies the central territory from Toronto to Port Arthur, which cannot be served by Canadian coal.

Mr. HEAPS: What does that coal cost you?

Mr. VAUGHAN: The average price of that coal at the mine is around \$1.50.

Mr. HEAPS: \$1.50 compared with what you pay here.

Mr. VAUGHAN: \$1.50 compared with Nova Scotia coal at \$4 a ton at the mine. On top of that \$1.50 we have duty and freight.

Mr. HEAPS: What does it cost you laid down here?

Mr. VAUGHAN: I can tell you pretty much by figuring it out. \$1.50, we pay \$1.51 to Lake Erie, we pay 75 cents duty and we pay 27 cents boat, which works out at a little over \$4 alongside Fort William, duty paid.

Mr. HEAPS: Do you use that coal on the western line?

Mr. VAUGHAN: We use some American coal on the western lines for a limited distance west of Fort William; we bring Alberta coal down to Winnipeg and to one divisional point east of Winnipeg.

Mr. HOWDEN: What does it cost you? I suppose the Alberta coal costs a little more?

Mr. VAUGHAN: The Alberta coal comes from different seams. The average cost of Alberta coal would be a little over \$3 a ton.

Mr. HOWDEN: Then you have the extra cost of haulage?

Mr. VAUGHAN: Yes, we have the extra cost of haulage to Winnipeg, a thousand miles for that coal.

Mr. KINLEY: Do the Nova Scotia mines lay it down on your own lines?

Mr. VAUGHAN: Yes.

Mr. KINLEY: You get the commercial haul on their other business besides?

Mr. VAUGHAN: We do; we get a large commercial tonnage from the mines in Nova Scotia, whereas we would get very little from the mines in New Brunswick.

The ACTING CHAIRMAN: What is the difference in heat units between the Nova Scotia coal and the Alberta coal?

Mr. VAUGHAN: The heat units are about the same; but there are other differences in the coal. For instance, the American coal we use from our own