

Mr. HARRIS: Only on a tunnel?

Mr. COOPER: Only on the St. Clair Tunnel. That is because it has to comply with the Interstate Commerce Commission's requirements as regards American roads.

Hon. Mr. GRAHAM: That is the tunnel at Sarnia?

Mr. COOPER: Yes.

Mr. HARRIS: Before we leave page 19, Mr. Chairman, I would like a general statement as to the replacing of ties, for instance, on any of the lines, with these creosoted ties, where they take out an old tie that is not creosoted and replace it with a creosoted tie. I would like to get an idea from Mr. Henry as to what portion of that is charged to Betterments and what portion to Maintenance of Ways?

Mr. BROWN: It is all charged to Operating Expense; no charge to Betterments there at all.

The CHAIRMAN: Although the new ties are better than the old?

Mr. BROWN: They have increased life, and cost more on account of the treatment.

Major BELL: That has been argued out half a dozen times—

Mr. HARRIS: Not in Committee.

Major BELL: No, not in Committee, but in connection with the railway, and while in the first year we may suffer a little in having extra maintenance costs, it will average itself up in the long run, and it was thought better not to disturb that.

Mr. HARRIS: Will the same condition obtain if you increase the weight of the rail?

Mr. BROWN: No. Increased weight of rail over what you are replacing is charged to Capital Account.

Mr. HARRIS: The bare increase?

Mr. BROWN: Yes.

Mr. HARRIS: Where is the replacing of one rail by another charged?

Mr. BROWN: To Operating Expense.

Mr. HARRIS: The fact that there is quite a little difference in the cost of ties during 1923 as compared with 1922 will be due largely to the fact that there is less replacement.

Mr. HENRY: There were a million ties replaced, but there was a decrease in the average price of ties, and there was an adjustment of \$600,000 from 1922 to that of 1921; there was a bookkeeping item amounting to \$600,000 representing an adjustment from the previous year.

Mr. HARRIS: The same explanation applies for items 214, 216 and 218 "Rails, other track material and ballast."

Mr. HENRY: In regard to rails. There was about 100 miles of new rails less in 1923 and about 200 miles less of relay rails.

Mr. HARRIS: The same applies to item 222?

Mr. HENRY: That is a little increase there.

Mr. HARRIS: Could you enlarge a little on item 243; there is an increase there of some \$30,000?

Mr. HENRY: I think that is largely due to—(To Mr. Brown) Do you know what that is? I do not know offhand.

Mr. BROWN: I think they are heavy repairs at the coal dock in Port Arthur.

Mr. HARRIS: At Port Arthur?

Mr. BROWN: Yes.