

By Mr. Smith:

Q. They mention the price in there of \$185 per ton for your steel. Is that the basis of your figures of cost you gave us yesterday?—A. Yes.

Q. You had it at \$140 a few months ago.—A. The prices have gone up since then.

By Mr. Herridge:

Q. The 400 miles of pipe mentioned in there is the length of the pipe proposed to be laid in Canada?—A. Yes.

Q. That would indicate that the pipe would leave Canada at Kingsgate then?—A. We could guarantee them that much by assuming it going in at Kingsgate; but then there is considerable pipe on the other end of the line going forty miles or so into Vancouver.

Mr. CONNOLLY: This is the minimum which you could ask them to quote on at the moment without being authorized to build your route?

The WITNESS: Yes.

Mr. SMITH: It is based on crossing at Kingsgate is it not?

The WITNESS: Yes, that is the minimum.

Mr. GREEN: The rest would be bought in the United States?

The WITNESS: I do not know if we went in the other direction all the way in Canada where the Dominion Bridge would build a mill, but I think it would still be in Calgary.

By Mr. Connolly:

Q. They would be prepared to supply the pipe if you were authorized to build an all Canadian route?—A. Yes.

Q. In other words, you were dealing here with him on a minimum basis as a start?—A. That is the idea.

Mr. SMITH: On the basis of minimum miles in Canada.

Mr. CONNOLLY: Yes.

By Mr. Ferguson:

Q. If it was an all Canadian route would Mr. Dixon say if they would supply all the pipe for the Canadian route in Canada?—A. That has been our intention all the time.

Q. If it was an all Canadian route, instead of 400 miles it would be how much pipe?

Mr. KIMBERLEY: It is on the map. It would be 1,011 miles indicated by route "A".

The CHAIRMAN: Please proceed, Mr. Connolly.

The WITNESS: I think under the ordinary conditions we would buy the pipe in Canada but I would think to get it done in any reasonable time, I do not know whether they could furnish the steel from Canadian sources; it might be that it would be much cheaper to bring the steel up from San Francisco or even from Australia. It might be a great deal more economical to use, in Canada, steel from outside sources.

Mr. ADAMSON: Did you say even from Australia?

The WITNESS: Yes. We have been negotiating on that.

Mr. MURRAY: Or you could buy it from Great Britain?

The WITNESS: The freight rates almost seem to preclude that. You can get it from Australia cheaper than from Great Britain.

Mr. GOODE: Did I understand you to say that the Dominion Bridge Company would build a plant in Calgary for fabricating pipe for this particular job?