

MORAUD, MR. L., DIRECTOR, CANADIAN NATIONAL RAILWAYS.

Agrees with all that has been said before this committee by Mr. Boys, Director, Canadian National Railways, 27.
Committee of four directors dealing with economies, 27.

SEGUIN, MR. G. H., NOTARY, MONTREAL.

Purchase of Montreal house occupied by Sir Henry Thornton, 160.
No personal money paid, 160.
Purchase price for house \$175,000 and \$10,000 for furniture, 161.
Montreal Trust Company advanced \$185,000, 161.
Acted as employee of Mr. Decary, 161.
Rent payable is equal to 8½ per cent of purchase price, 161.
Did not know assessed value of house in 1930, 168.
Had no appraisal made, 169.
Copy of deed of sale will be filed with committee, 170.

SMART, MR. V. I., DEPUTY MINISTER, DEPARTMENT OF RAILWAYS AND CANALS, OTTAWA, AND DIRECTOR, CANADIAN NATIONAL RAILWAYS.

Passes given to railway employees are within terms of Railway Act and within requirements of Railway Commission, 48.
Steamships and Maritime Freight Rates Act, 135.
Money spent last year on Maritime Freight Rates Act was less than estimated amount, 136.
Amounts paid to different companies under Maritime Freight Rates Act, 138.
Board of Railway Commissioners audit accounts for claims under Maritime Freight Rates Act, 138.
Maritime Freight Rates Act applies to 90 miles of Canadian Pacific Railway and to 3,342 miles of Canadian National lines, 138-9.
Mr. S. W. Fairweather's letter respecting tie replacements over a period of years, 188.
Grain shipped over Hudson Bay Railway during past five years, 280.
Letter to Chairman, May 14, 1932, indicating method of control of expenditure on Canadian National Railways, 443.
Finance committee recommendations respecting expenditure must be unanimous, 447.

THORNTON, SIR HENRY W., PRESIDENT, CANADIAN NATIONAL RAILWAYS.

Officials pay for meals, pullmans, sleeping cars and hotels, 10, 16.
Auditing department scrutinize officials' accounts, 10, 16.
No express franks but some telegraph franks used by officials, 12.
Club dues for officials, 12.
Officials are loyal and honourable, 15, 106.
Large percentage of mileage is development mileage built to open up country, 18.
Pension situation is very complicated one. Promises to provide Committee with an explanatory brief, 29.
Highway competition, 58, 69.
Short-haul traffic is the least remunerative, 59.
Truck operations are profitable up to 150 miles, 60.
Railways have not been sufficiently alive to inroads made by highway competition, 60.
In winter, the railway is most effective means of transportation, 65.
Basis for determining freight rates, 66.
Earnings of every passenger train are known, 66.
Railway transportation cannot be withdrawn entirely from a community, 67.
Diesel electric locomotives, 67, 299.
Question of railway entering motor vehicle business is under consideration, 69.
Motor vehicles could be rented and tried out, 69.
Railways cannot compete with highway competition unless they offer service commensurate in price and equivalent in facility, 71.
Canadian freight rates lowest in world, 75.
If passenger and freight rates from 1923 on had been on same basis as those in United States, all interest could have been met, and a surplus of twenty million dollars would have accrued, 75.
Accounts are prepared honestly, 76.
Gaspé railway taken over, 77.
Canadian National Railways has been asked to take over Pacific Great Eastern in British Columbia, 78.
Loans are secured by competitive bids, 81.
Canadian National Railways securities should sell as high as Government securities, 81.
Board of directors receive \$2,000, plus \$15 per day expenses, and members of executive receive as well \$40 per meeting, 97.