

Mr. KINLEY: I am also told that the spur will cost as much as to maintain the line, and that you will leave out Clarence and other important centres that have apple warehouses which you will not serve.

Mr. FAIRWEATHER: That latter statement is not correct.

Mr. KINLEY: Which statement is that?

Mr. FAIRWEATHER: The statement about the maintenance.

Mr. KINLEY: I am told that the spur will cost as much as to maintain the line. You will have to build a bridge across the Annapolis River, will you not?

Mr. FAIRWEATHER: No. The spur takes off on the same side of the river as the Canadian National line. The Dominion Atlantic Railway crosses the Annapolis river just to the east of Bridgetown. The spur is to the east of that bridge, so that the spur is on the same side of the river as the Canadian National line, and the spur is a relatively short spur and the cost of the construction of it together with the maintenance of the spur is considerably less than the cost of maintenance of the piece of track which it is proposed to abandon.

Mr. KINLEY: You have a crew of only three men on it now, have you not?

Mr. FAIRWEATHER: That may be entirely correct, but the maintenance of that line over a period of years—

Mr. KINLEY: Twelve or fifteen miles?

Mr. FAIRWEATHER: Nearly fifteen miles, and the spur I think is less than one mile.

Mr. MCKINNON: Mr. Fairweather, I have heard that you propose to construct a spur from the Canadian National line at Atikokan in to the new iron deposits there.

Mr. HUNGERFORD: I can answer that. It all depends on the development of the iron mine.

Mr. MCKINNON: Nothing is assured yet?

Mr. HUNGERFORD: No, it is purely a matter of speculation as yet.

Mr. MCKINNON: As far as this year is concerned it is up in the air?

Mr. HUNGERFORD: Yes.

Mr. DEACHMAN: I would like to slip back to the distribution system. In regard to your fuel costs, what is the added cost to the Canadian National Railways through the use of Nova Scotia coal?

Mr. VAUGHAN: Nothing.

Mr. DEACHMAN: Your fuel price is as low as the Canadian Pacific?

Mr. VAUGHAN: Yes, sir.

Mr. DEACHMAN: And there is no added cost in bringing the coal to Montreal or down—how far does Nova Scotia coal move out this way?

Mr. VAUGHAN: We take Nova Scotia coal on the transcontinental as far west as Hearst, and we bring it in some cases as far as Toronto.

Mr. DEACHMAN: When you bring it as far as Toronto, would that cost as much as fuel from the United States?

Mr. VAUGHAN: No, it does not. What we do is this; we say to the Dominion Coal Company or the coal company concerned: the price of American coal at Toronto is so much, we will take your coal if you meet that price less cost of handling and haulage. Haulage and handling charges are taken into consideration. Then they go to the government and get a subvention.

Hon. Mr. HOWE: It is paid for out of another pocket.

Mr. KINLEY: Have you got anywhere on your agreed charges; have you made any contracts?

Mr. YOUNG: That was discussed yesterday.