

MINUTES OF PROCEEDINGS

TUESDAY, May 26, 1936.

The standing committee on Railways and Shipping owned, operated and controlled by the Government, met at 11 a.m. The Chairman, Sir Eugène Fiset, presided.

Members present: Messrs. Barber, Beaubien, Beaubier, Bothwell, Elliott (*Kindersley*), Hanson, Heaps, Howe, Kinley, McLarty, Maybank, Parent (*Quebec West and South*), Stewart, Vien and Walsh.

In attendance: Hon. C. P. Fullerton, Chairman, Board of Trustees, Canadian National Railways; Mr. J. E. Labelle, K.C. and Mr. F. K. Morrow, Trustees, Canadian National Railways; Mr. S. J. Hungerford, President, Canadian National Railways; Mr. S. W. Fairweather, Director, Bureau of Economics, Canadian National Railways; Mr. V. I. Smart, Deputy Minister of Railways and Canals.

The chairman read a communication from Sir E. W. Beatty, Chairman and President, Canadian Pacific Railway Company, submitting a memorandum in which exception is taken to certain statements filed by Mr. Fairweather and printed as an appendix to the committee's proceedings of May 6, page 169, in answer to the following question by Mr. Maybank:—

Could you file a table which would show the adjustments to the C.N.R. operating ratio in order to render it comparable to that of the C.P.R. for a period of years?

The committee having discussed Mr. Beatty's request that the memorandum be added to the printed record, it was agreed that said memorandum be laid on the table pending any future action to be decided by the committee.

Discussion followed with respect to examining the Board of Trustees on statements made in the House by the Minister of Railways and Canals while moving the second reading of Bill No. 21, an Act to amend the Canadian National-Canadian Pacific Act, 1933.

The chairman having ruled against this procedure, the Bill not being referred to the committee, it was finally agreed that the chairman and other members of the Board of Trustees be allowed, if they so desired, to present a statement at the next meeting on the management of the railway under their jurisdiction, a copy of such statement to be sent, in advance, to the Minister of Railways and Canals and to the chairman of the committee.

On motion of Mr. Vien,

Resolved,—That the committee do approve of the following items of the estimates for the fiscal year ending March 31, 1937, viz,—

Items Nos. 84 and 85, Maritime Freight Rates Act,

Item No. 85, deficit of the Canadian National (West Indies) Steamships Limited.

The committee adjourned until Tuesday, June 2, at 11 a.m.

R. ARSENAULT,

Clerk of the Committee.